

HEINL RADIO BUSINESS LETTER

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CONFIDENTIAL—Not for Publication

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RADIO SALES POSSIBILITIES SEEN IN FRANCE

France is at present an exceptionally good market for well-made radios, an unusually thorough survey made by our consuls and commercial attaches for the Bureau of Foreign and Domestic Commerce, concludes. The survey goes into many other phases of French broadcasting.

Unlike in the United States, where a popular demand for radios has existed for the past 10 years, the radio in France only began to have a general appeal about 1928, at which time there was only one well-known American radio being imported into the country. With each succeeding year local interest in radio receiving sets has increased, until at the present time practically all the well-known American makes of radios are sold on the French market, some of them having been well established for the past two or three years.

While it is estimated that well over 1,000,000 sets have been sold in France, there are still large possibilities for the sale of this type of merchandise. While the Government issues licenses and doubtless is aware of the number actually issued, this total is maintained as a confidential matter.

Consideration of world developments, together with the French situation, would appear to warrant a present estimate of between 3,000,000 and 5,000,000, favoring, perhaps, the conservative figure. However, current estimates by persons who may be accepted as authorities are as low as 500,000; this they correlate with the earlier estimate by pointing out the former prevalence of crystal sets, presumably since retired, and not replaced by either crystal or tube sets.

One of the principal difficulties in meeting the demands of the prospective user is that the native thrift of the French family has one unbreakable law - that any purchase considered important must be of an article that will be certain to last for several generations. Such permanence they have not yet found in radio sets. Not only a definitely limited life can be contemplated for a set, but complete obsolescence in a much shorter time through subsequent improvements is to be expected, and the purchase of a radio set is therefore considered the purchase of a definitely temporary facility. Only those who can afford to violate inherent inhibitions regarding expenditures, therefore, can be interested in such a purchase.

Radio sales have been estimated in France to be in the neighborhood of 100,000 a year, although there have not been a sufficient number of practical estimates to determine whether this

is a fairly acceptable figure. In 1932 the United States furnished one fifth of this number, which, being limited by the quota system, would indicate that the estimate is definitely conservative. This estimate was presented in conjunction with that of a total of 500,000 sets in use in the country. French imports are quoted in quintals and value, so that the number of sets imported from other countries may not be determined.

French broadcasting is not a monopoly, but operates on a basis not directly comparable with that of broadcasting in any other country of the world. Strong governmental control, amounting to censorship, has been exercised over the private stations, but in all respects stations of this class are distinctly private and, outside the fields in which the Government dictates program policies, enjoy unusual freedom in broadcasting.

In addition to these private stations, the Government maintains a national system of stations, owned and operated through the *Ministere des Postes, Telegraphes, et Telephones*, this system being planned along lines similar to monopoly practice, in that the stations are scattered through the principal sections and are generally of such power that their combined service effectively covers the country, with the exception of certain areas to which the system has never been extended. This system operates on the chain principle (as differentiated from the relay system); each station broadcasts national and local programs as conditions require. Something of a parallel may be found in the new Canadian system, if assumptions recognizing national characters and ideals are made.

There has been a constant agitation in France for the abolition of the private stations and also of the national system, and at various times there have been indications of final adoption of one of the two methods of changing the set-up. In 1928 a policy of Government monopoly was adopted, to be instituted as soon as a system of national stations of high power could be placed in service. One such station was constructed in Alsace, where there had previously been no broadcasting and therefore which did not involve the question of closing any stations. Subsequent to the opening of this station financial difficulties prevented further pursuit of the plan, which presumably is still in abeyance.

The private stations are supported, as in the United States, by their owners, either unassisted or through the sale of time to advertisers. Government stations are supported from the national treasury. The license fees collected from receiving-set owners do not, so far as information is available, accrue directly to the broadcasting system, but to the Government, as a tax rather than as a subscription to broadcasting. Originally with only a statistical fee of 1 franc per annum, the proceeds could not be of any assistance in maintaining broadcasting, but the increase to 10 francs indicates a profit to the Government so far as the licenses alone are concerned.

It has been recently announced that the Government is taking over the powerful Radio Paris station as a new start on the national monopoly system.

France has no formal regulations governing radio broadcasting, and the present conditions arise from the fact that there were no retarding laws when broadcasting became a world activity. At that time both private interests and the Government commenced constructing stations, in the manner in which any activity not covered by such retarding legislation would be undertaken as the opportunity became apparent.

The control exercised by the Government is based rather upon more general laws, custom, and the intimate attitude of the French Government, as represented by parallel policy toward newspapers and other activities which may themselves, if unrestrained, carry on political activities detrimental to the Government or to the form of Government. This policy is a matter of national protection, and is normally pursued solely for the purpose of national well-being, thereby constituting regulation as understood in other countries, but with a stronger element of personal contact and individual treatment. While guarantees that equality of treatment under similar circumstances do not exist, popular opinion has in France more effective remedies for abuses of power and is more readily aroused than is general, and the probability of inequitable treatment is not so great as the lack of specific law would indicate.

Explanation of the results of using radio broadcasting without stated legislation in France, without examining the character of the French people and Government and the effect they have on those results, is certain to be misleading, both as to the nature of the broadcasting and as to its popularity. No more positive description for any purpose can be made than to use part of a statement made by William Hard, journalist, after a study: "It is not government broadcasting, it is France."

Not only the French broadcasting stations, but stations throughout Europe, are considered dependable sources of entertainment. A considerable knowledge of foreign languages (which is attendant upon much lesser education than is associated with lingual study in the United States) and a program variety arising from differing national ideals and cultural aims encourage a greater interest in radio than parallel conditions in countries more restricted in such conditions. While French programs have been freely criticized by the listening public, it is not necessarily because of fault in the program as compared with the receivable foreign broadcasts. It is a French characteristic to criticize openly rather than privately; the existence of criticism is not a reflection on the nature of French broadcasting, but an indication of opinion that it may be improved.

The detailed report is entitled "Radio Markets - France" and copies may be had by sending 25 cents to Marshall T. Jones, Chief, Electrical Equipment Division, Bureau of Foreign and Domestic Commerce, Washington, D. C.

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WOULD PERMIT GOELET TO BROADCAST REGULARLY

A recommendation that Station WGNY, owned by Peter Goelet, of Chester Township, N. Y., be allowed to share time equally with Stations WJBI, of Red Bank, N. J., WFAS, White Plains, N. Y., and WGBB, Freeport, N. Y., has been made to the Federal Radio Commission by Examiner George H. Hill. Goelet's station uses 50 watts and the others 100 watts and all broadcast on a frequency of 1210 kilocycles. WGNY is now operating only at certain specified hours.

"It appears that there is substantial need for the service requested by Mr. Goelet and that effective use will be made thereof", Examiner Hill reported; "that from the limited schedule of hours now assigned to Station WGNY, it is substantially handicapped in the rendition of services needed to serve properly and satisfactorily the area now covered by this station; that the station's area is diminished at night due to some interference; that during the daytime hours authorized, it is difficult to obtain a listening audience, the result being that when the station gets good coverage an audience is not entirely available, and when the audience is available, the coverage is limited; that sufficient talent is available if the service is extended, including various civic organizations, clubs and sport broadcasts of special local interest; that farm audiences require early morning hours for the rendition of farm programs and that the educational programs could be substantially improved if the time were available."

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TELEVISION MAY BE DISCUSSED BY COMMISSION AND INDUSTRY

The chances are that there will soon be a conference of officials of the Radio Commission and the radio industry to discuss the development of television. Dr. C. B. Jolliffe, Chief Engineer of the Commission said the industry was desirous of having such a meeting and that it was agreeable to him.

The Radio Manufacturers' Association has already appointed a committee of set manufacturers to study television. This committee comprises E. T. Cunningham, President of RCA-Victor Company; Powel Crosley, President of Crosley Radio Corp.; W. Roy McCanne, President of Stromberg-Carlson Telephone Manufacturing Co., and James M. Skinner, President of Philco Radio Co. They have designated a sub-committee of engineers to invade the technical side of television in cooperation with the Radio Commission and the broadcasters.

The National Association of Broadcasters will likewise soon appoint television committee for the purpose of conferring with the other groups.

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BROADCASTERS' CODE AUTHORITY MEETING POSTPONED

At the request of the NRA, the meeting of the Broadcasters' Code Authority has been postponed until Monday, December 11, which is the day the Code goes into effect. President Roosevelt signed it at Warm Springs, Monday, November 27.

Several important issues could not be decided and for that reason provisional clauses were inserted in the Code. It was held that the National Association of Broadcasters, although it represented 283 stations and 83 per cent of the total volume of radio advertising, was not sufficiently representative of the broadcasting industry to take over administration of the Code. It was necessary, therefore, for the President of the United States to name a temporary Code Authority to administer the Code until such time as the Broadcasters' Association can sign as members at least 70 per cent of all stations. The NRA found, however, that the National Association of Broadcasters does not impose inequitable restrictions upon membership and it is the hope of officials of the NRA that the Broadcasters' Association membership will be increased within the next 90 days to a point where the industry can take over complete administration of its own Code.

It is expected that the NRA will require the Code Authority to obtain the signatures of all stations to the Code in its approved form. The request will go forward just as soon as the Code Authority has had an opportunity to organize December 11, and get into action.

"The purpose of the Broadcasters' Code is to aid in eliminating from the Broadcasting Industry destructive and unfair practices, to bring about higher wages, shorter working hours, better living conditions for employees, to place the industry upon a sounder basis and to enable it better to render a public service", Philip G. Loucks, Managing Director of the National Association of Broadcasters explained.

"When President Roosevelt signed the National Industrial Recovery Act on June 16, he characterized the new law as 'a challenge' to industry which, he said, has long sought the right to self regulation.

"Always mindful of their obligation to the public, broadcasters willingly and generously extended their facilities in order that the American people might be fully informed of the progress of the President's recovery program. They have cooperated with the National Recovery Administration by reducing hours of work and by increasing wages in keeping with the spirit of the President's reemployment campaign. And now, by adopting the Code of Fair Competition for the Broadcasting Industry, approved today by President Roosevelt, they give further testimony of their complete support of the recovery program. The Broadcasting Industry accepts the 'challenge'."

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EXECUTIVES TO CONSIDER RADIO PROGRAM NEWSPAPER ADVERTISING

Washington, D.C. newspapers did not drop radio programs Friday, December 1, as had been expected. It was reported the publishers desired to await the outcome of a conference on the subject of the payment at newspaper advertising rates of radio programs to be held in New York, Monday, December 11. This conference will be attended by E. H. Harris, of the Richmond, Ind. Palladium, Chairman of the Radio Committee of the American Newspaper Publishers' Association; William S. Paley, President of Columbia; M. H. Aylesworth, of the National Broadcasting Company, and others.

The combination rate asked by the five newspapers in the National Capital was 50 cents per line week-days and 35 cents per line Sundays. According to an NBC representative, this would have brought the cost of carrying the programs of stations WMAL and WRC, to about \$20,000 each or \$40,000 for the two per year. The cost of WJSV's advertising for the year was figured at \$10,000.

"At that rate", the representative said, "it would cost the stations in 100 principal cities of the country about \$5,000,000 a year to advertise in the newspapers."

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SUPREME COURT MAY SOON PASS ON RADIO LABEL CASE

The Supreme Court of the United States has been asked to review the decision of the Supreme Court of Nebraska holding that a radio station is liable for defamatory remarks uttered in a political speech delivered over the station. The decision of the Nebraska court was rendered in the case brought by C. A. Sorensen against the KFAB Broadcasting Co., Lincoln, Nebr. It involves the construction of Section 18 of the Radio Act of 1927.

Following the decision of the Nebraska court, the National Association of Broadcasters, through arrangement with the Lincoln station, retained counsel to secure a Supreme Court review of the important question involved in the case. It is expected that the Supreme Court will rule upon the petition for review within the next few weeks.

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 : BUSINESS LETTER NOTES :

Gen. Hugh S. Johnson will address an audience of manufacturers for the first time since starting the NRA drive, when he speaks at the National Association of Manufacturers' convention in New York, Thursday, Dec. 7 (WJZ network, 10 P.M., EST.)

Among the passengers arriving in New York this week on the North German Lloyd liner "General von Steuben" was Rudolf Zimmerman, Berlin radio engineer, who has perfected an invention by which he can receive radio impulses written out on recording tape, just as they are sent. He said he had demonstrated the invention to German radio technicians, and had brought it here to show to officials of the Radio Corporation of America.

A quick-heater type 43 power pentode tube, that operates in 13 seconds, has been announced by the Arcturus Radio Tube Company, Newark, N. J. This is in comparison with forty to sixty seconds and more which has been found to be the usual thermal lag of this type of tube in laboratory tests on various makes.

Calvert Townley, a former Vice-President of the Westinghouse Electric and Manufacturing Co., died suddenly of a heart attack in New York last Tuesday. He was 69 years old.

In 1924 Mr. Townley was instrumental in arranging international radio broadcasts and was one of the sponsors of a broadcast sent by six stations more than 7,000 miles to various parts of the world. In 1927 he directed a survey for the Radio Engineering Committee of the American Engineering Council, of which he was Chairman. The result of the survey was the first plan to limit broadcasting and called for national planned control of the new industry.

Charges of assault against Ed Wynn, comedian, by a process server attempting to serve him with a legal notice on salary claims of musicians against the Amalgamated Broadcasting System, which Wynn headed, brought the comedian additional troubles in connection with his short-lived chain.

"The tensest broadcast Ed Wynn admits he's yet gone through was the one he put on for Texaco last Tuesday", Variety relates. "Crowding his thoughts as he went through the performance that night was the dread of a hostile studio demonstration plus the unloosening of stink bombs.

"Earlier in the day NBC officials received a report that ex-employees of Wynn's defunct Amalgamated Broadcasting System, disgruntled with the comic's refusal to pay off their claims for two weeks' wages out of his own pocket, were conspiring to stage a demonstration during the broadcast and also drop some perfumed notes around. The network prepared for the threatened event with a cordon of coppers and a score or so of dicks spotted in strategic spots around the studio.

. The Broadcast went off without untoward incident. The studio from which the show originated was the largest and most swankily decorated of the Radio City layout."

Operated by a woman, Mrs. Kathryn Jones, a new 100 watt station is temporarily operating on 1400 kilocycles at Muscle Shoals, Ala. The station should have the support of the Roosevelt administration and General Hugh Johnson because it uses the timely call letters WNRA.

The Muscles Shoals station is being tested out on a 30 days' trial basis.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Action On Examiner's Reports

Raymond M. Brannon, Fremont, Neb., denied application for C.P. for new station to operate daytime hours on 1500 kc., 100 watts power, sustaining Examiner R. L. Walker; KFOR, Cornbelt Broadcasting Corp., Lincoln, Neb., granted renewal of license on present frequency 1210 kc., 100 w. night, 250 watts day, unlimited time; portion of facilities of this station was applied for by Raymond M. Brannon for station at Fremont, Neb., Examiner R. L. Walker was sustained in this decision.

Application Dismissed

The following application was dismissed at request of applicant: WSDK, Aeronautical Radio, Inc., Washington, D. C., modification of license requesting additional frequencies: Brown chain, 2612, 2636, 12210 kc.

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COMMISSION RECEIVES COUGHLIN INTERFERENCE COMPLAINTS

Several Senators and Representatives have forwarded along complaints received from constituents alleging interference in the broadcasts of Father Coughlin, of Detroit.

The Commission is investigating these complaints but in the meantime has taken no action in the matter.

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TWO MORE STATIONS GRANTED 50 KW POWER

Stations WBT, at Charlotte, N. C., and WHAS, The Courier-Journal Co., and the Louisville Times Co., Louisville, Ky., were granted increases in power from 25 KW to 50 KW on their same frequencies, 1080 and 820 kc., respectively, following hearing before the full Commission on November 22.

In the case of WBT, the Commission decided that "the operation of WBT with 50 KW power will result in a more efficient use of the frequency (1080 kc.)"

With the granting of increased power to WHAS, the Commission's grounds for decision were that "the operation of WHAS with 50 KW power will result in a more efficient use of the frequency 820 kc., and no appreciable increase in interference may reasonably be expected to develop from the operation of WHAS".

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COMMISSION WRESTLES WITH LIQUOR PROBLEM

Early announcement may be expected by the Federal Radio Commission as to its attitude with regard to the legality of advertising liquor over the air. The Commission awaits a report from its Legal Division which has been in touch with the Department of Justice and the Post Office Department.

The Reed amendment barring use of the mails for liquor advertising in dry States is expected to block such advertising in newspapers and magazines even after December 5, the date of repeal, but since the Reed amendment was enacted in 1917, about five years before the advent of commercial broadcasting, it is not believed the amendment will affect the radio. The amendment specifies only use of mails.

Nevertheless, the Radio Commission is looking into the question thoroughly and will make no public announcement until sure of its ground.

The Columbia Broadcasting System previously announced that it would not accept liquor advertising after the repeal but that it would be willing to carry wine advertising.

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BROADCASTERS DEFEND THEMSELVES IN DEBATE HANDBOOK

So great has been the demand for information by students in connection with the debate on the question whether the United States should adopt the British radio system, that a 200 page book, "Broadcasting in the United States" is being prepared by the National Association of Broadcasters. The book will defend the American system and copies will be given free to debaters and debate coaches upon request.

Advocating the British system, the National Committee on Education by Radio, in a recent bulletin states:

"A factor involved in changing some of the fundamental features of the American radio practise is the matter of cost. It is not surprising that the selfish interests should use inflated cost figures. One representative of the 'commercial crowd', for example, estimates that to adopt a radio plan similar to that of the British would involve an initial capital cost of \$278,000,000 plus an annual cost of \$145,000,000 for providing three national programs to every listener in the United States. Whether or not three national programs for the United States are necessary is certainly open to debate. Moreover, an American plan using the essential features of the British system should cost no more, in all probability much less, than the present wasteful haphazard practise. According to the figures of the Federal Radio Commission, the total physical assets of American broadcasting including technical equipment, real estate, furniture, and fixtures but excluding goodwill, total \$30,578,680.31.

"Gross receipts for one year of individual stations aggregated \$38,461,302.41 and of chain companies, \$39,296,746.36 according to the same report. From these amounts the entire support of the present American broadcasting practise has been derived. The reason receipts are given rather than expenditures is because the report of expenditures submitted to the Federal Radio Commission shows too much trick bookkeeping. For example, after listing the usual expenditures for programs, employees, line charges, equipment, replacement, and the like, CBS lumps more than 50 percent of its annual outlay under the heading of 'other expenditures', while NBC places more than 40 percent under this same classification."

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WISNER SEEKS TO HAVE PATRIOTIC ANCESTOR HONORED

G. Franklin Wisner, Chief of the Press Service of the Federal Radio Commission, is endeavoring to have Congress award posthumously the Distinguished Service Medal to Henry Wisner, a member of the First and Second Continental Congresses and the only member of the New York delegation who voted for independence.

In furtherance of this effort, Franklin Wisner, following years of work has completed a book, "The Wisners in America, A Family of Patriots and Pioneers"; published in Baltimore, it contains 280 pages and 77 charts listing 1700 families including 8,000 persons. The book is a tribute to Mr. Wisner's thoroughness and industry and is really a remarkable publication.

Documents are on display at the Library of Congress showing Henry Wisner's signature alongside of George Washington, John Adams, John Hancock, Benjamin Franklin and other members of the Continental Congress, recording important actions.

After voting for Independence, Henry Wisner rushed back home to Goshen, Orange County, N. Y., and established plants for manufacture of gunpowder to supply ammunition for the Colonists in the impending struggle with the Mother Country. Wisner also helped to fortify the Hudson to block passage of the enemy. Then he was elected a member of the Provincial Assembly of New York, so that when time came to go to Philadelphia to sign the Declaration of Independence, he said he was too busy to spare the time.

Last Summer Franklin Wisner took part in the dedication of a memorial to Johannes Wisner, an official in Queen Anne's Army, who settled in New York State in 1702.

The memorial was erected along the public highway, at the suggestion of the New York State Board of Education, on a tract of land granted to Wisner for his valiant services while fighting against the armies of Louis XIV, of France, under the Prince of Orange and later under the Duke of Marlborough. The marker reads:

New York Settlers
First in Town of Warwick
Johanes and Elizabeth Wisner
Under Wawayanda Patent 1702
Settled Here in 1712

Johanes Wisner was the progenitor of a long line of pioneers and patriotic Americans whose offspring are to be found in practically every State in the Union, many of whom are located in Maryland.

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INTERNATIONAL BROADCASTING COMPANY, INC.

GENERAL HEADQUARTERS, ROOM 615

50 ROCKEFELLER PLAZA, NEW YORK, N. Y.

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No. 679

December 5, 1933.

GERMAN AND SPANISH RADIO O.K. DESPITE DEPRESSION

That both the German and Spanish radio industries have maintained notably strong positions notwithstanding the depression is revealed in reports to the Commerce Department.

Production of radios in Germany has risen from a total value of 8,000,000 marks in 1924, to an estimated total of 165,000,000 marks in the current year. In contrast to many other industries, Trade Commissioner Canty, in Berlin, points out that the foreign trade balance sheet of the radio industry has consistently shown profits.

Ten years ago, the report shows, there were less than 2,000 radio owners in Germany. Each year the number has risen sharply and the figure on January 1, 1933, stood at 4,308,000. However, it is pointed out that Great Britain has 114 radio sets to every 1,000 inhabitants; Denmark has 150; Sweden, 103; while the figure for Germany is only 69.

One-half of Germany's total population, according to the report, is made up of the working classes, only one-fourth of which are owners of radios. Improvement in Germany's economic condition with resulting increased purchasing power, the report states, is certain to increase the demand for radios generally among these classes of the population.

Spain is a promising market for American radios, according to Consul General Claude I. Dawson, Madrid.

Notwithstanding the general economic depression, Dawson reports, the Spanish demand for receiving sets has held up much better than it has in the case of most other lines of merchandise and appears to be growing steadily.

American radios practically dominate the market, the chief competition coming from the Dutch Philipps Company. Germany is holding a small share of the market and some Italian sets have been sold.

While radios are not classified separately in Spanish import statistics, they make up for the great bulk of receipts classified under the head of "telegraph and telephone material." In 1932, total imports under this classification amounted to 9,465,000 pesetas of which approximately 5,000,000 was accounted for by United States radio sets.

The Spanish market for radio presents certain peculiarities, the report points out. Because of static and other factors, the very long wave set used in Northern Europe is of little interest in Spain. There is some demand for the ultra short-wave set used in the more expensive models by the wealthier classes interested in receiving foreign programs. The popular demand, however, is for the sets of from 200 to 500 meter wave length and it is in this type that it is believed that American business can be expanded.

It is estimated by Spanish dealers that the number of radio sets now in use in Spain is in the neighborhood of 400,000, a figure which includes a large number of obsolete and crystal sets. Production of radios in Spain is negligible, the Spanish radio industry confining itself largely to the production of cabinets in which foreign chassis are installed.

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COMMITTEE TO RECONSIDER COLUMBIA'S PRESS GALLERY REQUEST

A meeting will be held Monday, December 11, to further consider the application of the Columbia News Service to admit their radio reporters to the Capitol Press Galleries. Those who will attend will be Speaker of the House of Representatives Rainey, Senator Copeland, of New York, Chairman of the Senate Rules Committee, Samuel W. Bell, Chairman of the Standing Committee of the Press Galleries, Henry W. Bellows, Vice-President of Columbia, and Ted Church, head of the Columbia News Service in Washington.

Considerably more than 100 letters and telegrams have been received by Mr. Bell from editors and publishers protesting against amendment of the Press Gallery rules to admit radio reporters, the Editor and Publisher reports.

H. C. Ogden, publisher, Wheeling (W. Va.) News, and Wheeling Intelligencer, wrote the only letter which was not opposed to admission of radio reporters.

"It would seem to me that the propriety of granting their admission would depend more particularly upon the facilities which the press gallery has, and also the purpose for which they propose to use the matter to be gained", Mr. Ogden wrote.

"Personally, I can't see any great objection to the Columbia Broadcasting reporters being admitted to the press gallery. There is not much to be gained or lost either way. There is certainly nothing to prevent them from getting the news or, at least, all they want to broadcast, and admission to the press gallery is only a matter of convenience."

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"The newspaper is the voice of the people and, as such, can serve a useful purpose only by remaining independent of and wholly separate from any form or implication of government control, licensing, censorship, regulation or influence", wrote Harry Chandler, publisher, Los Angeles Times.

"The radio is a commercial undertaking subject directly to government control and regulation under a licensing system that can be and actually has been invoked to deny an operating license, or to revoke the operating license of broadcasting units.

"It is obvious, therefore, that constitutional guarantees of free speech and of a free press are not regarded and have not been regarded as applying to the radio.

Among the others who have protested to Mr. Bell are:

Col. Robert R. McCormick, publisher, Chicago Tribune; Robert B. Choate, managing editor, Boston Herald and Boston Traveler; John C. Martin, publisher, Philadelphia Evening Ledger, Public Ledger and Inquirer; Frank Knox, publisher, Chicago Daily News; George E. Stephenson, publisher, Boston Evening Transcript; Grove Patterson, editor, Toledo (O.) Blade; L. K. Nicholson, publisher, New Orleans Times-Picayune; Eugene MacLean, general manager, Washington Post.

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CANADIANS IMITATE MARINE BAND BROADCAST

In their broadcast from Montreal last Sunday, the Canadian Grenadier Guards Band led by Captain Gagnier sprang a real surprise on American listeners by giving an imitation of the United States Marine Band playing the Marines' Hymn and singing the chorus of the stirring song just as the Marine bandsmen do on their broadcasts from Washington,

Following this the Canadian band played a march written by Capt. Taylor Branson, leader of the Marine Band. Captain Gagnier had previously telegraphed Captain Branson, and the latter was among the listeners in the Capital.

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MARCONI ATLANTIC WIRELESS FEAT 32 YEARS AGO

It will be thirty-two years ago Tuesday, December 12, since Marconi succeeded in sending the first wireless signal across the Atlantic.

Describing the accomplishment of this historic feat, Orrin E. Dunlap wrote in "Dunlap's Radio Manual":

"Then came December 12, 1901, important in the annals of wireless. Marconi sent up a kite to about four hundred feet elevation. It held the wire firmly, and Marconi prepared to tune the set for radio waves radiated in England. Before leaving the British Isles, he had given instructions to operators at Poldhu, Cornwall, on the southwest tip of England, to send the letter 'S' at a fixed time each day, beginning as soon as word was received that St. John's was ready to listen.

"Marconi and one of his assistants began tuning for Poldhu's wave length about noon. They were the only two persons present. Marconi thought he heard a signal and he handed the phones to his companion to verify it. Distinctly and unmistakably came the three dots forming the letter 'S'. At 1:10 P.M., more signals were heard, and at 2:20 P.M., Marconi again picked up Poldhu's spark, still sending 'S'. The Atlantic had been spanned by radio.

"On the following Friday he heard Poldhu again, but on Saturday no impulses actuated the detector, chiefly because of adverse atmospheric conditions, fluctuations of the kite's elevation, and the delicacy of the receiving set. Marconi hesitated to announce his achievement to the world, and it was not until two days later that he gave a statement to the press. Many disbelieved that messages could be sent through space for 2000 miles without the use of cables or wires."

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U. S. SUPREME COURT REFUSES TO CONSIDER KFAB CASE

The Supreme Court of the United States refused to review the decision of the Supreme Court of Nebraska on jurisdictional grounds. This particular decision of the Nebraska court refers to the action brought by C. A. Sorensen against the KFAB Broadcasting Co., Lincoln, Nebr., at which time the Nebraska court held that a radio station is liable for defamatory remarks uttered in a political speech delivered over a station. It involves the construction of Section 18 of the Radio Act of 1927. Following the decision of the Nebraska court, the National Association of Broadcasters, through arrangement with the Lincoln station, retained counsel to secure a Supreme Court review of the question.

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REPUBLICANS DECLARE RADIO IS CENSORED

The Republican National Committee touched off some pre-campaign explosive by the following:

"The radio has supplanted the public platform of former years as the medium of public discussion. To censor or muzzle it is to suppress free speech. Notwithstanding General Hugh S. Johnson's repeated public denials to the contrary, documentary evidence is in hand that broadcasting stations have been officially threatened with loss of their licenses unless they censor the use of their facilities in behalf of the N.R.A.

"They object to the muzzling of the press - the bulwark of popular government. That this has been attempted is evidenced by the stubborn resistance for over two months of the N.R.A. to writing into the newspaper code a reaffirmation of the Constitutional guaranties of freedom of the press."

The assertion concerning the alleged attempt to influence radio broadcasting in favor of NRA brought denials from several quarters. The National Committee did not go into particulars and rested on its assertion that there was documentary evidence in hand.

One Republican member of the Federal Radio Commission, Harold A. Lafount, said: "That is not correct. There has never been any threat or a suggestion of it."

Deputy Administrator Sol Rosenblatt, who handled the Radio Code for NRA, said: "It's the most ridiculous and absurd thing I've ever heard of."

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ASCAP REPORTED READY TO LICENSE N. Y. TAXI RADIOS

Reports from New York are that the American Society of Composers are getting ready to exact a license fee from New York City taxicabs using radio sets. There are said to be upwards of 1,000 taxis in the greater city. One concern calls itself the Radio Taxicab Corporation and numerous taxis advertise the radio feature in one way or another.

It is said that the Composers consider taxis with radios as likely a subject for a license fee as hotels and restaurants operating radios for patrons.

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RADIO TO KEEP POWDER DRY IN TUGWELL BILL OPPOSITION

On the eve of the Senate hearings scheduled to begin Thursday, Dec. 7, opposition to the Tugwell Bill, proposed food and drugs legislation, seems to be piling up like a rolling snowball. Nevertheless, radio interests, having about \$25,000,000 at stake, approximately the amount the food and drug interests spent on the air last year, are proceeding cautiously and are keeping their powder dry for the final fight.

"We don't want to do any shooting", said Henry A. Bellows, Chairman of the National Association of Broadcasters' Legislative Committee, "until we know what we are shooting at."

As far as known at this writing, the only witness to appear for the broadcasters will be James W. Baldwin. Mr. Baldwin will present a carefully prepared statement of their objections and will speak for the industry as a whole. Since there are to be about 200 witnesses, it is a matter of conjecture as to how soon Mr. Baldwin will be heard and how much water may go over the dam before that.

Because of the tremendous opposition aroused by the Tugwell bill, there hardly seems to be a chance of its being enacted in anywhere near its present form.

It is conceded that possibly some food and drugs legislation may be put on the books during the forthcoming session with the Administration backing, but it will be considerably less drastic than the Tugwell bill.

There is even a report to the effect that Dr. Tugwell may resign at an early date and thus himself pass pretty much out of the picture.

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CBS SENDS COMMENTATOR TO PAN-AMERICAN CONFERENCE

Edward Tomlinson, journalist and authority on South American affairs, has been sent to Montevideo, Uruguay, to give a series of radio reports over the Columbia network on the Pan-American Conference. Tomlinson is flying to the scene of the international parley and will inaugurate the broadcasts in about two weeks.

The Pan-American Conference of 1933 is regarded as among the most important held between the United States and her American neighbors. Questions of international trade and politics will be aired with a view to bettering economic conditions throughout the Western Hemisphere.

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: BUSINESS LETTER NOTES :

M. A. Leese, owner of Station WMAL, in Washington, whose initials are the last three call letters, died last week from heart trouble after having been confined to his home for about two weeks. Mr. Leese, who was in the optical business, had just been elected President of the Washington Chamber of Commerce to succeed Thomas P. Littlepage, lawyer and counsel for numerous radio stations.

Mr. Leese established WMAL in 1927. He continued to operate this as an independent station until recently, when it was leased to the National Broadcasting Co. From the start, WMAL's time was largely given over to promoting the civic and business interests of the city, and in appreciation for this and other civic work, the Cosmopolitan Club awarded Mr. Leese the first medal for distinguished public service in the District in 1930.

His widow, Fannie I. Leese; two sons, W. Earle Leese and M. Norman Leese, and a daughter, Mrs. N. Lorraine Good, all residents of Washington, survive him.

The degree of Doctor of Engineering has been conferred on Orestes H. Caldwell, former Federal Radio Commissioner, and now President of the New York Electrical Society and editor of the McGraw-Hill publications, Electronics and Radio Retailing, by the President and Faculty of Purdue University.

Another example of those who excell on the radio having their troubles in the movies is Ed Wynn. Although declaring Mr. Wynn himself "is more than funny; he is lovable", the New York Times critic is far from enthusiastic about the comedian's new picture.

"In 'The Chief', Mr. Wynn transfers his celebrated radio character to the screen and it comes out, visually, a good deal less hilarious than on the air waves", the Times critic writes. "As a somewhat desperate effort to corral the comedian's radio public the film presents him at the end in a typical radio broadcast, dictating answers to his fan mail. What it all comes down to is that Mr. Wynn is genuinely funny and 'The Chief' is not."

Wynn was freed of a disorderly conduct charge in New York after denying that he had assaulted a process server in his hotel apartment. This was supposedly in connection with debts contracted with the defunct Amalgamated Broadcasting System. Describing his rumpus with the process server, the comedian told the court:

"I was eating with my son, who is studying mechanical engineering", Wynn declared.

"Never mind that part of it", Mandel, the opposition lawyer interjected.

"Well, I just wanted you to know what he's going to be when he grows up", the Chief countered.

Amendment to the California radio laws to provide that broadcasting stations must keep a permanent record of speeches and produce this record in court in event of slander or libel suits will be sought at the next legislative session.

Active support of such an amendment was pledged recently by Gov. Rolph and Assemblymen Willard Badham, Kent H. Redwine, Charles W. Lyon and Clare Woolwine.

"There should be no difference between a newspaper and a radio station as concerns libel", the Governor said.

John McCormack, while in Washington on a concert tour, predicted that the day is near at hand when people will no longer pay to hear music sung or played.

"I'm glad I got my start some 20 years before radio appeared", he said. "It's going to be tough on these newcomers."

While enthusiastic over his own experience with radio, he lamented that radio singers, such as crooners, go on the air with such little background and training. Too much is left to the mechanical twisting of volume control, he observed.

Examiner Ralph L. Walker has recommended that the application of F. J. Reynolds for voluntary assignment of license of Station WMBR, of Tampa, Fla., to F. J. Reynolds, Inc., be granted, and that the application of F. J. Reynolds, Inc., for a construction permit to move Station WMBR from Tampa to Jacksonville, Fla., be granted.

The Commission has ordered that the application of Raymond M. Brannon, of Fremont, Neb., for a construction permit for a new station be denied. At the same time the Commission granted a renewal of license to Station KFOR, of Lincoln, Nebr., operated by the Cornbelt Broadcasting Co. Brannon proposed that the Commission withdraw and reallocate a portion of the facilities of KFOR for his new station asked for.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted
(Broadcasting)
Dec. 5, 1933.

WENC, Americus Broadcast Corp., Americus, Ga., C.P. to move transmitter and studio from Americus to Albany, Ga., and make changes in equipment; KMBC, Midland Broadcasting Co., Kansas City, Mo., C.P. to move auxiliary transmitter from Independence, Mo. to Kansas City, Kansas, to location of main transmitter; KDFN, Donald Lewis Hathaway, Casper, Wyo., license covering local move of station, and making changes in equipment, 1440 kc., 500 watts, unlimited; WQDM, A. J. St. Antoine & E. J. Regan, St. Albans, Vt., license, 1370 kc., 100 watts, specified hours; KMBC, Midland Broadcasting Co., Kansas City, Mo., license covering change in location of main transmitter, 950 kc., 1 KW, unlimited time; KIEM, Harold H. Hanseth, Eureka, Cal., authority to operate night of December 7th, in order to broadcast NRA meeting, KFJI consented to operation; WHAZ, Rensselaer Polytechnic Inst., Troy, N. Y., authority to remain silent December 25 and January 1st on account of Christmas and New Year's holidays; KWSC, State College of Wash., Pullman, Wash., authority to remain silent from 9:30 P.M., Dec. 23 to 6:45 A.M. January 8, 1934, PST, in order to make certain improvements in equipment; KWLC, Luther College, Decorah, Ia., authority to remain silent from December 20, 1933, to Jan. 2, 1934, during Christmas holidays at college.

Applications Other Than Broadcasting - Peoria Police Dept., Madison & Fulton, Peoria, Ill., general experimental C.P. frequencies 30100, 33100, 37100, 40100, 86000-400000, 401000 kc. and above, 100 watts; also, Portable & Mobile, 10 C.P.s for Gen. Experimental service, frequencies same as above, power 4.5 watts; Press Wireless, Inc.: WJC, Chicago, Ill., renewal of fixed public press, pt. to pt. telg. license in accordance with existing license; also granted modification of license, to change equipment and reduce power from 5 KW to 4 KW; WRDB, Washington, D. C., modification of C.P. to change frequencies from 5285 and 5355 to 5350 and 4726 kc., enlargement in points of communication, and extension of completion date from Dec. 1, 1933 to July 1, 1934; WAFM, WAFN, WHY, WHT, WJA, WHV, 4 miles E. of Elgin, Ill., modification of C.P. to change frequencies 5350 kc., WAFM; 5360 kc, WAFN; 18560 kc., WHY; 11640 kc., WHT; 7340 kc., WJA; 15640 kc, WHV; 4735 kc., WAFJ; 6920 kc., WJC; 8810 kc. WHS; 15910 kc., WHX; 14635 kc., WHU; extend completion date to July 1, 1934, and change in points of communication; WRDJ, Hicksville, N. Y., modification of license to add San Francisco as primary point of communication; KJAM, Honolulu, Hawaii, modification of license to change frequency from 5315 to 4720 kc., and add Seattle and Fairbanks, Alaska, as primary points of communication.

Also, Bell Telephone Laboratories, Inc., Portable, used principally in Monmouth Co., N. J., C.P. for general experimental purposes; frequencies 1614, 2398, 3492.5, 4797.5, 6425, 8655, 12862.5, 17310, 23100, 25700, 26000, 27100, 30100, 31100, 31600, 33100, 34600, 35600, 37100, 37600, 38600, 40100, 40600, 41000 86000-400000 and 401000 kc. and above, 1 KW power.

Also, W9XC, General Household Utilities Co., Marion, Ind., C.P. to change location of transmitter from Marion, Ind. to Chicago, Ill.; KGXQ, American Radio News Corp., near Redwood City, Cal., modification of C.P. to extend commencement date to 1/15/34 and completion date to 7/15/34; WMES, The Lorain Co. Radio Corp., Lorain, Ohio, modification of C.P. to change transmitter location from Lorain to 1.8 miles west of Lorain City, Lorain, Ohio, and change frequency from 2512 to 2550 kc.; W6XA, Remler Co., Ltd., Berkeley, Cal., modification of C.P. to change location of station from fixed at Berkeley to portable and mobile; also granted license covering same frequency 41000 and 51400 kc., 5 watts; W6XAP, Airfan Radio Corp., Ltd., Portable and Mobile, vicinity of San Diego, Cal., modification of license to add frequency 31100 kc., and change power from 6 to 30 watts; WPFZ, City of Miami, Fla. Miami Beach, Fla., license for police service, 2442 kc., 100 watts; WPPC, City of Providence, Board of Public Safety, Police Dept., Providence, R. I., license for police service, 1712 kc., 150 watts; D. Reginald Tibbetts, Portable & Mobile: W6XAT, W6XAV, W6XAW, W6XAX, W6XAY, W6XAZ, W6XBA, licenses, general experimental service, 41000, 51400, 61000 and 63000 kc., 25 watts.

Also, KICI, Superior Portland Cement Co., Dall Island, Terr. Alaska, license, fixed public point to point telephone; 3092.5 kc., 50 watts; KIIO, Northern Commercial Co., McGrath, Alaska, license, fixed public point-to-point telephone service, frequencies 2994, 3190 kc., 50 watts; KIIC, Camp Kingston, Cal. and KIID, Yermo, Cal., Dept. of Water & Power, City of Los Angeles, licenses for special emergency service, 3190 kc., 30 watts; WGS, Vieques, P. R., and WKZ, Ceiba, P. R., Govt. of Puerto Rico, Bureau of Insular Telegraph, renewal of point-to-point telegraph license, in exact conformity with existing licenses.

Miscellaneous

The Northern Corp., Chelsea, Mass., granted C.P. for new station, 1500 kc., 100 watts night, 250 watts day, unlimited time; KGBX, KGBX, Inc., Springfield, Mo., granted 60 day extension of authority to operate unlimited time pending decision on pending application.

Ratifications

Action taken Nov. 27: KOSQ, Mackay Radio & Telg. Co., New Orleans, granted 60 day authority to operate aboard vessel "Fairland" pending receipt and action on formal application; Action taken Nov. 28: WBOW, Banks of Wabash, Inc., Terre Haute, Ind., set for hearing application requesting change of frequency from 1310 to 1360 kc., increase in power from 100 watts to 500 w. night, 1 KW day, install new equipment and move transmitter locally; WMDW, Radiomarine Corp. of America, Washington, D. C., granted first and third class public ship license, "Santa Monica"; KEFC, Mackay Radio & Telg. Co., Inc., New York, granted 3rd class public ship license, "EXFORD";

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SOME RECENT NBC NEW AND RENEWAL ACCOUNTS

RENEWAL - The Texas Co. (Gasoline), New York City; Agency - Hanff Metzger, Inc., 746 Fifth Ave., N. Y. City; Started Oct. 24, 1933; Tuesday 9:30-10:00 P.M.; Network - WEAF WEEI WJAR WTAG WCSH WFI WFBR WRC WGY WBEN WCAE WTAM WWJ WLW WMAQ KSD WOC WHO WOW WDAF WTMJ KSTP WIBA WEBC WDAY KFVR WRVA WWNC WIS WJAX WIOD WFLA WSM WMC WSB WJDX WSMB KVOO WKY WBAP KPRC WOAI KTBS KGO KFI KGW KOMO KHQ KFSD KTAR KOA KDYL KGIR KGHL; Program, 35 piece orchestra under direction of Don Voorhees, guest artists.

RENEWAL - Health Products Corp (Feen-A-Mint), Newark, N. J.; Agency - McCann Erickson, Inc., New York City; Started Oct. 23, 1933. Mon. Wed. Fri., 7:30-7:45 P.M.; Network - WJZ WBZ WBZA WBAL WMAL WSYR WHAM KDKA WGAR WJR WCKY WENR-WLS KWK KWCR KSO KOIL WREN; Program - "Potash and Perlmutter" - dramatizations.

NEW - Humphrey's Homeopathic Medicine Co. (Humphrey's Remedies) Pine & Center Sts., N. Y. City; Agency - The Biow Co., 521 Fifth Ave., N. Y.C.; Started Nov. 13, 1933; Time - Sunday 12:15-12:30 P.M. Mon. Wed. Fri. 10:15-10:30 A.M.; Sunday - WEAF WTAG WEEI WJAR WCSH WFBR WRC; Mon. Wed. Fri. - WEAF WTAG WJAR WCSH WLIT WFBR WRC; Program - Bob Emery in songs and recitations.

NEW - Red Star Yeast Products Co. (Compressed Yeast), 221 E. Buffalo St., Milwaukee, Wis.; Agency - N. W. Ayer & Sons, Inc., 164 W. Jackson Blvd, Chicago, Ill.; Started Oct. 17, 1933, Tues. Thurs. Sat., 11:00-11:15 A.M.; Network - Philadelphia, WGY WBEN WCAE WTAM WSAI WWJ, Chicago, WOC WHO WOW WDAF WTMJ KSTP; Program - "Galaxy of Stars", musical and voice.

RENEWAL - Tastyeast, Inc. (Tastyeast), Trenton, N. J.; Agency - Stack-Goble Advertising Agency, Chicago, Ill.; Started Nov. 6; Mondays 7:15-7:30 P.M. EST; Network - WJZ WBZ WBAZ WBAL WMAL WSYR KDKA WHAM; Program - "Baby Rose Marie".

RENEWAL - Benjamin Moore & Co. (Paints and Varnishes), New York City; Started Nov. 1, 1933; Wednesdays 11:30-11:45 A.M. EST; Network - WEAF WEEI WJAR WFI-WLIT WFBR WRC WGY WBEN WTAM WWJ WLW WMAQ WOC WHO WOW WDAF WEBC WDAY KSTP WKY WFAA-WBAP WOAI; Program - "Betty Moore - Interior Decorating" talk by Betty Moore and organ music.

NEW - General Motors Corp., Detroit, Mich.; Agency - Campbell-Ewald Co., Inc., Detroit, Mich; Starts December 17, 1933; Sundays, 6:00-7:00 P.M. EST; Network - WJZ WBZ WBAL WBZA WMAL WSYR WHAM KDKA WGAR WJR WCKY WENR-WLS KWK KWCR KSO KOIL WREN; Program - Musical but talent undetermined.

NEW - Marrow Oil Co., Chicago, Ill.; Agency - Stack-Goble Advertising Agency, Inc., Chicago, Ill.; Started Oct. 29, Sunday and Wednesday 4:15-4:30 P.M. EST; Network - Sunday WLS KWK WREN KWCR KOIL KSO; Wednesday KWK KWCR WREN KOIL KSO; Program - Gene Arnold in 1 poetry and prose with piano accompaniment.

NEW - Plough, Inc. (Pharmaceutical & cosmetics, St. Joseph's Aspirin and Penetro), Memphis, Tenn.; Agency - Lake-Spire-Cohn, Inc. Memphis, Tenn.; Started Oct. 17, Tuesdays 8:00-8:15 P.M.; Network - WSAI KSD WOC WHO WOW WRVA WPTF WWNC WIS WJAX WIOD WFLA WMC WSB WJDX KVOO WKY KTHS WBAP KTBS KPRC WOAI WSM; Program - script show with music.

RENEWAL - Bayer Co. (Bayer Aspirin), N.Y.City; Agency - Blackett-Sample-Hummert, Inc.; N.Y.City; Started Oct. 15; Sundays 9:30-10:00 P.M.; Program - "American Album of Familiar Music."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

NATIONAL BROADCASTING COMPANY, INC.
GENERAL COUNSEL, ROOM 615
80 ROCKEFELLER PLAZA, NEW YORK, N. Y.



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RADIO BELIEVED ONLY TEMPORARILY HALTED IN CUBA

Recent political difficulties in Cuba have necessarily interfered somewhat with merchandising and distribution. However, there is no evidence that the basic market has been affected, and while there may have been momentary stoppage of radio business and some resultant losses, there have been no definite indications that the long-term demand will be other than as it is, controlled by current economic conditions, affected more by world fluctuations than by local political affairs, our commercial representative in Cuba reports to the Bureau of Foreign and Domestic Commerce. Future political developments will have greater bearing, and the question is raised as to whether the political trend will be toward continued disturbances or toward stability - a matter which cannot be forecast from any commercial information available.

Early in 1933 an organization of radio wholesalers in Cuba was formed for the purpose of promoting ethical trade practices and for interchanging credit information. Such matters as abuses of demonstration privileges, and repossession to rid buyers of obligations to permit the purchase of cheaper apparatus, were marked for immediate attention.

Radio apparatus sold in Cuba is almost exclusively of American origin. Occasional small supplies of European makes are imported, but these are of little importance. Most of the well-known American names are common in Cuba.

Exports of radio apparatus from the United States to Cuba were valued at \$767,198 in 1930, but dropped to \$327,822 in 1931 and finally on account of the depression and internal troubles to but \$156,138 in 1933.

The Cuban broadcasting system is one peculiar to the Republic, and does not fall fairly within any of the planned systems employed in most countries. Most of the broadcasters are licensed as amateurs, in a sense not essentially different from the licensed amateurs of the United States but Cuban amateurs are not restrained from providing broadcasting, and those who have established themselves in this activity occupy channels within the broadcast band.

This system originated in the early days of broadcasting, when it became apparent that the amateurs as a class could broadcast for broadcast listener reception, and desired to do so; whereas, the elements for support of a true broadcasting system were not so obviously present. The lack of early provision for broadcast channels, and the occupation by amateurs of the band

to which popular broadcast receivers were designed, resulted in a natural diversion of amateur activities from intercommunication to public entertainment, in which they have become more firmly entrenched as the activity becomes more thoroughly established.

In effect, most of these amateurs are now more closely identifiable as broadcasters than as amateurs. Regular schedules and commercial broadcasting are characteristic of the principal class, and as they are officially listed by the Government together with the few broadcasters, the line of demarcation has practically disappeared. Some of them operate on appreciable power - within the low range maintaining in Cuba - but all obviously fall within a class commercially known in the United States for general purposes as "cottage industries". The more common power range lies below 50 watts and down to $7\frac{1}{2}$ and 5, in the antenna. Service areas are therefore restricted to immediate localities, and commercial features are on the local or retail, rather than the institutional advertising basis.

The Cuban market for radio apparatus or any other commodities that do not constitute necessities, is limited to the wealthy and salaried classes. The prosperity of the people of lesser means is dependent upon the return from agricultural crops, principally sugar and tobacco; and low prices prevailing for these commodities during the past several years have severely affected the ability of these people to purchase such comparatively expensive items as radio.

It is not to be assumed that the concentration of wealth in Cuba is as great as in many other Latin American countries. While, in common with them, the population is largely divided into the richer and poorer classes, there is in Cuba a definite middle class which includes a large proportion of the population. This condition creates a demand for high-class products, but not without limitation in the matter of price.

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SEES FEDERAL ADMINISTRATOR OF COMMUNICATIONS

A plan is being cooked up to have an Administrator of Communications, George Durno reports in the "National Whirligig" published by the McClure Newspaper Syndicate of New York. He would function for telegraph, telephone and radio companies much as Coordinator Eastman does for the railroads.

"A committee under Secretary of Commerce Roper is working the problem out. Recommendations probably will be forthcoming to Congress", Mr. Durno writes.

"Some fine points have to be decided first. Wireless men don't want the broadcasting end of radio included in the set-up. The telephone already being a monopoly there is also considerable agitation to confine the coordinating to telegraph and wireless.

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"Unsuccessful efforts have been made in the past to get legislation permitting merging of the telegraph companies with at least one radio connection. The telegraph companies aren't making money. The Co-ordinator idea may be the solution."

In a confidential note to editors (not for publication) Mr. Durno adds:

"In the proposal to put a Federal Administrator over communications the Government is dealing with a complicated and interwoven situation.

"Western Union and ITT (Postal) tried to merge last year but the bill was beaten in the Senate. This merger would have frozen out RCA. The earlier move to merge Western Union and RCA has faded out. In the meantime, the telephone company holds the patents to the teletype with which it could send 18 telegrams over a wire used for a phone conversation.

"An effort probably will be made to have the three fields separated - radio, telephone and telegraph - insofar as overlapping ownership of stock is concerned. Service reforms would then be undertaken as are being done with the railroads."

It is understood that the Communications Committee has completed its report and submitted it to Secretary Roper to be sent along for the President's approval.

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WOULD AVOID WOW INTERFERENCE

A recommendation has been made to the Radio Commission that an application made by Station KMLB, at Monroe, La., to increase its power to 250 watts and to change its frequency to 590 kilocycles be denied. The latter is the same frequency used by WOW at Omaha, and it was declared the change might cause the Louisiana station to interfere with the Nebraska station.

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RADIO CENSORSHIP IS BUGABOO SAYS JOHNSON

Addressing the National Association of Manufacturers in New York, General Hugh S. Johnson, NRA Administrator denied the Republican National Committee's allegations of radio censorship as follows:

"The radio censorship is a bugaboo out of whole cloth. Who has not heard the air, and I might have said airy, attacks on NRA by former Senator Watson of Indiana, Senator Hatfield of West Virginia, Colonel McCormick, of The Chicago Tribune and many others? I challenge the recent statement that there is any evidence, documentary or otherwise, that I ever sought in any way to influence radio criticism. However, a hired man trying to put together the ideas of his employer in an editorial, and having nothing better to go on, must not, I suppose, be held to strict accountability to the truth. There again occurs the question that, considering the motives and the methods of these hostile newspapers, are you going to let them do your thinking for you?"

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TUGWELL BILL WOULD JEOPARDIZE FREE SPEECH, BALDWIN DECLARES

Testifying on behalf of the National Association of Broadcasters at the Senate hearing on the so-called Tugwell Food and Dgurs bill, James W. Baldwin voiced vigorous objections to the bill in its present form.

"The definition of 'advertisement' in the bill is so broad as to include 'all representations of fact or opinion disseminated in any manner or by any means'", Mr. Baldwin told the Senators.

"Such a definition of advertising appears absolutely unworkable. An expression of 'fact or opinion disseminated in any manner' covers practically every spoken, written or printed word. With such a definition, the prohibitions contained in Section 17, sub-sections (3) and (4) would apply even to the simplest oral statement.

"Such a definition of advertising, if established by Congressional enactment, would go far beyond the scope of the pending legislation. It would, in effect, place formidable barriers around the right of free speech. Within the field specifically covered by these bills, it would render any statement dangerous, unless such statement were based on an intimate and complete knowledge of scientific data.

"Under so extraordinarily broad a definition of advertising, and with the prohibitory provisions of this bill, there is hardly an advertisement of any food product, drug or cosmetic appearing in our newspapers or magazines, or broadcast from our radio stations, which is not at least open to attack. If such

a definition is permitted to stand, there is scarcely a legitimate advertiser in this entire field who can feel himself reasonably secure from legal action, particularly since such action may and doubtless will be instigated in large measure by his competitors.

"Section 9 declares, in substance, that any advertisement of a food, drug, or cosmetic 'shall be deemed to be false if in any particular it is untrue, or by ambiguity or inference creates a misleading impression.'

"The broadcasters have no desire to enter into the argument concerning self-medication, with which this section is extensively concerned. They do, however, desire to point out three things:

"(a) The phrase 'if in any particular it is untrue' involves the setting up of an absolute standard of truth which, in the ordinary affairs of human life, is utterly unattainable. One may, in this connection, aptly quote Pilate's 'What is Truth?' There is no piece of advertising copy in existence, no newspaper report, no public document, which could wholly meet such a requirement as this. Of course it will be urged that this phrase is not to be taken too literally, but a law that cannot be taken literally is a dangerous and bad law.

"(b) The phrase 'by ambiguity or inference creates a misleading impression' is just as dangerous as the phrase commented on in the preceding paragraph. How is the 'impression' created by any given piece of advertising copy to be determined? What is meant by 'misleading'? Even the most accurate and careful statement of facts, whether contained in an advertisement or in any other form of communication to the public, is subject to misinterpretation. A court has trouble enough in determining the correctness of a statement of facts; no one can even guess what would happen if it were called upon to determine legally the 'impressions' created by 'inference.' Such a provision is a direct blow at all legitimate advertising. It would, if applied literally, threaten virtually every piece of advertising copy in the food, drug and cosmetic field. If not applied literally, it would create a complete chaos of uncertainty.

"(c) The provision that an advertisement of a drug shall be deemed to be false 'if it includes the name of any disease for which the drug is not a specific cure but is a palliative' involves what appears to the layman to be a perfectly hopeless confusion of opinion. The 'cure' of today is the 'palliative' of tomorrow. Most people believe, for example, that aspirin 'cures' headaches because it frequently stops them, but the headache itself may be merely the symptom of an ailment which the drug cannot affect. The use of such words as 'cure' and 'palliative' in legislation is certain to create endless confusion, because the words themselves are of such variable meaning.

"Section 15 directs each United States attorney 'to cause appropriate proceedings to be instituted in the proper courts of the United States.' This throws the initial determination of what constitutes unlawful advertising into a multiplicity

of courts of presumably equal authority, resulting inevitably in hopeless confusion. An advertisement might and doubtless would be held truthful, and hence legal, in one court, and untruthful, and hence illegal, in another of like authority. It seems utterly impossible to avoid disastrous confusion unless the determination of what is and what is not permissible under the law is handled by a single judicial tribunal. This applies particularly to advertising which is interstate in character, and therefore is of special significance to the broadcaster.

"Section 19 gives to the district courts of the United States power to restrain by injunction the 'repetitious dissemination by radio broadcasting - - - of false advertising.' Here again, as in Section 15, confusion is inevitable as a result of action by a multiplicity of courts. An advertisement may be found to be illegal in one court, legal in another, and summarily shut off by injunction in a third where the case has never actually been heard at all. Even the successful defense in court of an advertising statement will not afford full protection, because some other court may rule differently, thereby furnishing the basis for injunctions throughout the country. Unless there is set up a single tribunal with full authority for the entire nation, subject only to the usual rights of appeal, this provision regarding injunctions is bound to give rise to vast confusion and manifold injustices."

In conclusion Mr. Baldwin said:

"It will be noted that the foregoing four specific criticisms of the bill fall into two groups. One concerns what seems to be the impossibility of defining accurately enough for legal purposes what is meant by 'truth' in advertising. It may be said that the broadcasters regard this defect in the proposed bill as fundamental, and that they can see no practicable way of extending the scope of such a bill beyond the deliberate misstatement of specific facts. Manifestly, an advertisement should not be permitted to state that the ingredients of a certain drug are so-and-so, when the manufacturer knows that in fact they are something else. When, however, legislation seeks to control the expression of opinion, or to set up a standard of absolute truth, that is quite beyond the reach of the human mind, it is making the violation of its provisions (inevitable and universal. A strict interpretation of the bill as it stands would destroy the entire advertising business of the United States; a liberal (i.e., lax) interpretation would lead to hopeless confusion.

"The second group of criticisms concerns the proposed administration of the bill. The primary object of any such legislation should be the protection of the public by making clear to advertisers what they may and may not legally do. The method of administration here set up appears completely to defeat this purpose.

"Although reference has here been made to specific sections of the proposed bill, the objections raised to these sections apply likewise, though less directly, to other features of it, and therefore it is on the broad, general grounds herein outlined that the Broadcasting Industry has recorded itself as protesting against the enactment of the legislation 'unless on the basis of many and far-reaching changes therein.'"

12/8/33

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: BUSINESS LETTER NOTES :
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The Brooklyn Daily Eagle has applied to the Federal Radio Commission for a construction permit to erect a new station to operate on 1400 kilocycles with 500 watts power, unlimited time. In this connection the Eagle has asked for the facilities of Stations WBBC, Brooklyn Broadcasting Company, WLTH, "Voice of Brooklyn", Inc.; WARD and WVFW, New York. All are 500 watt stations and share time on the 1400 kilocycle frequency.

The Eagle expects to erect a transmitting station somewhere in the Flatbush area and the studios are to be in the Eagle Building.

Sam Gellard, President of the "Voice of Brooklyn" said that he would oppose the Eagle's application for a permit. It was reported other broadcasters in Brooklyn on the same wave also would protest. It is understood that if the Eagle does not secure the 1400 kc. channel, it will apply for some other channel.

An Italian decree, effective December 5, sharply increased the rates of import duty on typewriters and parts, "sound" cinema apparatus and parts for radio apparatus, the announced motive of which is the "urgent necessity of equalizing the tariff regime of certain products to the changed conditions of the international market", according to a cablegram received in the Department of Commerce from Commercial Attache Charles A. Livengood, Rome.

The new rates, which apply to imports from all supplying countries, are as follows: in lire (a fraction over 5 cents) per net kilo, unless otherwise stated (former rates are in parentheses):

Apparatus for recording sound film, 80 (8.80), apparatus for projecting sound film, 100 (25); unspecified apparatus using thermoionic tubes, 35 (25); thermoionic (including radio) tubes, weighing up to 80 grams, 10 lire each (5 lire each), weighing from 80 to 150 grams inclusive, 22 lire each (12), weighing over 150 grams, 50 lire each (30); unspecified parts of apparatus using thermoionic apparatus, including radio parts 135 (75).

In addition to the above-mentioned specific rates of duty, there is a general ad valorem duty of 15 percent of the c.i.f. value.

12/8/33

That America's 10,000,000 unwired homes represent one of the biggest potential new-business opportunities for radio dealers is the opinion expressed by John F. Ditzell, Majestic's General Sales Manager.

"This enormous market", states Mr. Ditzell, "has been practically untouched in the past. The shortcomings of old-style storage battery receivers have been too great. The result is seen in statistics which indicate that only one unwired home out of nine enjoys the advantages of radio, while six out of every nine wired homes now have radios."

Earl Hadley, Majestic's Advertising Manager, reports that dealers have ordered nearly twice as many Christmas displays this year than were ordered last year.

"Variety", the theatrical magazine unconsciously paid a compliment to the radio industry with a big first page headline this week which read "Make Pix as Clean as Radio." The article reads, in part, as follows:

"Filmdom's antidote for dirt is to tap the producers' pocketbook, which would pay for it. In other words, now that the business is nearly under the code, throw frowned-upon stories and plays into a bonfire and let an immediate loss be checked off by the company that committed the indiscretion. But what is dirt? What is sex? When does sex cross the line? What is vulgarity and what is merely risqué?

"A company head, and one of the leading chief codists who will have to propound the answers which within a few weeks will decide whether a story or play will be produced or burned, has this viewpoint:

"The film has to be clean in essence. We will order out most of the sex films. Anyone can laugh at a dirty story, but it takes brains to make them laugh at a clean one. The same goes for pictures. There is no reason why films should not be as clean as radio. And they will be."

That the world of today has been shrunk to the width of an ordinary city street, across which sounds echo in the same time that they go by radio around the world will be demonstrated by Orestes Caldwell, former Federal Radio Commissioner and President of the New York Electrical Society, in a coast-to-coast hook-up over the Columbia Broadcasting System, Tuesday evening, December 12, at 9:15 P.M.

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NEW COOPERATIVE CHAIN SEEKING N. Y. OUTLET

The General Broadcasting System was formally incorporated in Delaware last week and is now seeking to consolidate two stations in New York City so as to have a full-time outlet in the metropolis. The stations are WFAB; New York; WPEN, Philadelphia; WDEL, Wilmington; WCBM, Baltimore, and WOL, Washington, all of which, except the first, were identified with Wynn's chain.

According to sponsors of this network, it now is simply a mutual project for interchange of programs, which, however, will be available for commercial use on a network basis. Paul Harron, executive of WFAB and WPEN, is president of the new company.

Already the network is said to have sold enough time to pay the Western Union Telegraph wire charges for the 9 hours each day during which the stations exchange programs. As foretold here previously, the General Broadcasting System has no ambition to become a country-wide network. This was reiterated by a member yesterday who said, "We are not talking about 100 stations or anything like that. It is possible we may include Boston. If we do have an outlet in that city, we will be covering a third of the population of the United States.

"There are 12,000,000 persons in the territory from New York to Washington. Our advertising rate for covering that area is just half what Columbia charges. We are already making a little money. All stock is owned by the member station."

It has been proposed to call the new chain the "Gold Network" because of the rich territory it covers. As a beginner the General Broadcasting System is supplying broadcasts of boxing events in Madison Square Garden from New York and the Washington Catholic Radio Hour from the National Capital.

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"LITERARY DIGEST" PRESENTS RESULT OF POLL

The first of the series of articles in the Literary Digest regarding the popularity of radio features appeared in the issued of December 9. This gives the results of a radio test in which readers expressed themselves on their radio likes and dislikes.

Sixteen thousand, four hundred (16,400) readers clipped, filled, signed and mailed the coupon which appeared in a previous issue of the "Digest" bearing two questions, "What Do You Dislike on the Air?" and "What Do You Like on the Air?" In all, there were 205,336 individual votes. The dislikes totaled 81,271, while significantly, the likes ran far ahead, to 124,065.

The mass of data, carefully tabulated, will be presented in future articles in the Digest.

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1570/88

DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted
(Dec. 8, 1933)

WAGM, Aroostock Broadcasting Corp., Presque Isle, Maine, C.P. to move transmitter locally and make slight changes in equipment; WOL, American Broadcasting Co., Washington, D. C., license covering changes in equipment, 1310 kc., 100 watts, unlimited; WGCM, Great Southern Land Co., Mississippi City, Miss., license covering increase in power and change in specified hours, 1210 kc., 100 watts night, 250 watts day; WSMB, WSMB, Inc., New Orleans, La., license covering move transmitter 1320 kc., 500 watts, unlimited; WKBB, Sanders Bros., Radio Station, E. Dubuque, Ill., license covering move of station, change in frequency and hours of operation, 1500 kc., 100 watts, specified hours; WCOA, Pensacola Broadcasting Co., Pensacola, Fla., authority to remain silent Christmas Day, also January 1st; KRMD, KRMD, Inc., Shreveport, La., authority to operate Dec. 8, 1933, until 8:45 P.M. in order to broadcast by remote control local Boy Scout program; KWWG, Frank P. Jackson, Brownsville, Tex., extension to remain silent until decision on application for assignment of license, and request of new applicant for facilities of KWWG, but not later than April 1, 1934; WSUI, State University of Iowa, Iowa City, Ia., special temp. authority to operate from 10 P.M. to 1 A.M. CST, Friday, December 15; KRE, 1st Cong. Church of Berkeley, Berkeley, Cal., special temp. authority to operate from 6 to 7 A.M. PST, Christmas Day.

Also, City of Jersey City, Dept. of Public Safety, C.P. for General Experimental purposes, frequencies 30100, 33100, 37100, 40100, 86000-400000, 401000 kc., and above, 100 watts; Same, portable and mobile, 10 C.P.'s for gen. exp. service, same frequencies as above, power, 4.5 watts; The Journal Co. (The Milwaukee Journal), Milwaukee, Wis., Gen. Experimental C.P. 1614, 2398, 3492.5, 4797.5, 6425 and 8655 kc., 1 KW power; Earl A. Nielsen, Portable, Phoenix, Ariz., general experimental C.P. 3100 34600, 37600, 40600 kc., 3 watts; City of LaGrange, Ga., C.P. for police service, 2414 kc., 50 watts; County of Orange, Santa Ana, Cal., C.P. for police service, 2430 kc., 400 watts; City of Long Beach, Portable, Long Beach, Cal., C.P. for police service, 2430 kc., 100 watts; City of Las Vegas, Las Vegas, Nev., C.P. for police service, 2470 kc., 50 watts.

Also, KIFS, KFJI Broadcasters, Inc., Portable, C.P. to make changes in equipment and change frequency from 1518 kc. to 1622 and/or 2150 kc., 50 watts; also granted authority to operate station on new frequencies Dec. 12 between 9 and 12 P.M.; KGZW, City of Lubbock, Dept. of Electrics, Lubbock, Tex., modification of C.P. to extend completion date to Feb. 1, 1934; Aeronautical Radio, Inc.: List of 17 stations, and list of 7 stations modification of License for removal of "Day only" restriction from frequency 4917.5 kc.; WSDC, Newark, N. J., WSDQ, Berea, Ohio WSDG, Chicago, WSDO, Buffalo, N. Y., WSDH, Murfreesboro, Tenn., C.P. aviation - aero. pt. to pt. service, 2612, 3467.5, 2636, 4740, 6540, 6550, 6560, 8015 kc., 250 watts.

Also, Mackay Radio & Telg. Co., Inc.: WMEN, Chalmette, La., modification of C.P. to make certain changes in equipment to be installed, and to give exact location of transmitter #1; for transmitter #3, extension of commencement date to Nov. 21/33 and completion date to May 21/34; WMEC, St. John, Ind., modification of C.P. to make certain changes in equipment and give exact transmitter location (Trans. #1 and 4); for Transmitter #2 and #3 extend commencement date to Nov. 21, 1933, and completion date to May 21, 1934; KIWA, Kent, Wash., modification of C.P. to make certain changes in equipment and give exact location of transmitter; WMZ, Sayville, N. Y., modification of license to add frequency 5250 kc., and add Seattle as primary point of communication; WKE, WIW, modification of license to add Seattle as primary point of communication; KNA, Palo Alto, Cal., KWB, KWI, modification of licenses to add Chicago as primary point of communication.

Also, W2XAH, Bell Telephone Laboratories, Inc., South Plainfield, N. J., W10XAR, Western Electric Co., Inc., Portable, W8XAR, Westinghouse Electric & Manufacturing Co., Saxonburg, Pa., W9XA, National Broadcasting Co., Inc., Denver, Colo.; W1XAM, Westinghouse Electric & Manufacturing Co., Chicopee Falls, Mass., W2XBJ, RCA Communications, Inc., Rocky Point, N. Y., W1XP, Massachusetts Institute of Technology, South Dartmouth, Mass., renewals of special experimental licenses in exact accordance with existing licenses.

Oral Argument Granted

The Commission, sitting en banc, will hear oral arguments on January 3, 1934, beginning at 10 A.M. in re Examiner's Report No. 520, concerning applications of WCAO, Baltimore, WICC, Bridgeport, Conn., and WCAC, Storrs, Conn., for increase in operating power to 500 watts, on their common frequency, 600 kc.

Action On Examiner's Report

New - Brooklyn & Queens Transic Corp., Brooklyn, N.Y., denied application for C.P. for radio station to operate on frequencies 27,100, 34600, 41000, 51400 and in the band from 60000 to 400000 kc., for experimental purposes, reversing Examiner George H. Hill.

Ratifications

Action taken Dec. 1 - WOCC, Mackay Radio & Telg. Co., San Francisco, granted 60 day authority to operate additional 100 watt transmitter aboard vessel "Elsegundo", pending receipt and action of formal application; Action taken Dec. 5 - WBAX John H. Stenger, Jr., Wilkes Barre, Pa., granted special temporary authority to change type of tubes in last radio stage; WLAE, Radiomarine Corp. of America, Washington, D. C., granted 60 day authority to operate 500 watt transmitter aboard vessel "Ballcamp" pending action on formal application; WIEO, National Broadcasting Co., Inc., Washington, D. C., granted authority to operate broadcast pickup station on frequency 1566 and 2390 kc., 50 watts, for period Dec. 6 to 9 inclusive.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 681

December 12, 1933.

CRITICS FORCE TUGWELL BILL CHANGES

So heavy were the attacks on the Tugwell Food and Drug Bill by James W. Baldwin representing the broadcasting industry and by representatives of other industries during the two days of the Senate Commerce sub-committee public hearings that the measure will be radically revised before the Committee reports to the full committee on or about December 20. It is expected that many of the features objected to will be eliminated. The full committee hopes to have its report completed when Congress convenes January 3.

Arthur Kallet, youthful author of "100,000,000 Guinea Pigs", enlivened the hearing just before its close with a demand that Senator Royal S. Copeland (Democrat) New York, who introduced the Tugwell bill in the Seventy-second Congress, be removed as Chairman of the Committee holding the hearing because of his radio broadcasting on behalf of a food product company.

The demand for Senator Copeland's removal as Chairman came as a surprise to the Committee and was received in silence.

Kallet, granted the floor to speak on behalf of Consumers' Research, Inc., of Washington, N. J., a service claiming 50,000 subscribers, began by saying he did not believe it was possible for the consuming public to receive a fair hearing at a meeting "packed with representatives of patent medicine manufacturers, when the Chairman of this Committee is receiving pay for broadcasting in behalf of a nationally advertised product, the claims for which will be adversely affected as being untrue and misleading under the terms of the pending legislation."

Senator Copeland, who had been growing increasingly red in the face through Kallet's opening remarks, interrupted to ask if the speaker thought he had been unfair.

"Yes", replied the young author, "and I'll come to that later."

Kallet continued his statement by declaring that even during the current hearings on the bill he sponsored Senator Copeland had been broadcasting for a food product supported by "statements which were gross exaggerations and which find no support among reputable American physicians."

"In view of this commercial activity for a concern which will be affected by the pending legislation", said Kallet, "we request that these hearings be reconvened under a new Committee and an unquestionably impartial Chairman."

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Senator Copeland defended his commercial broadcasting by offering a copy of a letter which he wrote to Thomas Lister of Cleveland who criticized the Senator for his radio food recommendations. The Senator replied, in part:

"You must bear in mind that it costs a lot of money to hire the privileges of a great broadcasting network. No poor man could possibly make use of their advantages.

"If I could afford to do it, I should be happy, indeed, to do this work without having a commercial sponsor. I am not so much interested in the giving of advice as to the cure of disease, as I am doing what I can for its prevention.

"I want you to know that I have never accepted an arrangement to make a broadcast except where I have been satisfied that the manufacturer was honest and his product worth while."

Senator Copeland broadcasts once a week on the Fleischmann's Yeast Company program. Someone ventured the opinion that he probably received about \$200 a broadcast (for about a minute or two talk) in which case his yearly remuneration from radio would be about \$10,000, the equivalent of his salary as a Senator.

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INDUSTRY LEADERS ENJOY GRIDIRON DINNER

Those from the radio industry, or in some way connected with it, who attended the Gridiron dinner in Washington last Saturday night were:

M. H. Aylesworth, President, National Broadcasting Company; Thad H. Brown, Vice-Chairman, Federal Radio Commission; Gene Buck, President American Society of Composers; Vincent F. Callahan, Assistant to Vice-President, National Broadcasting Co., Washington; James G. Harbord, Chairman, Radio Corporation of America; Frank E. Mason, Vice-President, National Broadcasting Company, New York City; and David Sarnoff, President, Radio Corporation of America, New York City.

The "Louis M. Howe Toilet Kit Hour" was put on the radio with its big weekly feature. Col. Howe, himself, and his interviewer, Walter Somebull. He then presented the greatest attraction of the hour, Col. Howe, the "highest priced crooner of Roosevelt bedtime stories."

Somebull - Mr. Howe, there is a question I have always wanted to ask you, but I haven't quite got the nerve.

Howe - Fire away, Walter, I am not so exalted that I cannot remember when I was one of you press boys.

Somebull - Well, if you don't mind, why are you called a Warwick?

Howe - That, Walter, is poetic license. The fact is, I am not a Warwick. Warwick, you remember, was a king maker. But Mr. Roosevelt is not a king - at least not yet.

Somebull - You certainly are in great form tonight, Col. Howe. Perhaps you wouldn't mind telling us what you consider the greatest single achievement of the administration up to date?

Howe - I was afraid you would ask me that, Walter. But since you have asked it, I will give you a candid answer. I think the balancing of the budget by the administration will take rank in history with the discovery of the North Pole by Dr. Cook.

Somebull - Thank you, Col. Howe, and here is your \$1,000.

Howe - Thank you, Walter - and here is one of my toilet kits.

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TURN DOWN BROOKLYN TRANSIT EMERGENCY STATION REQUEST

The application of the Brooklyn and Queens Transit Corporation to construct a short wave radio station to communicate with its emergency cars at times of unforeseen occurrences such as fires, parades, storms, accidents and various kinds of equipment failures has been denied by the Federal Radio Commission.

"It is believed that regular wire communication facilities should be sufficient for routine communications in connection with the applicant's transportation service and that the existing police radio system should be in a position to handle messages of an emergency nature in which public safety is involved", the Radio Commission commented.

On consideration of the Examiner's report, the evidence, and argument of counsel, the Commission is of the opinion: (1) that the applicant has not shown evidence of preliminary experimental work or a program of proposed experimental work that would warrant the allocation of the facilities requested; (2) that the proposed radio activities of the applicant do not afford reasonable promise of contributing substantially to the development of the radio art; (3) that the applicant has not shown that the public interest would be served by the operation of the proposed station.

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RADIO-PRESS PARLEY OPENS IN NEW YORK

Representatives of the newspaper publishing interests met in New York yesterday, December 11, with representatives of broadcasting companies for the purpose of ironing out, as far as possible the long-standing differences between the radio and the press. The meeting was held at the Hotel Biltmore, and was scheduled to start at 11 A.M., but did not open until 2 o'clock. The meeting is in session again this (Tuesday) morning.

Unofficial information reaching Washington today (Tuesday) is to the effect that nothing constructive was brought out, at least in a finished form. It is understood the discussion started off by taking up the question of the use of news by broadcast interests, and that whether or not stations should pay for printing of radio programs at advertising rates was not gone into.

Representing the publishing interests at the meeting will be E. H. Harris, Richmond (Ind.) Palladium-Item, Chairman of the A.N.P.A. Radio Committee; John W. Cowles, Des Moines Register and Tribune; James G. Stahlman, Nashville Banner; Edwin S. Friendly, New York Sun; Karl Bickel, United Press; J. V. Connolly, International News Service; and an executive of the Associated Press; also Roy Howard, of Scripps-Howard.

The broadcasters were represented by M. H. Aylesworth, President, National Broadcasting Company; Frank Mason, Vice-President, National Broadcasting Company; William Paley, President, Columbia Broadcasting System; Edwin Klauber, Vice-President, Columbia Broadcasting System.

The meeting was suggested in a telegram from Mr. Paley and Mr. Klauber, which follows:

"We believe it should be possible to end the long-standing dispute as to news broadcasting with fairness to both sides if the heads of the broadcasting networks and you as the representative of the publishers could sit down together and try to work out some plan whereby the broadcasters may have access to news without gathering it themselves and under arrangements which would be mutually satisfactory."

It is also understood the petition of the Columbia News Service that its reporters be admitted to the Congress press galleries will likewise be discussed at this meeting.

The suggestion of Henry A. Bellows, Vice-President of the Columbia Broadcasting System that there be a conference between the Standing Committee of Capitol Correspondents, Chairman Copeland of the Senate Rules Committee and Speaker Rainey on the question of admitting Columbia news representatives to the Press Galleries has been turned down by the Correspondents' Committee.

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Following a meeting of the correspondents, Samuel W. Bell, Chairman of the Correspondents, wrote to Mr. Bellows:

"In connection with the suggestions of your letter November 8 to the Standing Committee of Correspondents, the Committee has not been approached by the Speaker of the House or the Chairman of the Senate Committee on Rules on matters of the rules governing the press galleries of Congress.

"Under the circumstances the members are of the opinion that the Committee has discharged the responsibilities placed upon it by Congress."

Mr. Bellows is awaiting the outcome of the conference in New York between the radio and newspaper people before taking any further action in the matter.

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COMMUNICATIONS COMMITTEE READY TO REPORT

Although Secretary Roper's Communications Committee has completed its work and will soon report to the President, the recommendations have not been made public. Likewise, it is not known how many of these recommendations will be transmitted in his message to Congress.

It is believed that President Roosevelt will call upon Congress for additional legislation having to do with radio, telegraph, cables and telephones but the nature of this has not as yet been divulged.

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NAB TAX COMMITTEE MEETING MONDAY

A meeting will be held in Washington next Monday, December 18th, to draft a report for the Internal Revenue Bureau in connection with a schedule of depreciation rates for broadcasting station equipment.

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RADIO INDUSTRY NOW UNDER THE N.R.A.

The NRA Code became effective for all broadcasting stations Monday, December 11.

An all-day meeting of the Code Authority which will administer the Code until the industry is in a position to regulate itself by broadening the membership of the NAB, was called to order by Philip G. Loucks, Managing Director of the National Association of Broadcasters, on Monday, December 11, who presided until John Shepard III, of Boston, was elected Chairman of the Code Authority.

Mr. Loucks' opening remarks were as follows:

"Before you proceed with your organization, I would like to make a few brief observations about the Code.

"The Code which you are to administer is not perfect. It is a compromise which has resulted from differing views. Defects undoubtedly will appear as administration proceeds. You should not hesitate to point out these defects.

"The Code, just like any other law, is as good or bad as its administration. In the name of the NAB I make this request - and I know it is unnecessary - that the provisions of the code be applied with equal fairness to large and small enterprises and members and non-members of the Association.

"No one who has had anything to do with the drafting of this Code - and most of you have had some participation in that work - can be impressed otherwise than with the fairness shown by all members of the Committee charged with the task.

"This Code Authority is temporary. Under the provisions of the Code you are under an injunction to recommend a permanent form of Code Authority. That permanent Code Authority eventually must be the National Association of Broadcasters. It is my sincere hope that within the next three months the membership of the Association will be increased to a point where you will be in a position to make such recommendation. The Administrator has already found that the Association is properly constituted for that purpose. And if the purpose of self regulation, the objective sought by the National Industrial Recovery Act is to be achieved, the Association must become the Code Authority. When I make this request I am mindful of the task which lies before me; that of building up the numerical strength of the Association to a point where all classes of stations and all parts of the United States can have equal representation in elections and in decisions on policies of the industry.

"After you have organized you will want to select a Director to carry on the detailed administrative work. That will be necessary, it seems to me, if the work of administration is to be expedited. Then you must find ways and means of financing your activities.

"You may expect from the NAB the closest cooperation consistent with the work of administration and possible within the limited facilities of the Association. I am certain that you will enjoy the support of the industry as a whole.

The broadcasters recognize this meeting as an important event in the history of broadcasting in the United States. They look upon it as an unprecedented step in the direction of self-regulation. They are cognizant of the opportunity for such regulation presented here and I am confident they intend to avail themselves of that opportunity. "

The Vice-Chairman and Director of the Code Authority were still not named during today's (Tuesday) meeting.

The Code Authority will issue its rulings in printed form and will consider the petitions for exceptions now on file.

Those present at the meetings were John Shepard III, WNAC, Boston; M. R. Runyan, of the Columbia Broadcasting Company, New York; Frank M. Ruseell, of the National Broadcasting Co., Washington, D. C.; James W. Baldwin, of Washington; I. G. Buckwalter, of WGAL, Lancaster, Pa.; John Elmer, WCBM, Baltimore, Md.; James Kiernan, of WLWL, New York City; Edward N. Nockels, of the Chicago Federation of Labor, and Mr. William Farnsworth, representing the N.R.A.

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KENTUCKY GOVERNOR APPOINTS "ETHER COLONEL"

Andrew G. Haley, of Tacoma, Wash., Assistant Counsel to the Federal Radio Commission, has been appointed by Gov. Ruby Laffoon, of Kentucky, as "Colonel of the Ether". Announcement of the appointment was made by Representative Wesley Lloyd, of Washington, who said:

"Gov. Ruby Laffoon has created military aides of the grade of Colonel to assist him in meeting the most unusual emergencies which might confront the Commonwealth of Kentucky. He has Colonels of the land, sea and air on his staff galore. But, sad to state, until now he has had no Colonel of the ether. To remedy this sorry condition, the Governor has just announced the appointment of Andrew G. Haley, of Tacoma, Wash., Assistant Counsel of the Federal Radio Commission, as his Colonel of the Ether, in charge of the Commonwealth's Signal Corps. Col. Haley's first general order will be to abolish static within the confines of the Commonwealth."

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EXAMINER RECOMMENDS NEW STATION AT WATERBURY, CONN.

Authority is sought by Harold Thomas, of North Providence, R. I., to construct a new broadcast station at Waterbury, Conn., to be operated daytime only, with power of 100 watts, on the frequency 1190 kilocycles.

There is no station located in Waterbury. Station WTIC, at Harfrod, Conn., operating part time, renders a satisfactory service throughout the area, except in the business district where the noise level is high. Stations WEAJ, New York, and WICC, Bridgeport, Conn., do not have a sufficient signal strength to render excellent service in the business or residential districts, but are satisfactorily received in the surrounding territory. In the past Station WICC has broadcast a "Waterbury Hour" using talent from Waterbury, but civic and community enterprises have not made use of that station.

Station WINS, with its transmitter at Carlstadt, N.J., 75 miles from Waterbury, operates on 1180 kilocycles as a limited time station with power of 500 watts, while Station WCAU, Philadelphia, Pa., 170 miles from Waterbury, operates on 1170 kilocycles with power of 50 kilowatts. Both of these stations are somewhat less than the separations recommended under average conditions to prevent objectionable interference. However, field intensity measurements disclose that a 100 watt station can be operated on 1190 kilocycles during daytime at Waterbury, Conn. as proposed by the applicant, without causing interference or being interfered with by either of these stations.

The First Zone, in which Connecticut is located, is entitled to 80.00 units of broadcast facilities as its equal share of the total facilities available and is now assigned 75.92 units. The State of Connecticut is due 4.48 units and is assigned 4.00 units. The granting of this application would increase the quota of the Zone and State by .1 unit.

It is accordingly recommended/that the application of Harold Thomas for a construction permit be granted.

by Examiner Ralph L. Walker

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CHICAGO BROADCASTING FEUD CONTINUES

The complications of the feud of Chicago broadcasting stations and other stations in that vicinity was added to by Station WBBM, key outlet in Chicago, filing an appeal in the District of Columbia Court of Appeals against the decision of the Federal Radio Commission granting Station WGN, owned by the Chicago Tribune 50,000 watts power.

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Station WIBA, Madison, Wis., had filed a request for one-half time on the 720-kilocycle channel occupied by Station WGN, and Station WTMJ, Milwaukee, operated by the Milwaukee Journal, had filed an application for the choice 670-kilocycle clear channel occupied by Station WMAQ. They also sought the facilities of WHA and WLBL, in terms of quota value, seeking their elimination entirely.

The WHA application asks first that this station be consolidated with WLBL and that a new 5,000 watt station be erected near Stevens Point, with new studios on the university campus. Then, it is proposed, this station would operate half-time, sharing with WMAQ.

The Commission several weeks ago designated the original applications for hearing in Washington January 8. Presumably the WHA application will be set for hearing at the same time.

Another complication is the new application of Station WHA, Madison, operated by the University of Wisconsin, for half of the facilities now used by WMAQ, operated jointly by the Chicago Daily News and the National Broadcasting Co. WHA, together with Station WLBL, Stevens Point, Wis., operated by the State of Wisconsin, has just filed an application, apparently to offset the demands of Wisconsin commercial stations for their facilities.

There has been an intermittent battle between stations in Wisconsin and Chicago over clear channels. Wisconsin does not have a single clear channel station, whereas Chicago has five, in addition to several high power regional stations. Wisconsin is under-quota in radio facilities, whereas Illinois is over-quota.

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COURT APPROVES GRIGSBY-GRUNOW RECEIVERS

On December 5th, the United States District Court ordered the appointment of Le Roi J. Williams and Thomas L. Marshall as permanent receivers for the Grigsby-Grunow Company, manufacturers of Majestic Radios, Refrigerators and Tubes. Broad powers have been granted the receivers by the Court Order, and they have been authorized to carry on the business and properties as a going concern.

"This order", stated Mr. Williams, "places Majestic in a position where we can continue and consummate our manufacturing, merchandising and advertising plans for the coming refrigeration and radio seasons. This is definite recognition of the fact that Majestic has a splendid future and that nothing should be done to retard or handicap the company in any manner whatsoever. It is further proof that our operations will be carried on for the promotion and the sale of Majestic products on a sound

business basis, and that Majestic will continue to maintain its high position in the radio and refrigeration industries."

Figures released during the past several months show that sales of Majestic products, since Mr. Williams became General Manager last March, have not been equaled since 1930 for a like period. More than 300,000 Majestic Radios have been shipped in the current year, which far exceeds the previous two years. New styling of cabinets, along modernistic lines, together with a new standard of radio performance, have greatly contributed to the increases the company has been enjoying the past several months.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (Dec. 12, 1933)

KRGV, KRGV, Inc., Harlingen; Texas, authority to operate unlimited time pending action on application requesting similar authority on a permanent basis (normally licensed to share time with KWWG, 1260 kc., 500 watts, KWWG has authority to remain silent to April 1, 1934; KLCN, Chas. Lel Lintzenich, Blytheville, Ark., modification of C.P. to extend completion date to 1/1/34; WSAJ, Grove City College, Grove City, Pa.; modification of license to reduce specified hours of operation; WNAX, The House of Gurney, Inc., Yankton, S. Dak., modification of license to use old transmitter as auxiliary transmitter; KGCX, E. E. Krebsbach, Wolf Point, Mont., authority to install automatic frequency control equipment; WKBB, Sanders Bros. Radio Station, Route 1, E. Dubuque, Ill., modification of license to change specified hours of operation; WEBR, Howell Broadcasting Co., Inc., Buffalo, N. Y., and KQW, Pacific Agr. Foundation, Ltd. San Jose, Cal., authority to remain silent December 25th, in order to give employees a holiday.

Also, Town of Darien, Conn., Police Dept., C.P. (Gen. Exp.); frequencies 30100, 33100, 37100, 40100, 86000-400000, 401000 kc. and above, 25 watts; also same as above, except 4.5 watts power, and portable and mobile; Commissioner of Lower Marion Twp., Ardmore, Pa., general experimental C.P., frequencies 30100, 33100, and 37100 kc., 15 watts; WKY Radiophone Co., Portable, general experimental C.P. 31100, 34600, 37600, 40600 kc., 1 watt; also granted license covering same, for period ending June 1, 1934; W3XC, WGAL, Inc., Portable & Mobile, Christian St., Lancaster, Pa., general experimental license, 41000, 51400, 60000-100000 kc., 5 watts, for period ending June 1, 1934; W2XQ, City of Elizabeth, Police Dept., Elizabeth, N.J., modification of C.P. to extend completion date to Feb. 18, 1934; KGZV, City of Aberdeen, Aberdeen, Wash., modification of C.P. to extend completion date to 1/28/34.

Also, Aeronautical Radio, Inc.: W9XR, Kansas City, Mo., W9XW and W9XN, special experimental licenses 3088 and 3072.5 kc., 30 watts power; KITF, Dept. of Water & Power, City of Los Angeles, Jean, Nev., modification of C.P. to extend commencement date to 11/27/33 and completion date to 1/2/34; KIIG, Same, Silver Lake Camp, Cal., modification of C.P. to extend commencement date to 12/2/33 and completion date to 1/2/34; American Tel. and Tel. Co. Hialeah, Fla., special experimental license, frequency 4097.5 kc., 400 watts; W9XAN, Elgin National Watch Co., Elgin, Ill., renewal of special experimental license in accordance with existing license; same for W6XK, Don Lee Broadcasting System, Los Angeles, Cal.; Radiomarine Corporation of America, Washington, D. C., assignment of call letters WDFT to RCA to designate any or all ship radio stations aboard vessels operated or managed by Lykes Bros., Lykes Bros. Steamship Co., and Tampa Inter-Ocean Steamship Co.

Ratifications

Action taken December 6: WXOI, Mackay Radio & Telg. Co. Inc., "IDA MAY ATWATER", New York, granted third class public service license; Action taken December 7: Aeronautical Radio, Inc., Portable-Mobile, Granted C.P. 2930 and 3615 kc., 5 watts, portable & Mobile, for communication with lighter-than-aircraft and aeronautical stations; Action taken December 8: KORX, Radiomarine Corp. of America, Washington, D. C., granted temporary authority not exceeding 60 days, to operate 500 watt transmitter, frequency range 375 to 500 kc., aboard "Cliffwood".

Action On Examiners' Reports

WMBR, F. J. Reynolds, Tampa, Fla., granted consent to voluntary assignment of license to F. J. Reynolds, Inc., and granted C.P. to move transmitter and studio from Tampa to Jacksonville, Fla., sustaining Examiner R. L. Walker.

Set For Hearing

New - Virgil V. Evans, Rock Hill, S. C., C.P. 1370 kc., 100 watts, daytime (Facilities of WBHS); New - Metro Broadcasting Co., E. Los Angeles, Cal., C.P. for new station, 820 kc., 250 watts, limited time, sharing with WHAS (Facilities KGEF now assigned KFAC); KGDY, Voice of South Dakota, Huron, S. Dak., license covering new equipment, change in frequency, power and hours of operation (1340 kc., 250 watts, daytime); WBHS, Radio Station WBHS, Inc., Huntsville, Ala., consent to voluntary assignment of license to Virgil V. Evans; WRAW, Reading Broadcasting Co., Reading, Pa., modification of license to change hours of operation from sharing with WGAL to Unlimited (Req. time of WGAL, if and when WGAL vacates 1310 kc); WTRC, Truth Publishing Co., Inc., Elkhart, Ind., modification of license to change hours of operation from simultaneous day with WLBC and sharing night with WLBC to simultaneous operation with WLBC day and night; WBAA, Purdue University, W. Lafayette, Ind., modification of license to increase hours of operation from specified to other hours, day power to be 1 KW, night to remain same, 500 watts (Facilities WKBF).

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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NATIONAL BROADCASTING COMPANY, INC.

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No. 682

NATIONAL BROADCAST ADVERTISING TREND UPWARD

Broadcast advertising in October showed the most encouraging trend to be exhibited since July, the National Association of Broadcasters' Statistical Service reports. Gross receipts from the sale of advertising time amounted to \$5,741,850.00 and marked a 45.3% increase over September revenues. National network advertising volume increased 54.2% over the previous month. Regional network advertising rose 82.0%, while individual station receipts showed a gain of 34.9% as against September. The total volume of broadcast advertising over national networks, regional networks and individual stations for the month of October was:

1933 - Gross Receipts

<u>Class of Business</u>	<u>September</u>	<u>October</u>
National networks	\$2,102,809.00	\$3,244,153.00
Regional networks	14,281.00	26,091.00
Individual stations	<u>1,832,251.00</u>	<u>2,471,606.00</u>
Total	\$3,949,341.00	\$5,741,850.00

The trend in national network advertising during October has been especially encouraging. In addition to showing a marked gain over September volume, these revenues were 7.0% higher than those for the same month of 1932. Furthermore, receipts for the month in question were the highest since May, 1932, and were within \$9,000 of equalling October, 1931, volume. It will be remembered that this was the month which marked the beginning of the most successful period thus far to have been experienced by network radio advertising.

It is impossible to say what is the position of individual station revenues as compared with previous years since no data exists on this subject. However, if individual station business has followed network trends to any degree at all, it would seem that radio advertising volume is definitely on the upswing. To what extent broadcast advertising will approximate 1931-1932 levels should become evident within the next several months.

A comparison of September expenditures for radio broadcast advertising as against those for other leading advertising media was:

1933 Gross Receipts

<u>Advertising Medium</u>	<u>September</u>	<u>October</u>
Radio broadcasting	\$3,949,341.00	\$5,739,850.00
National magazines	7,942,886.00	9,574,829.00
National farm papers	373,134.00	455,018.00
Newspapers	<u>38,371,622.00</u>	<u>43,903,451.00</u>
Total	\$50,636,983.00	\$59,673,147.00

National magazine volume showed an increase of 20.5% as against September; farm papers a rise of 19.2% and newspapers a gain of 12.6% as compared with the previous month.

October national magazine volume is approximately 6.0% ahead of that of the same month of 1932. Newspaper volume finds itself in about the same position as national magazine advertising, while advertising in farm papers shows an increase of 48.0% over October, 1932.

Total volume of advertising for the first ten months of 1933 is, in the case of most media, materially behind that of the previous year. National magazines are approximately 20.0% behind last year. National farm papers are 22.0% and national network advertising is 27.0% less than in 1932. Newspaper advertising for the period is approximately 11.0% less than in 1932.

Since 1932 represented the most prosperous year thus far experienced by national networks, the decline in revenue during the current year tends to represent the maximum shrinkage in advertising volume to be experienced by the medium during the depression. On the other hand, by the beginning of 1932 national magazine advertising had already declined about 44.0% from its previous peak, while the volume of national advertising placed in newspapers was estimated to have dropped approximately 38.0% from its previous high level. It seems, therefore, that on the whole radio advertising has tended to feel the depression less seriously than other major media.

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WMAL OWNER LEAVES \$424,098 ESTATE

Martin A. Leese, well known Washington industrial and mercantile leader and owner of Station WMAL, the last three of whose call letters bear his initials, left an estate valued at \$424,098 when he died December 1, it was shown in District Supreme Court when two sons filed a petition to be appointed administrators of the estate. Mr. Leese left no will. He is survived by his widow, Mrs. Fannie I. Leese, a daughter, Mrs. Lorraine Leese Good, and the sons, William Earl, and Martin Norman Leese.

The law firm of Littlepage, Littlepage & Spearman represented the sons.

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MISSOURI AIR PIRATE CONVICTED

Another victory in the fight against operators of unlicensed radio stations so-called "Air Pirates", was reported to the Federal Radio Commission. William J. McDonnell, Inspector in Charge at Kansas City, Mo., notified the Commission that Charles L. Fower pleaded guilty to three counts of an indictment, charging violations of the Radio Act of 1927, as amended, and he was sentenced by Judge Charles B. Davis of the Eastern Judicial District of Missouri, at Hannibal, Mo., to a fine of \$50 on each count.

In the first count Fower was charged in an indictment by a Federal Grand Jury of wilfully, unlawfully, knowingly and feloniously, operating certain apparatus on or about March 24, 1933, in Macon, Mo., for the transmission of energy, communications, and signals by radio for which a station license is required by law, without first having obtained a license to operate such apparatus, as provided by law, from the Federal Radio Commission.

Operating a radio station for which an operator's license is required by law, without first having obtained such a license, was the basis for the second count, and the third count charged Fower sent radio signals from the city of Macon, Mo., into the city of Payson, Ill., without first having obtained a license from the Federal Radio Commission in accordance with the Radio Act of 1927 as amended, "contrary to the form of the statutes in such cases made and provided, and against the peace and dignity of the United States."

Again the contention that a radio station's signals can be confined within a State, if low power is used, proved futile and untenable. The case against Fower was prosecuted by the Department of Justice with the cooperation of the Legal Division of the Federal Radio Commission, of which George B. Porter, is Acting General Counsel.

Commenting on the drive of the Commission to wipe out illegal radio stations, Chairman Eugene O. Sykes, recently said:

"Under the Radio Act paramount consideration must be given to listeners. It is manifestly impossible to provide first class reception from authorized radio stations, however modern their equipment, or rigid the rules of the Commission, if the signals of licensed stations are to be disturbed or distorted by signals from illegal stations.

"In fact, all radio stations, regardless of kind, character, or power used, operate illegally unless they are licensed by the Federal Radio Commission, which, under the Radio Act, is authorized to regulate all forms of interstate and foreign radio transmissions and communications within the United States, its Territories and Possessions."

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APPEAL COURT UPHOLDS WBBM SYNCHRONIZATION

The District Court of Appeals has upheld the Federal Radio Commission in permitting Station WBBM, Columbia key station in Chicago, and Station KFAB, at Lincoln, Nebr., to continue broadcasting a synchronized program from 10 P.M. to midnight. Station WGN, owned by the Chicago Tribune, objected to this extension of time and had appealed to the Court.

The decision of the Court follows, in part:

"It is not claimed by WGN that any interference will result between the operation of its station and the synchronized broadcasting of the other two stations, if such be permitted. So far as appears, there had been no such interference between WGN and WBBM, and it does not appear that the proposed synchronization of WBBM and KFAB from 10 P.M. to midnight would cause any interference between the stations. But it is claimed by WGN that inasmuch as the Fourth Zone, in which both Nebraska and Illinois are located, is already over quota, and inasmuch as Illinois is likewise over quota, the addition of increased night-time operation for two hours by WBBM resulting from the proposed synchronization would subject WGN and all other stations located in Chicago, and indeed in Illinois likewise, to increased danger of loss or reduction of facilities under the provisions of the Act of Congress approved March 28, 1928, commonly called the Davis amendment. We think this objection is answered by the fact that the Commission's decision permits only an experimentation and is not a final order modifying the licenses of the respective stations. Further action of the Commission must be had before the modification becomes final. Moreover, inasmuch as synchronization is not yet recognized by the Commission as a regular broadcasting service, no addition is made to the quota of either the city, State, or Zone involved, because of the present order.

"It is also contended by WGN that the Commission's decision subjects it to an economic injury through the allocation of additional facilities to Chicago. This complaint rests upon the theory that the modification will increase the competition among broadcasting stations in Chicago, and thereby inflict a pecuniary loss upon each of the stations already established therein including WGN. This complaint, however, is so vague, problematical, and conjectural as not to furnish a present substantial objection to the Commission's decision.

"WGN also contends that the Commission's decision places an additional obstacle in the way of securing increased power for its station, which increased power will improve its broadcasting service. Again we may say that in our opinion this objection is purely conjectural and rests upon no substantial basis.

"In answer to all of appellant's complaints, it may again be noted that the authority granted by the Commission's decision to the applicant stations is granted experimentally only,

and until they apply for and are granted a regular license for this purpose the decision of the Commission is conditional and only for the purpose of conducting experiments which may prove wholly unsuccessful and never be carried into the regular broadcasting service.

"Complaint is made by the appellant that the Commission failed to serve it with a written notice of the applications of WBBM and KFAB prior to the hearing had by the Examiner, and contends that such failure renders the decision void or at least reversible upon this appeal. We may say in answer to this that in our opinion under the circumstances the appellant was not entitled to a written notice for the reason that it was not then a party 'aggrieved or whose interests are adversely affected' by the proposed modification of the appellees' licenses for experimental purposes."

Louis G. Caldwell and Arthur W. Scharfeld were counsel for Station WGN; George B. Porter, Fanny Neyman, Ben S. Fisher, and Ralph L. Walker, for the Federal Radio Commission, and Paul D. P. Spearman, of Washington, D. C., for interveners.

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N.Y. MEETING PAVES WAY TO BETTER RADIO-NEWSPAPER RELATIONS

Although no official statement has as yet been given out on the subject, reports reaching Washington are that the two-days' meeting in New York between network and broadcasting heads and newspaper publishers resulted in a much friendlier feeling between them with concessions on both sides. An agreement was said to have been reached only with regard to news broadcasts but it is understood this may lead the way to a better understanding with regard to publishing radio programs in the newspapers.

It is reported that the American Newspaper Publishers' Association has agreed not to urge newspapers further to drop the printing of programs. On the other hand, it is said the Columbia Broadcasting System will abandon its special news service. In lieu of this, the Press Associations will each put on a man, presumably at the expense of the networks, who will supply the latter with two (2) - seven minute news broadcasts a day and protect them on flashes of certain big events.

As a result of the agreement in principle on several controversial subjects at the New York meeting, a better working agreement between the broadcasters and the publishers is expected to follow.

Roy Howard of the Scripps-Howard News Service and publisher of the New York Telegram, is credited with laying the groundwork of more friendly relations by declaring that the radio is here to stay and that the newspaper people should recognize this and abide by the principle of "live and let live."

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RADIO-WIRE MERGER BELIEVED FEASIBLE BUT MAY TAKE TIME

Despite opposition voiced against the proposal that the communication services - radio, telegraph and cable - be merged, one of the three recommendations made to President Roosevelt by the Committee headed by Secretary Roper and Gen. Charles McK. Saltzman, former Chairman of the Federal Radio Commission, it seemed to be the impression that some such a consolidation under governmental regulation is inevitable. As to when this might take place no one seemed to be able to definitely forecast. It might be years if the experience of consolidating the railroads is an example to go by. There will very likely be some sort of bill drafted and introduced but with the time required for hearings and all, there seems to be small likelihood of any such legislation being enacted this session.

Some seemed to regard it simply as a "trial balloon" sent up by the White House to try out public opinion, but others considered the work of the Committee much more seriously.

"It wasn't practical to have a lot of telephone companies"; a communications expert remarked, "and the formation of the A.T.&T. was the logical result. There is a duplication of service of the Western Union and the Postal. One or the other companies could handle all of the business. There are twice too many employees, and releasing them at this time would further add to the unemployment problem. Nevertheless, the duplication and economic loss exists in telegraph and cable communication just as it does in a duplication of radio service. I believe such a merger as suggested is entirely practicable and some day will be brought about."

Senator William E. Borah declared Government ownership would be preferable, while Senator James Couzens (Republican), Michigan, said he would fight any attempt to bring about a single monopoly.

In the House, Speaker Henry T. Rainey said the whole matter "should be deferred until we get out of the depression."

Two alternative recommendations were made in the inter-departmental committee's report - monopolies in each communications field under Government control, or Government ownership of the communications industry.

"When monopolies are created to be run by a commission, the monopolies will soon run the commission", Senator Borah commented.

"If that is the alternative to Government ownership, I would favor Government ownership and control."

Senator Couzens said he would not object to monopolies in the various fields of communications, providing there was

keen competition between the fields. He said, however, he would seriously object to any single monopoly.

The Washington Post calls the consolidation recommendation a "nebulous proposal", and adds:

"For instance, our telephone service, virtually a private monopoly, is superior to any of the government-owned services in Europe; our broadcasting, as chaotic as it still is, is more colorful, more imaginative and generally better than the government-sponsored broadcasts of England and Germany; and our telegraph system, even though uneconomic in its present condition, is more efficient than any on the continent, perhaps, except that of Germany, which is government-owned.

"The necessity of Federal regulation of all our communications must be better established, and its field and functions better defined, before it can be given intelligent consideration."

Notice that the Commercial Telegraphers' Union of North America would oppose a sweeping communications merger was served by Frank B. Powers, international president.

In connection with the recommendations of the Committee, a visit of David Sarnoff, President of the Radio Corporation of America, to the White House is recalled. Also that last May, Mr. Sarnoff, in an address at the War College advocated a unified communications system.

Asserting that unification was imperative, he said:

"This program is suggested as economically sound in times of peace, practicable for prompt and effective transition for use in war and one which will give the United States the strongest communication organization in the world."

Public policy, he said, has dictated against a generally united control of radio broadcasting activities "just as it would dictate against unified control of all the newspapers of the land."

Reduction of rates and the prevention of speculative management and "watering of stocks" are among the chief reasons for government supervision and regulation of all communication services cited in the report to President Roosevelt by the Interdepartmental Communications Committee.

To permit the extension of telegraphic service to communities now served only by telephone, the Committee suggests a linking up of telephonic and telegraphic facilities so that telephone wires may be used for telegraph purposes.

By way of illustration, it was pointed out that the Radio Corporation of America was seriously handicapped by not having a chain of offices throughout the country that might serve as feeders for its international radio service.

Use of Western Union or Postal offices throughout the country for this purpose was made impracticable because of ownership and operation of their own cables to Europe.

At the same time the I.T.&T. was said to be without a large chain of domestic offices for feeding its international services. This company, it was pointed out, maintains about 2,300 domestic telegraph offices as a result of its parentage of the Postal Telegraph Company. The Postal, in addition must compete with the offices of the Western Union, numbering 23,000.

The program broadcasting situation was not touched upon in the Committee's report but was held for further study later.

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(Note - A detailed report with regard to the recommendations the Committee submitted to President Roosevelt, although not given out at the White House was carried in the New York Times, Friday, December 15, 1933).

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AL WINS HIS FIRST RADIO VICTORY

The Federal Radio Commission has put its stamp of approval on the contract whereby Station WMCA, New York, has been leased for a period of years to the Federal Broadcasting corporation, of which Alfred E. Smith is Chairman of the Board. Former Governor Smith thereby was victor in his first scrimmage with the Radio Commission.

Before approving the lease the Commission assured itself that:

"The power and control of the licensee over the programs broadcast and all equipment usually incident to the operation of a station must not be limited by contract. Likewise the power, authority or control of the licensee over the employees engaged in the operation and management of a station should not be restricted."

The exchange began with the following letter written by E. O. Sykes, Chairman of the Commission to Governor Smith:

"November 3, 1933.

"The Commission has given consideration to the Agency Agreement between the Federal Broadcasting Corporation and Knickerbocker Broadcasting Company, licensee of radio station WMCA, and is not clear as to the construction which should be placed upon some parts thereof. At this time the Commission will not discuss in detail the various provisions of the contract but desires to state its views briefly as to what powers must be retained by the licensee, as follows:

"The power and control of the licensee over the programs broadcast and all equipment usually incident to the operation of a station must not be limited by contract. Likewise the power, authority or control of the licensee over the employees engaged in the operation and management of a station should not be restricted.

"If the contract which the Federal Broadcasting Corporation has submitted is not so construed by the parties thereto, then it does not meet with the Commission's approval."

To this Governor Smith replied:

"December 6, 1933.

"The views expressed in your letter of November 3, 1933, are consistent with the construction placed on the agreement under which this company supplies programs to station WMCA. May I have your assurance, therefore, that the arrangement has the approval of your Commission?"

"The contents of this letter have been approved by the licensee of the station."

Judge Sykes acknowledged Governor Smith's letter and closed the incident with this communication:

"December 13, 1933.

"The Commission is in receipt of your letter of December 6 advising that the Federal Broadcasting Corporation and Knickerbocker Broadcasting Company, licensee of radio station WMCA, construe the agreement between them as consistent with the views expressed in my letter to you under date of November 3, last.

"So construed, the Commission has no objection to the agreement."

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PHILADELPHIA STATIONS INCREASE DAY POWER EXPERIMENTALLY

In the applications of WIP, Penna. Broadcasting Co., WFI, WFI Broadcasting Co., and WLIT, Lit Bros. Broadcasting System all situated in Philadelphia, for modification of licenses, the Commission proposes "to give further consideration to the question as to whether or not stations WIP, WFI and WLIT should be operated with increased power during daytime hours; and, pending a further order or final decision as to this phase of the cases, the three applicants are hereby authorized to operate their respective stations with 500 watts additional power during daytime hours on an experimental basis."

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:BUSINESS LETTER NOTES:
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An analysis of programs revealed that during 1933, education occupied 21.15 percent of all NBC's time on the air. Music occupied more than two-thirds of the company's time on the air. The broadcasts through its two networks of 86 stations totalled 330,540 station-hours for the year.

"Tonight I am here in the Columbia studios on Madison Avenue in New York City", said O. H. Caldwell, former Federal Radio Commissioner in a broadcast last Tuesday night. "If I open a window, and let these words as you now hear me, go out across Madison Avenue and echo back, the sound waves will echo back into the window, from the building opposite, in just about the same time as it takes my words, carried on Columbia's short-wave station, to go clear around the globe and be picked up again here in New York."

Thomas P. Littlepage, well known radio counsel, and former President of the Washington Chamber of Commerce, suffered a broken arm in a fall following a storm in the Capital Wednesday which covered the sidewalks and streets with ice and sleet. Mr. Littlepage is reported as resting as comfortably as could be expected under the circumstances.

The Metropolitan Opera broadcasts, carried for two years as a sustaining feature by the NBC will be sponsored this year by the American Tobacco Company. They will begin Christmas Day with "Hansel and Gretel" and will be carried by both WEA and WJZ networks.

A circuit court action against the Sioux Falls Broadcasting Co., operators of Station KSOO at Sioux Falls, S.D., to recover a judgment of \$1,440 and interest, has been filed by attorneys for the Electrical Research Products, Inc., New York City

The New York firm's complaint alleges that it leased equipment to the defendant company for radio station work. Under terms of a contract, the Sioux Falls company agreed to pay \$100 a month, but payments are in arrears, it is charged.

Paul Mallon, correspondent for the North American Newspaper Alliance, in the Washington Star wrote:

"The State Department made a radio show out of prohibition repeal.

"It would not give out the repeal proclamation before it was signed, because that would be undiplomatic. But Undersecretary Phillips went before a microphone and read it to the country. Afterward he signed it, and then only was it released to newspapers for publication.

"The incident was not an intentional affront to newspapers, but just another red tape error."

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted
(Dec. 15, 1933)

KGBZ, Dr. George R. Miller, York, Neb., consent to voluntary assignment of license to KGBZ Broadcasting Co.; WHEB, Granite State Broadcasting Corp., Portsmouth, N. H., authority to operate from 1 to 1:30 A.M. EST, December 17, 1933, in order to broadcast DX program; WHBC, Edward P. Graham, Canton, Ohio, authority to operate simultaneously with Station WNBO, Dec. 15, 16, 17, 18, 20, 21, 22, 23 and 25, from 9 to 11 P.M., and on Dec. 19 from 9 P.M. to 12 midnight; WJR, WJR, The Goodwill Station, Inc., Detroit, Mich., C.P. to move transmitter from Sylvan Lake Village, Mich. to location about 16 miles south of Detroit; WSVS, Seneca Vocational High School, Buffalo, N. Y., authority to remain silent from 3 P.M. Dec. 22 to 8:30 A.M., January 2; KPJM, M. B. Scott & Edward C. Sturm, Prescott, Ariz., authority to operate on such reduced power as necessary to obtain maximum percentage of modulation of at least 75%, pending installation of equipment up to January 1, 1934; WARD, U. S. Broadcasting Corp., Brooklyn, N.Y., authority to January 1, 1934, to operate with reduced power pending the obtaining of new plate voltmeter; KIDW, The LaMar Broadcasting Co., Lamar, Colo., authority to remain silent until Jan. 1, 1934, pending repair of generator and installation of new power supply.

Also, WNU, Tropical Radio Telg. Co., New Orleans, La., marine relay license, 125-500 kc., 750 watts; Same, public coastal telg. license; RCA Communications, Inc.; KEQ, KQH, Kahuku, T.H., authority to use two point to point telg. stations at Kahuku, T.H. to communicate with ship station KJTY aboard "SS Jacob Ruppert" of the Byrd Antarctic Expedition; KOG, KICZ, Mutual Telephone Co., Honolulu, T. H., renewal of point to point telg. licenses in exact conformity with existing license; Howell Broadcasting Co., Inc., Portable, Buffalo, N. Y., and vicinity, 2 C.P. for general experimental service, 31100, 34600, 40600 kc., 5 watts; KGSX, KGSW, KGSY, Aeronautical Radio, Inc., Spokane, Wash, Helena, Mont. and Missoula, Mont. respectively, licenses 3005, 2854, 5377.5 kc., 400 watts.

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No. 683

December 19, 1933.

EARLY ACCEPTANCE SEEN OF PLAN TO END PRESS-RADIO WAR

It was confidently expected that after the plan recommended by broadcasters and publishers at the New York meeting recently with regard to broadcasting news had been studied carefully it would be accepted by newspapers both large and small and by the independent as well as the chain broadcasters. This the Editor and Publisher reports it has learned after a careful investigation of the situation. The plan will probably be put before the Associated Press at a meeting of the Board on Tuesday, January 9. The next step it is believed will be recommendations with regard to the program situation. As a result of the New York meeting it is understood the newspapers have agreed for the time being at least to go further in the movement which was fast spreading of dropping radio programs from the news columns.

Regardless of any thing further which may come of it if the plan agreed upon by the New York conferees is agreed upon it will go a long way towards ending the so-called press-radio "war", restrict air news reporting to hours not in serious conflict with either morning or evening distribution periods, except for flashes of transcendent importance, confine the reports to brief bulletins which are to be supplied by the press service, dissolve the Columbia News Service corporation and prevent news broadcasting for commercial purposes.

To effect these and other mutually agreed upon objects the plan sets up a co-operative news bureau to be controlled by an editor to be chosen by the newspapers and press associations. He will receive the reports of the three principal press associations, and cull from them bulletins of not more than 30 words to be offered to the broadcasters for air announcement but the two broadcast periods, not to exceed five minutes each, are restricted to not earlier than 9.30 A. M., local station time, or prior to 9 P. M., local station time. Thus evening paper bulletins could not go on the air prior to 9 in the evening and morning newspaper news could not be broadcast before 9.30 on the day of publication. The radio broadcasters agree to pay the expenses of the co-operative bureau, but the news would be supplied gratuitously by the principal news associations as a contribution to public service and harmonious relations between press and radio.

Speaking enthusiastically of the plan the Editor and Publisher says editorially:

"A 10-point plan, remarkable for give and take, is proposed by representatives of the press, radio and press associations and services to end the six-year controversy over news

broadcasting. It deserves the close study of the press in the same spirit in which it is offered by the committee which has formed and adopted it. The object is to bring news broadcasting under control, to eliminate radio competitive methods, and to serve the public interest. To this end, the press makes an offer of its news for air transmission in 5-minute periods, morning and evening, in hours which will not seriously conflict with the distribution periods of the morning and evening newspapers. Bulletins are to be limited to 30 words and are to be selected by an editor, working in a cooperative bureau under newspaper supervision. News flashes of transcendent importance are permitted during the day and night. There is to be no commercial use of news. Commentators are restricted. The striking new plan seems mutually liberal, intelligent and workable and should yield sound benefits to press, radio and public.

The New York conferees included the following: William S. Paley, president of the Columbia Broadcasting System; Edward K. Klauber, first vice-president, Columbia Broadcasting System; M. H. Aylesworth, president of the National Broadcasting Company; Frank E. Mason, vice-president of the National Broadcasting Company; Roy W. Howard, chairman of the Board of the Scripps - Howard Newspapers; Harry M. Bitner, assistant general manager of the Hearst Newspapers; J. D. Gortatowsky, of the International News Service; Karl A. Bickel, president of the United Press; Lloyd Stratton, executive assistant of the Associated Press, representing Kent Cooper, general manager; E. H. Harris, chairman of the Publishers' National Radio Committee, and the following members of the committee: John Cowles, Des Moines Register and Tribune; Edwin S. Friendly, New York Sun; James G. Stahlman, Nashville Banner, and L. B. Palmer, general manager of the American Newspaper Publishers' Association. Alfred J. McCosker, president of the National Association of Broadcasters, was invited to the conference and attended the first day's sessions.

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COMMUNICATIONS RECOMMENDATIONS IN PRESIDENT'S MESSAGE

There is every likelihood that the recommendations of the Interdepartmental communications committee will be submitted as a message to Congress by President Roosevelt early in January. This is expected to be followed by the introduction of Communications Commission bills by chairman Sam Rayburn of the House Interstate and Foreign Commerce Committee and chairman C. C. Dill of the Senate Interstate Commerce Committee. If so hearings will be scheduled. This will be a lengthy procedure and it is not believed there would be a chance of any such legislature being enacted during the forthcoming session.

Assets involving more than \$6,100,000,000 and plant worth in excess of \$5,200,000,000 would be affected by the proposed

legislation to create a Federal Communications Commission with full jurisdiction over all interstate and foreign communications, and embodying features that will permit mergers between domestic telegraph companies handling foreign record communications of every sort.

The telephone companies have \$5,400,000,000 of total assets and \$4,700,000,000 of plant and equipment, with the Bell System alone including \$4,900,000,000 assets and \$4,285,000,000 plant and equipment.

The telegraph, cable and radio companies have assets of more than \$700,000,000 including plant worth above \$500,000,000. Year-end figures for 1932 place Western Union cable and telegraph assets at \$374,000,000 and plant at \$334,000,000; All-America Cables, \$39,000,000 and \$33,000,000 respectively; Postal Telegraph and Cable, including Mackay Radio, \$130,000,000 and \$108,000,000, and RCA Communications \$100,000,000 and \$42,000,000.

The principal mergers will likely be between Western Union and Postal Telegraph land lines, to which will be added all domestic allied services; and between Western Union, Commercial and All-America Cables and RCA Communications and Mackay Radio and Telegraph.

"The Radio Corporation of America thereafter probably would confine its operations purely to the entertainment field, while the International Telephone and Telegraph Corporation would have its principal interests in telephone manufacturing and operating business in foreign countries", a writer in the New York Times observes. "Both companies would be expected to have holdings in the new concern as a result of their contributions under the proposed scheme."

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AGAINST WEVD POWER INCREASE

A recommendation has been made to the Federal Radio Commission by George H. Hill, Examiner, that Station WEVD, in New York City, memorial station dedicated to the late Eugene V. Debs, Socialist leader, be denied an increase of power from 500 to 1000 watts.

The Examiner's adverse report was based upon the following conclusions:

"The applicant is financially and technically qualified to operate the station with the power proposed. The present service of WEVD is limited by interference and its proposed operation would permit the extension of its service over an area and to a population in excess of that now served. However, the city of New York is now served by more than thirty radio stations.

"Programs of a high type are available to and have been broadcast by the applicant.

"The granting of the application would result in interference between Station WEVD and Stations WCAP, WTNJ and WCAM. A sufficient showing of need for the service requested has not been made by the applicant.

"The granting of the application would result in an increase in the broadcast facilities of an already over-quota State and the granting of the application would not serve public interest, convenience and/or necessity."

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GOVERNMENT CONTROL OF RADIO IN NEW ZEALAND INDICATED

That the Government of New Zealand intends to assume complete control over radio broadcasting in the Dominion is indicated in a report from Vice Consul W. W. Orebaugh, Wellington.

Until January 1, 1932, the report shows, broadcasting in New Zealand was largely in the hands of private interests, functioning under the supervision of the Post and Telegraph Department. On that date, the control of broadcasting became vested in the Broadcasting Board, a Government body whose functions and powers resemble those of the British Broadcasting Company.

Until very recently the Board maintained four class "A" stations, located in the four chief centers of the country - Wellington, Auckland, Christchurch and Dunedin. It was announced recently that the Government proposed to purchase three of the smaller Class "B" stations.

One item of the Government Board's program was the elimination of incompetent amateur broadcasting. In doing this it has employed an increasing number of graphophone records and has acquired a library of some 37,000 records.

The "B" or smaller stations under private control have been adversely affected by recent developments, the report shows, and it is probable that under existing conditions they will not be able to continue to operate. Like the Government "A" stations, they make wide use of gramophone records, upon each of which a royalty must be paid. Furthermore, restrictions on radio advertising have served to increase their financial difficulties.

While the majority of the "B" stations in New Zealand are relatively unimportant, the two stations recently taken over by the Government had built up a wide popularity as a result of their original programs. At the present time there is a considerable amount of public dissatisfaction with the Government for its action in assuming control of these popular stations.

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12/19/33

N. Y. POLICE BAN TAXI RADIOS AS NUISANCE AND HAZARD

Police Commissioner Bolan has put a ban on radio-equipped taxicabs in New York City.

The Commissioner's order gave the operators of the 2,000 cabs that already have been equipped with radios until midnight, December 20, to remove them or make them inoperative. Violation of the order will result in revocation of license, operators were warned.

When taxicab operators learned of the order, which represented a reversal of Commissioner Bolan's previous stand, they refused to accept it as final. Spokesmen said they would seek a conference with the Commissioner at which they would attempt to persuade him to change his mind. If their plea fails, some of the operators may seek an injunction, it was indicated. The investment in taxicab radio equipment already installed or ordered was estimated to approximate \$260,000, with 2,000 cabs already equipped and radios ordered for 4,500 more.

Referring to the action of the New York Police Commissioner, the New York Times in an editorial said:

"Commissioner Bolan is justified in placing a ban on radio-equipped taxicabs, though he would have been on surer ground had he refused to permit them in the first place. Then the Companies would have been spared the expense of installing the radios, only to remove them again. They are "not maintained in the interest of the public or the industry." They tend to distract the attention of the drivers, who often reach back with one hand to twist the knobs while trying to steer the car with the other, and are sometimes unable to hear the passenger's instructions. The presence of the radio is certain to increase the accident rate. The driver has enough to worry about now, without adding jazz to his troubles.

"The public has supported a campaign led by the Health Commissioner to muffle the noise of city streets and places where people work or try to sleep. Only the other day Dr. Wynne sent to the Board of Aldermen an amendment designed to curbe loud-speakers installed in cruising automobiles for advertising purposes. Why deliberately add to the existing din? And why deliberately add to the costs of local transportation? It seems odd that an industry which has been loudly protesting against increased taxes and reduced fares should invite the attention of the regulatory authorities - whoever they may be - by investing \$260,000 in a luxury like the radio."

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COMMISSION ALLOCATES 3 FREQUENCIES IN ONE BAND EXPERIMENTALLY

The Federal Radio Commission today (Dec. 19) allocated three frequencies in the band 1500-1600 kc. for assignment to experimental broadcast stations, such frequencies to be separated by 20 kc. viz., 1530, 1550 and 1570 kc., and to issue licenses if the applicant makes a showing in his application that he can meet the following conditions:

- (1) That the operation will be under the direct supervision of a qualified research engineer with an adequate staff of qualified engineers to carry on a program of research;
- (2) That the program of research includes study of antenna design, field intensity surveys, and plans for an analysis of response of listeners;
- (3) That the transmitter and all studios will be equipped so as to be capable of at least 10 kc. audio frequency transmission.

The program of research shall be acceptable to the Commission and experiments desired by the Commission shall be incorporated upon request. Changes in the program of research shall be subject to approval.

The licensee should be authorized to use variable power not to exceed 1 KW and to carry sponsored programs; however, the sponsorship should not interfere with the program of research, and the conduct of experiments should not depend only upon sponsors as a means of defraying the cost of the experiments.

The licensee should be required to report to the Federal Radio Commission at least each six months as to the development of his program and the results obtained. More frequent reports should be called for in the early stages of the experiment.

In order to put this policy into effect the following changes and/or additions in the Rules and Regulations should be made:

- (1) Add the following to Rule 27:

"f. The licenses for Experimental Broadcast stations will be issued for a normal license period of six months from the date of expiration of the old license, or the date of granting a new license."

- (2) Add new rule as follows:

"3062. The term "Experimental Broadcast Station" means a station carrying on the experimental transmission of broadcast programs on frequencies specifically designated for use by such stations."

- (3) Change the title of Rule 313 C to read as follows:

"C. Experimental Visual Broadcast Stations and Experimental Broadcast Stations."

(4) Add the following as Rule 319:

"319. The following frequencies are allocated for use by experimental broadcast stations: 1530, 1550, 1570 kc."

(5) Add the following new rules after Rule 324:

"Rule 324a. Each applicant for experimental broadcast station construction permit will be required to show that he has a program of development which promises to lead to improvement in the broadcast art and has the finances and facilities to carry out the proposed program. In addition he shall be required to show -

- (1) That the operation will be under the direct supervision of a qualified engineer with an adequate staff of qualified engineers to carry on the program of research;
- (2) That the program of research includes study of antenna design field intensity surveys and plans for an analysis of response of listeners;
- (3) That the transmitter and all studios will be equipped so as to be capable of at least 10 kc. audio frequency transmission;
- (4) That if sponsored programs are transmitted such sponsorship will not interfere with the program of research, and that the conduct of experiments will not depend only upon the sponsors as a means of defraying the cost of the experiments."

Add the following as Rule 324b:

"Rule 324b. The Commission will not authorize an operating power to exceed 1 kilowatt for stations in the experimental broadcast service. In the determination of power the rules governing broadcast stations shall apply."

(Note: Commissioner Lafount moved that Section 4 be stricken from the new rule 324a, but his motion was lost.)

This allocation by the Commission followed recommendations by Dr. C. B. Jolliffe, Chief Engineer, and George B. Porter, Acting General Counsel, who submitted the following memorandum in connection therewith:

"Under the recommendations of the Mexico City Conference, the frequency band 1500-1600 kc was left unassigned, pending a decision in regard to allocation of frequencies to broadcasting in North and Central America. Following that conference the Commission made changes in its Rules and Regulations which will transfer all services allocated to frequencies between 1500 and 1600 kc, to other parts of the frequency spectrum. The frequencies between 1500-1600 kc were designated for general communication service:

"The General Regulations attached to the International Radio Conference of Washington, Article 5, paragraph 1, read as follows:

'The Administration of the contracting countries may assign any frequency and any type of wave to any type of radio station within their jurisdiction upon the sole condition that no interference to any service with another country will result therefrom.'

Thus, frequencies in the band 1500 to 1600 kc. are available for any type of assignment provided they do not interfere with the service of any other country. The International allocation of frequencies in this band is specified as 'mobile service'. There will be no mobile services in North America assigned to the band provided all nations adopt the recommendations of the Mexico City Conference.

"At the Mexico City Conference the United States proposed that this band be used for broadcasting in North America, in order to effect a settlement of the broadcasting problems. This was not acceptable and it was left as designated above.

"Opinions of competent technical men vary as to the usefulness of frequencies in this range for broadcasting. Some contend that these frequencies are of very little use and base their opinions on the operation of stations at present assigned frequencies just below 1500 kc.; others contend that if properly engineered they are capable of giving satisfactory service.

"There should be little difference in the transmission characteristics between the frequency bands 1500-1600 kc. and 1400-1500 kc. Some stations immediately below 1500 kc. have paid particular attention to antenna design and obtained results comparable to the transmission characteristics of other frequencies. Other stations have paid no attention to antenna design and have obtained very poor service. All possibilities of antenna design have not been exhausted.

"It is extremely difficult for a commercial station which is operating solely for profit to make experiments on antenna structure or to vary power, transmitters, etc., or to alter materially the service area of a station. It is likewise unfair to an established audience to be making such changes. It is our belief, however, that frequencies between 1500 and 1600 kc. can be useful if the stations using them are properly engineered. Experiments to determine this cannot be carried on below 1500 kc.

"In order to determine the usefulness of these frequencies, it is necessary to experiment with the antenna design to determine the maximum power which can be put into the ground wave with the minimum signal in the sky wave, and to determine the proper power to be used either for serving many small primary areas or a single small primary area with a larger secondary area. To determine these, it will also be necessary to make a study of the fading characteristics of these frequencies.

(Continued on bottom of next page)

FOUR NEW STATIONS FOR AUSTRALIA

That Australia is essentially "radio-minded" is revealed in a report to the Commerce Department from Assistant Trade Commissioner Wilson C. Flake, Sydney. .

Since the beginning of the present year, the report shows, the number of radio sets in the Commonwealth increased by 20 per cent. The total number reported at the end of September was 500,341, one set for every 13 persons. This figure would indicate that Australia now ranks sixth among the countries of the world in the number of radio listeners.

This increase in the number of receiving sets has added a substantial amount to the revenue collected as license fees by the Government, a part of which will be returned to listeners in the form of increased and improved broadcasting facilities.

The Government has just awarded a contract for the erection of four new broadcasting stations, and at the same time announced plans for three additional stations. This will bring the total number of Class A stations to 19, and will provide dependable service to sections of the country, which are now reported experiencing some difficulty in receiving programs from the existing stations.

Owing to the high tariff on radio sets and parts, Mr. Flake points out, Australia manufacturers are now supplying practically all the increased requirements for receiving sets, imports being confined largely to tubes and fixed condensers. In the fiscal year 1931-32, imports of radio sets and parts into the Commonwealth were valued at £300,931, of which complete sets accounted for £1,671; tubes, £236,161; and other radio parts, £63,008.

It is estimated that total domestic production of receiving sets in 1932 amounted to 115,000 units.

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"While not directly related to this problem, the question of audio quality of transmission should be studied. It is impossible to determine the gain produced in the entertainment value of programs by increasing the range of audio frequencies from the radio broadcasting stations as now allocated, due to the fact that 10 kilocycle separation between carriers is not sufficient to permit receivers to be used which will accept high quality modulation without receiving interference from adjacent channels."

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: : BUSINESS LETTER NOTES : :

Extension of its libel laws to include the radio is being planned in Wisconsin, and it is expected that some definite steps along this line will be taken at the next regular session of the legislature.

Strengthening of the State's libel statutes, to apply to radio utterances, is being given support by Gov. Albert G. Schmedeman. It was pointed out that there are libel provisions in the State statutes to reach the publishers of a scandalous and untrue statement, but liability may be escaped by a broadcaster.

"There is sound logic in the contention of those who feel our laws should reach the person who might make damaging and false statements over the air", said Governor Schmedeman. "At least that is my reaction to the suggestion that we bolster our State laws to reach such persons.

"I will certainly lend my support to the proposition at the earliest opportunity."

Representative James M. Beck (R.) of Pennsylvania, addressing the Pennsylvania Society in New York, said:

"General Johnson said everyone should do his own thinking. I agree with him but to enable the American people to think it is just as well that an opportunity should be given them to hear the other side of the controversy and yet for six months channels of the air have been denied to the opponents of these policies. The press has continued under the threat that they too would be regimented."

All the cable and radio companies have announced several adjustments in rates and regulations relating to messages sent from this country, effective on Jan. 1, under amendments to the International Telegraph and Radio regulations adopted by the Madrid conference several months ago.

The principal adjustments involve a reduction in the present ten-letter code word to five letters in length, abolish the "preferred message" service extensively used by brokers and bankers in foreign messages and reduce the "urgent" rate from triple the ordinary rate to double.

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12/19/33

DECISIONS OF THE FEDERAL RADIO COMMISSION DEC. 19

Applications Granted

WBNX, The Standard Cahill Co., Inc., New York, N. Y., C.P. to move studio locally, and make changes in equipment; WEBC, R. B. Broyles Furniture Co., Birmingham, Ala., C.P. to make changes in equipment and increase day power from 100 watts to 250 watts; KPJM, Scott & Sturm, Prescott, Ariz., C.P. to move transmitter locally in Prescott, and make changes in equipment; WHN, Marcus Loew Booking Agency, New York, N. Y., license covering move of transmitter and installation of new equipment, 1010 kc., 250 watts, shares WRNY and WQAC-WPAP; KFOR, Cornbelt Broadcasting Corp. Lincoln, Neb., license covering changes in equipment 1210 kc., 100 watts night, 250 watts day, unlimited time; KIEM, Harold H. Hanseth, Eureka, Cal., authority to operate night of Dec. 19 in order to broadcast election returns.

Also, WFJB, Marshall Electric Co., Inc., Marshalltown, Ia., special temporary authority to operate from 9 P.M. to 12 Midnight, CST, Jan. 5, 6, 11, 12, 16, 18, 19, 20, 23, 26, 28 and 31, 1934; and from 9 A.M. to 12 Noon and 3 to 6 P.M. CST, January 18, 19, and 20, 1934; KGFL, KGFL, Inc., Roswell, N. Mexico, authority to operate simultaneously with KICA from 7:30 to 9 P.M. Dec. 20th, in order to broadcast special Christmas program; KTHS, Hot Springs Chamber of Commerce, Hot Springs National Park, Ark., authority to operate on 970 kc., from 11:30 A.M. CST, until the end of Rose Bowl Game, approximately 6:30 P.M. CST, Jan. 1, 1934, in order to broadcast football games; KWLC, Luther College, Decorah, Ia., modification special temporary Authority to remain silent from Dec. 20, 1933, to Jan. 2, 1934, inc., except from 2 to 4 P.M. CST, Dec. 24, 1933, in order to broadcast church concert.

Also, WPDX, Detroit Police Dept., Detroit, Mich., C.P. for additional transmitter, also granted license covering same; City of Little Rock, Little Rock, Ark., C.P. for police service, frequency 2430 kc., power 100 watts; Chas. L. Jaren, Portable & Mobile, C.P. for general experimental service, 31100, 27600, 34600 and 40600 kc., 50 watts; also, Portable, temporary broadcast pick-up C.P. 1622, 2150 kc., 50 watts; Aeronautical Radio, Inc.: WSBM, Albany, N. Y., WSDI, Cincinnati, Ohio, WAEI, Detroit, Mich., WSDD, Boston, Mass., C.P., frequencies (a) 2612, 2636, 3467.5, 4740 kc.; (b) 6540, 6550, 6560, 8015 kc., 250 watts; unlimited time on frequencies (a); and day only on frequencies designated under (b); KGUR, Glendale, Cal., and KGTF, C.P. for new transmitters; WSDJ, Elkins, W. Va., license, frequencies 3127.5, 3232.5, 3242.5, 3257.5, 3447.5, 3457.5, 3467.5, 3485, 4917.5, 5602.5, 5612.5, 5632.5 kc., unlimited, 3222.5 kc. day only, 50 watts.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication

NATIONAL BROADCASTING COMPANY, INC.
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No. 684

NOTE: THERE WILL BE NO ISSUE OF THE BUSINESS LETTER THE DAY AFTER CHRISTMAS, DECEMBER 26; DUE TO THE GOVERNMENT OFFICES BEING CLOSED OVER THE ENTIRE WEEK-END AND THE COMMISSION NOT MEETING ON TUESDAY.

AMERICAN BROADCASTERS STRIKE BACK AT CRITICS

A vigorous answer has been prepared by the National Association of Broadcasters to the question raised in the school debates to be held throughout the country as to whether the United States should adopt the essential features of the British system of radio operation. It is a 200 page handbook compiled by Philip G. Loucks, Managing Director of the Broadcasters, bristling with arguments in favor of the American system. Supplying ammunition to students who must defend our system in the country-wide debates, the handbook contains the Broadcasters' Code of Ethics, a detailed history of American radio, a presentation of the American case by Prof. Herman S. Hettinger of the University of Pennsylvania, an outline for debate of the American radio situation, the listeners' attitude to British programs as expressed by Maj. Joseph Travis, of London, what Federal Radio Commissioner Harold A. Lafount has to say with regard to the merits of the American situation, a question, "What Are We Going to Do About American Radio?" propounded by Franklin Dunham, Educational Director of the NBC, Facts, in question and answer form concerning the American broadcasting system and a short bibliography on Broadcasting.

The handbook is the most impressive effort the American broadcasting industry, which heretofore has stood more or less silent under attacks, has ever made to justify its existence. Unquestionably a portion of the book, which will be widely quoted, are the arguments advanced by William Hard, who, because of his frequent trips abroad, has first knowledge of the British system.

"In radio do you want competition?" Mr. Hard asks. "Or do you want monopoly?"

"The American system is competitive, intensely. We have some six hundred different persons - individual persons or corporate persons - owning and operating broadcasting stations. Some of these stations take - and some of them do not take - programs prepared and transmitted on a nation-wide scale by our so-called 'chain' companies. These 'chain' companies compete against each other not only intensely but - I might even say - violently.

"Some adversary of mine may talk to you about a 'private monopoly' of radio in the United States. Ask him to show it to you. There isn't any such thing."

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"The British Broadcasting Corporation has an exclusive license from the British Government to operate all broadcasting stations, absolutely all, in the whole of Britain. There is not a microphone in Britain that is not controlled by the British Broadcasting Corporation's central office in London.

"Are you a violinist in Edinburgh? Are you a member of an orchestra in Cardiff? Are you a member of a debating team in Manchester? Are you a county councillor in York? Are you a labor leader in Exeter? Are you a member of the House of Commons representing a constituency in Kent? Are you a hopeful soprano in Bournemouth? And would you like to go on the air? Have you something in you that you would like to express on the air?

"Well! In Britain you have just one chance. If the British Broadcasting Corporation's central office in London says that you can go on the air, you can. If it says you can't, you can't. And that's that."

"Have you ever heard anybody claim - even claim - that British broadcasting is more entertaining than American broadcasting? Have you ever heard anybody claim - even claim - that in radio's very first primary function - the function of entertainment - British governmental radio is superior to American private radio?

"I will give you one second to think of the answer; and the answer is, of course, utterly 'No.' Or, if it's 'Yes', will the advocates of British broadcasting stand up and say so - and say why? They never do. And why not? Because it is clearly apparent that for entertainment American radio leads not only Britain but the whole world."

"American broadcasting now costs about a hundred million dollars a year. Do you think that in these days of intense demand upon federal financial resources for the relief of distress the Government will ever devote one hundred million dollars a year to providing comic relief - and other relief of mind - to owners of radio receiving sets?

"More than half of the tax-money raised on radio receiving sets in Britain never gets to the British Broadcasting Corporation. It is grabbed off by the Government itself for other governmental expenses. The British owners of receiving sets pay a tax on their sets to get broadcasts; and then less than half of what they pay is used for giving them broadcasts. And the broadcasts necessarily sound like it. The program managers have neither the stimulus of competition nor the momentum of money to make them seek variety and novelty.

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"The British Postmaster General is in supreme authority over the British Broadcasting Corporation. He licenses it to exist. He can tell it what to broadcast. He can tell it what not to broadcast. He can tell it what to do - and what not to do - about its money, about its program material, about its personnel. He can tell it; and he never tells it. He has all that authority; and he never exercises it.

"Let us try - let us try - to imagine an American Postmaster General acting similarly.

"Walter Brown was Mr. Hoover's Postmaster General. James Farley is Mr. Roosevelt's Postmaster General. I think that they are the two gentlemen whom I hear laughing loudly in the gallery."

"Now suppose Mr. Borah wants to speak on the American air. Is there a station manager in America or is there a 'chain' manager that would think of saying 'No'? There most certainly is not. Can you visualize the social earthquake that would occur in America if Mr. Borah should announce that he had been denied the air? It would shake our private radio managers out of their commercial existences.

"But in Britain! Ah, how different! Mr. Churchill says that he wants to speak on the air, and what does Sir John Reith say? Quietly, imperturbably, and definitively: 'No.' Just 'No'. And it settles it."

"Every foreign radio system is governmental and coercive. Every foreign radio system, instead of expanding free speech, diminishes it. I am not scared by governmental ownership and operation of railroads or of electric light plants or of any other physical things. I am terrified, I will admit, by governmental ownership and operation of men's words, of men's thoughts, of things mental, moral, spiritual."

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COMMISSION TAKES ITS CHRISTMAS SIESTA

The hard-working Federal Radio Commission will hold no meetings or hearings during Christmas week. In fact, the Commissioners will not get their feet under the table again until they meet Tuesday, January 2nd.

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12/22/33

ZENITH SHOWS ENCOURAGING OPERATING PROFIT

As an indication of what appears to be a turn for the better and perhaps the end of the depression, the Zenith Radio Corporation, of Chicago, reports a net operating profit for the six months ended October 31st, 1933, of \$131,741.40, compared with a net loss of \$201,972.66 for the same period in the preceding year, after all charge-offs including liberal depreciation, but before Federal Profit Taxes, as per the following comparative statement:

	<u>Six Months ended October 31st</u>	
	<u>1932</u>	<u>1933</u>
Manufacturing Profit		
After Excise Taxes, Royalties, Manufacturing Expenses and Maintenance of Plants and Equipment	\$ 27,102.60	\$289,527.03
Selling and Administrative Expenses	181,035.16	121,184.76
Depreciation	<u>48,040.10</u>	<u>36,600.87</u>
Net Operating Result	Loss \$201,972.66	Profit \$131,741.40

"The company carried on a successful fall sales campaign and has been able to maintain steady normal production", Hugh Robertson, Treasurer reports. "It believes the demand for home radios in 1934 will be greater than 1933. The company is making extensive preparations to supply radios to automobile manufacturers as standard equipment. The first contract has been secured for equipping Hudson and Terraplane cars. Negotiations are being carried on with other car manufacturers.

"The company has no outstanding loans of any kind, current obligations are being discounted, and the usual strong liquid position continues to be maintained."

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12/22/33

STARBUCK SKATING ON THIN ICE

Apparently the Democrats are after the scalp of W. D. L. Starbuck, Federal Radio Commissioner of the Eastern zone a Democrat appointed by President Hoover whose term expires in February. Senator Rob Wagner of New York is expected to be the deciding factor in the appointment. It is the impression that commissioner Starbuck is on his way out.

Eddie Dowling, actor, director of the theatrical branch of the Democratic National Campaign Committee, and Herbert L. Pettey; Secretary of the Radio Commission, both previously mentioned for the place have again been spoken of. A Tammany man from New York, James Killeen is likewise mentioned.

An apparently reliable report is that a "dark horse" has been agreed upon but whether or not this is Dowling, Pettey or Killeen could not be learned. Pettey is said to have told a friend that he (Pettey) was definitely out of it. The impression of the friend was that Petty who seems to be the Administration's "fair haired radio boy" and who "Patronage-Master" General Farley calls by his first name, is after bigger game, maybe expecting to be a member of the new Communications Commission, if there is to be such a Commission. Still another story is that Starbuck's place will not be filled until the matter of the Communications Commission is settled.

Starbuck has been more or less of a mystery man in the Radio Commission. No biography of him has ever been available at the Commission and he apparently had little to do with radio excepting perhaps that he had been a patent lawyer. He is supposed to have been proposed by James R. Sheffield, former Ambassador to Mexico and a director of the Radio Corporation of America, also backing Starbuck was Col. Bill Donovan. Frank M. Russell, Vice-President of the NBC was also understood to have done considerable work in behalf of Starbuck.

Starbuck has never been popular with the newspaper men covering the Commission and once was behind a movement, which if successful, would have resulted in the dismissal of any Commission employee seen talking with a newspaper correspondent. Starbuck made himself so offensive personally to one newspaper man covering the Commission that he never went back to Starbuck's office a second time.

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NEW YORK TAXI BAN PUT OFF TO PERMIT COURT TEST

Commissioner Bolan of New York has deferred the official ban on radio-equipped taxicabs until Jan. 1. Between now and then it is expected that attorneys for the operators who have already placed receiving sets in their cabs will ask the courts to restrain the Police Department from making the order effective.

Also Bond Geddes, of the Radio Manufacturers' Association, will make a personal plea to Mayor-elect La Guardia in the matter.

D. C. LAW BANS RADIO-TAXIS, BUT IT ISN'T BEING ENFORCED

Washington has a law prohibiting radios in taxis, but because no violations or complaints have reached the Public Utilities Commission, virtually nothing has been done to enforce it.

The District order was passed Aug. 4, 1932. It prohibits the operation of taxis equipped with radios, while the radio is on.

"Since we approved the regulation the Public Utilities Commission has received no complaints of violations," Acting Chairman Riley Elgin said today.

One taxi driver has been brought into court for a violation, however, according to Lieut. Thomas Mason Jr., District hack inspector. The driver was released on personal bond, Mason said.

The opinions of a number of District residents, picked at random by the Washington News, mainly favored the use of radios in cabs.

Here are some of the comments:

C. R. Richards of 524 Oglethorpe St. N. W.: "I really enjoy radios in cabs. It's one of the nicest ideas the taxi owners have had."

Mrs. J. C. Grinder of 1304 D-st S. E.: "They don't bother me. I think it's pleasant to have music when you ride a cab."

A. J. LaPorte of 1915 Connecticut-ave N. W.: "I rather like them. The idea is a real novelty."

Mildred Smith of 824 I-st N. E.: "Music in a cab is grand. It's sort of romantic and restful, too."

Mrs. Lillian Arlin of 64 V-st N. W.: "Radios are all right if the driver of the cab gets the right program."

R. L. Martin of 3900 14th-st N. W.: "I can't see anything against radios in cabs."

Miss M. E. Bellfield of 1302 Kenyon-st N. W.: "I think

it's dangerous. It takes the driver's mind off his driving. There's too much noise on all radios, anyway."

Carrie Parker of 1209 N-st N. W.: " I don't ride taxis, but I don't have a radio in my own car. There's too much danger of accidents."

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F. D. R. TO REPEL CONGRESSIONAL BRICKBATS BY RADIO

That Congress will be on his hands soon doesn't seem to perturb President Roosevelt, even though it's everybody's secret that the session will be marked from the outset by plenty of brickbats. "It isn't expected that F. D. R. will follow the occasional example of some of his predecessors and deliver messages to Congress by word of mouth." Frederic William Wile observes. "In radio, he has a far more powerful means of bringing pressure to bear, should Congress "act up," than personal appearances at the Capitol. At Albany Gov. Roosevelt, like Gov. Smith before him, periodically addressed the people of New York State by air, whenever it was found desirable to generate public support for legislative programs. Since he entered the White House, President Roosevelt has acquired a more profound respect than ever for broadcasting as a means of influencing popular sentiment. It may be taken for granted that he will resort to the microphone unhesitatingly during the next few months should congressional developments suggest the usefulness of fireside talks to the country."

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NOT BELIEVED COMMUNICATIONS BILL WILL AFFECT BROADCASTING

The predominating radio legislation to be considered in the forthcoming session of Congress, which convenes the first week in January, will be the communications recommendations of President Roosevelt based upon the report of the Interdepartmental Committee, of which Secretary Roper was Chairman. One well informed legislative observer expressed the belief that Congress at this session would pass some sort of enabling legislation for the appointment of a Communications Co-ordinator who would do for radio what Co-ordinator Eastman is doing for the railroads. It was his opinion that the Federal Radio Commission would be allowed to stand as it is.

"I believe there will be preliminary legislation giving the President power to set up a radio co-ordinator", he concluded. "I think the President will then tell the Co-ordinator to go ahead and see what he can do. I don't believe broadcasting will be affected in the slightest degree.

"The Radio Commission may be cut down to three members but I don't think it will be abolished, neither do I expect to see any tampering with the Radio Act."

Another legislative expert was asked if he thought there was any chance of the legislation introduced last session by Senator Dill, Chairman of the Interstate Commerce Committee for the taxing of broadcasting stations being pressed at this session.

"Not unless Senator Dill does it", he replied, "but I think the Senator will be too busy with other things relatively more important to consider station taxation at this time."

The tax proposed would be on an annual basis with the scale running from \$500 up to \$10,000, the latter figure being for 50,000 watts power stations.

What the Tugwell Food and Drugs Bill may bring up of interest to broadcasters is not known but there is some talk of a bill which would stipulate that no article could be offered over the air which could not be advertised in a newspaper - in other words not permitting any broadcast advertising which could not go through the mails.

The Radio Manufacturers' Association under the leadership of Paul B. Klugh, of Chicago, Chairman of the Legislative Committee, is vigorously urging Congress for relief from 5 per cent Federal excise tax on radio and phonograph products.

That the radio tax is discriminatory against radio and other selected industries and that radio is not a luxury are the principal points being stressed in the opposition to the radio tax. A small, but general, manufacturers' sales tax, applying equally and fairly to all manufacturers, is advocated instead.

Collections of radio excise taxes for the month of October, 1933, were \$292,332.

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COMMISSION FREE TO ACT ON MISSOURI TRANSFER

The petition for an injunction to restrain the Federal Radio Commission from acting on the application for the voluntary assignment of license from Station KGIZ, Grant City, Mo. to KGBX, Springfield, Mo. has been dismissed by the District Supreme Court.

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: BUSINESS LETTER NOTES :

The Broadcasters' Code Authority will hold another meeting soon after the first of the year. The new organization will have offices in the National Press Building, in Washington, in conjunction with the National Association of Broadcasters.

As yet the Government has not appointed its three members of the Authority though in all probability Harry Shaw, of Waterloo, Ia. will be one of them. The delay is said to be caused by the labor people wanting to name all three.

It is again reported that the career of Louis Howe, presidential secretary, as a commercial broadcaster, is approaching its conclusion.

Direct radio telegraph service between Spain and the United States was inaugurated Dec. 19 by the Mackay Radio, a subsidiary of the International Telephone and Telegraph Corporation, with the exchange of messages between William Phillips, Under Secretary of State, and Senor Don Alejandro Lerroux, President of the Spanish Council of Ministers.

Dr. Alfred N. Goldsmith, with Chairman L. F. Curtis of the Radio Manufacturers' Association Police Radio Committee, and E. L. Nelson, of the Bell Telephone Laboratories, is cooperating with Chairman Graham of the RMA Engineering Division in preparing data on police radio specifications.

Possessing a number of improvements over its predecessor, the Crosley Roamio "106", designers of the new model Roamio "103" have included such features as the Synchronode "B" Eliminator, Automatic Volume Control, Tone Control, 6-in. Floating Moving Coil Dynamic Speaker, Tennaflex and Under-car Antenna. The new model will retail complete with tubes for \$44.50.

A supplemental code of fair trade practices to the basic electrical code is proposed, together with possible changes in the labor provisions and the "open price" section of the present code will be considered at a hearing of the electrical code, which includes that of the radio manufacturers, to be held in Washington, Thursday, Jan. 4.

The Board of Directors of the Radio Manufacturers' Association will hold its first meeting in the new year Thursday, January 11.

Denial of a construction permit to erect a 250 watt station at Modesto, Calif., to operate daytime on a frequency of 740 kilocycles was recommended by Ralph L. Walker, Federal Radio Commission Examiner. Paul D. P. Spearman appeared in behalf of Station WSB, Atlanta, which is on the 740 frequency.

The new broadcasting station of the Hungarian Government recently opened at Budapest is one of the most powerful in the world and has an antennae mast which is higher than the Eiffel Tower. The equipment for this 120 k.w. station was supplied by the associated company in Hungary of the International Telephone and Telegraph Corporation and the antennae tower was designed by the Blaw-Knox Company of Pittsburgh.

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DECISIONS OF THE FEDERAL RADIO COMMISSION

Applications Granted (Dec. 22, 1933)

KDKA, Westinghouse Elec. & Mfg. Co., Pittsburgh, Pa., C.P. to make changes in equipment; WLBC, Donald A. Burton, Muncie, Ind., authority to operate simultaneously with Station WTRC from 6:30 to 7:30 P.M. CST, on January 1, 5, 11, 20 and 26, 1934; WJBI, Monmouth Broadcasting Co., Red Bank, N. J., authority to remain silent on Dec. 25th; WILL, University of Illinois, Urbana, Ill., authority to operate simultaneously with Station KFNF during the American Historical Assoc. Annual Convention and Univ. of Ill. Annual Farm and Home Week Program, special days and specified hours; WHAT, Independence Broadcasting Co., Inc., Philadelphia, Pa. authority to remain silent on Dec. 25, 1933; WNYC, City of New York Dept. of Plant and Structures, New York, temporary authority to operate from 1 to 5:30 P.M., EST on Monday, Dec. 25, instead of designated time of 8½ hours, 9 A.M. to 5:30 P.M.; WCAP, Radio Industries Broadcast Co., Asbury Park, N. J., authority to remain silent on Dec. 25; WGES, Oak Leaves Broadcasting Station, Inc., Chicago, Ill., special temporary authority to operate from 11 A.M. to 1 P.M. CST, Dec. 25th; WKBV, Knox Battery & Elec. Co., Richmond, Ind., renewal of license in accordance with existing license which expires Jan. 1, 1934; WHDL, Tupper Lake Broadcasting Co., Inc., Tupper Lake, N. Y., same grant.

Also, WODX, W. G. Austin & W. O. Pape, Receivers, Mobile, Ala., temporary license from Jan. 1, 1934 and set for hearing the application to involuntary assignment of license from Mobile Broadcasting Corp. to W. G. Austin & W. O. Pape, Receivers; KUJ, KUJ, Inc., Walla Walla, Wash., extension of specified exp. authorization to operate unlimited time experimentally to July 1, /934; WQBC, Delta Broadcasting Co., Inc., Vicksburg, Miss., cancellation of special temporary exp. authority reducing hours of operation from unlimited to daytime only, effective Jan. 1, 1934 (station normally licensed for daytime only); WHDF, The Upper Mich. Broadcasting Co., Calumet, Mich., special temporary authority to operate specified hours Dec. 24 through Jan. 1, 1934; KFYR, Meyer Broadcasting Co., Bismarck, N. Dak., special temporary authority to operate from 12:30 to 2:00 P.M. CST, on Dec. 25, and on Jan. 1, provided KFDY remains silent; WHP, WHP, Inc., Harrisburg, Pa., special temporary authority to operate from 10:30 to 11:30 A.M., 1:30 to 2:30 P.M. and 4 to 4:30 P.M. EST on Dec. 25 and Jan. 1; WAZL, Hazelton Broadcasting Service, Inc., Hazleton, Pa., special temporary authority to operate a maximum of 4 hours daytime only, simultaneously with WILM, for period beginning 3 A.M. EST, Jan. 1, and ending 3 A.M. EST, July 1, 1933; William F. Chaplin, Hot Springs, Ark., reconsidered and granted application, heretofore set for hearing, for new station to operate on 1500 kc. 100 watts, daytime hours.

Also, WOG, American Tel. and Tel. Co., Ocean Gate, N. J., and WKF, Lawrenceville, N. J., modification of license to add frequency 4252.5; W10XV, National Broadcasting Co., Inc., Portable and mobile, Sec. Ext. license, frequencies 17310, 23100, 25700, 26000, 27100, 31100, 34600, 37600, 40600, 86000-400000, 401000 kc. and above 15 watts; American Airways, Inc., on Aircraft (Chicago), authority to operate on aircraft station as a broadcast pickup station on Dec. 25th, in connection with Christmas broadcast. City of Amarillo, Tex., C.P., gen. Exp. frequencies 20100, 33100, 37100, 40100 kc., 15 watts; City of Piedmont, Cal., general experimental C.P., frequencies 30100, 33100, 37100, 40100 kc., 15 watts; same for 4 stations, except 2 watts power; City of South Bend, South Bend, Ind., C.P. for police service, 2470 kc., 100 w.

Also, Aeronautical Radio, Inc.: KGUA, El Paso, Tex., WQDP, Atlanta, Ga., KGUT, Robertson, Mo., WSDK, Memphis, Tenn. C.P. to install new transmitter; WQDQ, New Orleans, C.P. to move transmitter from New Orleans to approximately 10 miles from the city; WAED, Middletown, Pa., C.P. to move transmitter from Middletown to Harrisburg, Pa.; Seattle, Wash., C.P., frequencies 2854, 3005 kc., unlimited, 5377.5 kc. day only, 400 watts; WEPP, Newark, N. J., license, frequencies 2922, 2946, 2986, 4122.5, 5652.5 kc., 15 watts; WMEV, Opa Locka, Fla., license, 2930, 6615 kc., 400 watts; RCA Communications, Inc.: WES, New Brunswick, N. J., modification of license to change location to Rocky Point, and change normal transmitter; WKJ, Rocky Point, N. Y., modification of license to change location to New Brunswick, N. J. and change normal transm.

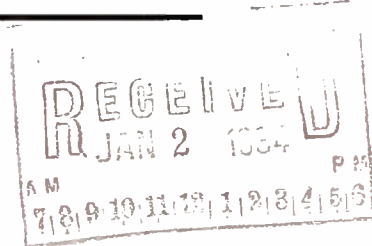
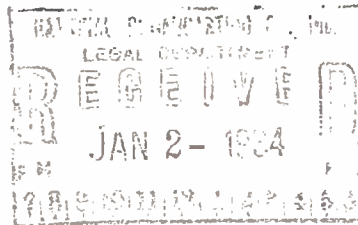
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL—Not for Publication



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RADIO IN THE SOVIET UNION

During the first five-year plan the entire radio system of the Soviet Union was thoroly reconstructed and extended. The following table shows the number of stations, their power, and also the number of receiving points in the USSR:

	1928	1930	1932
Number of stations..	23	53	66
Power of the stations (kilowatts)..	126	395	1,702
Number of receiving points.....	350,000	1,200,000	2,800,000

In the last five years the number of radio stations has increased almost three times, their power thirteen and a half times, and the number of receiving points eight times. This has caused a considerable increase in the number of radio listeners, which, in 1932, was estimated to be between ten and twelve million. This figure, according to the Soviet Union Review, is based on the fact that usually every receiving point is used by a family of several persons and that many sets are collectively used in workers' clubs, village reading-rooms, army barracks, and communal living quarters.

Every nationality in the Soviet Union may have programs broadcast in its own language. Fifty different languages are used in broadcasting.

The system of local broadcasting points, organized in large industrial enterprises and many SOVHOZES and KOLHOZES is widely developed. These points function almost entirely independently, organizing radio-newspapers and concerts. These local stations also frequently relay the programs of the central stations, or send their programs thru them. On October 1, 1928, there were 27 local stations, on January 1, 1931, there were 962, and at the end of 1932 approximately 3000.

The special radio broadcasting of correspondence school courses has also developed to a large degree. During the first five-year plan 125,000 radio study points were formed, making it possible for many thousand workers and collective members to take correspondence work by radio..

The ultra high-frequency system has also highly developed, increasing some twenty times and allowing for sending and receiving programs from the district, regional, and republic centers of the most outlying spots in the Urals, Yakutia, Kazakstan, and other distant places. The RAYON, or county, receiving system has grown from 150 to 2500 units, facilitating transmission to the RAYONS.

Ten large radio telegraph centers have been organized in Moscow, Tashkent, Alma Ata, Khabarovsk, Irkutsk, Novosibirsk, Sverdlovsk, Leningrad, Tiflis, and Baku. All these centers are connected with Moscow and their own RAYONS.

Eighty-three new transmitters of 372 kilowatt power, 350 short-wave transmitters for outside RAYON connection, and 250,000 new radio points are planned. Sport arenas are having radio connections installed. The plan for 1933 foresees the receiving of Moscow programs by all regional, district, and republican centers and the sending of their own local programs by these centers to the RAYONS.

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NOTED POLITICAL WRITER BOOKED BY STATION WBAL

Among the outstanding features recently booked by an individual station, is a series of talks on "Public Affairs" over WBAL, presenting to the radio audience Frank R. Kent, one of the keenest political writers and observers of the day. These talks come to listeners at 8.00 o'clock (EST) every Thursday night and, according to Frederick R. Huber, Director of WBAL, these discussions of "Public Affairs" will be continued as one of WBAL's star attractions throughout the winter and spring.

Mr. Kent's appearances are sponsored by the Baltimore Commercial Bank, of which Gwynn Crowther is president. Incidentally, this is one of the few banking houses now on the air.

Frank R. Kent is a Baltimorean. After attending the Johns Hopkins University, he joined the staff of the Baltimore SUN where he has served as political reporter, Washington correspondent, Managing Editor, foreign representative and columnist, his "Great Game of Politics" being a nationally known and followed newspaper column. Mr. Kent is also the author of several books and is a frequent contributor to the leading magazines. In addition to his writing activities, Mr. Kent is also one of the trustees of St. John's College, at Annapolis, and is a member of the Advisory Board, Pulitzer School of Journalism, Columbus University.

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RADIO MANUFACTURING SPEEDS UP IN CANADA

In Canadian radio manufacturing industry, practically at a standstill during the greater part of the current year, experienced a sudden spurt in September and now is operating at full capacity, according to Consul Damon C. Woods, Toronto.

The largest manufacturing company is reported to be 2,000 sets behind its orders. Employment in the radio factories of Toronto, the center of the Canadian industry, is practically twice that of a year ago.

Export shipments, the report points out, are made by one large Toronto radio manufacturer to sixty-eight overseas markets. Its export trade now exceeds its domestic business and it is hoped to double its foreign business in 1933.

The manufacture and assembly of radio sets in Canada supply the entire domestic and export trade, although many of the parts are imported from parent companies in the United States. For the twelve months ending October 31, 1933, total imports of radio tubes from the United States amounted to \$64,641 and imports of radio apparatus \$925,113. The corresponding figures for last year were, respectively, \$53,904 and \$1,897,194. The 50 per cent decline in imports of radio apparatus, the report states, indicates the growing use of Canadian materials by local manufacturers.

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URGES NEWSPAPERS TO ACCEPT 10-POINT PLAN

"End the newspaper-radio 'war'!" is the advice of the EDITOR and PUBLISHER, trade journal of the newspaper profession.

"With the least possible delay organized journalism should move to ratify the generous, intelligent and practical 10-point plan formulated and agreed upon by representatives of the press, press associations and services and chain broadcasters. It involves sacrifices on all sides, but it comes directly to a point of mutual advantage", the EDITOR and PUBLISHER says editorially.

"In this hectic day there is so much in business that borders on sheer insanity - the traditional long-view commercialist sometimes seeming to be well-nigh extinct - that we took actual delight last Saturday in telling the newspaper and advertising world of a radio-press agreement which smacked of rationality and was conspicuous for fairness. Here was a group of sensible men who did not need to be dragooned by some dictator into doing right."

"See what the 10-point plan means : Press and radio, equally committed to public service, were drawing near to an open and selfish fight, due to radio's encroachment on the newspaper's established preserves, followed naturally by reprisal measures.

For six years both sides permitted a dangerous antagonism to grow and drift."

"The press of the nation, through three responsible news agencies, spends annually between \$15,000,000 and \$20,000,000 to collect and disseminate current news, bulwark of democracy, most lavish and responsible reporting the world has ever known. This news is property and deserves to be protected. There has been silly talk that radio, if it wanted to use this material, should buy it. What could radio pay to compensate the press for such loss? Cwing to physical limitations the air services could only skim the cream from the news pan. Its relatively limited financial resources would not go far in covering the \$1,500,000 monthly news bill."

"For a long time (far too long in our view) radio used newspaper news with credit. Its "commentators" would sit at the microphone reading news hours before it could be distributed in the press over a metropolitan community. Many editors felt this a great injustice, not only to their province, but to good public policy. News cannot always be told, in fairness to free institutions, in bulletin form. The detailed account makes for proper ventilation of a democracy. So, as many editors believe, radio's news flashes definitely contributed to superficiality in public thought, the while robbing the press of its first blush of impelling interest."

"Associated Press directors no doubt will bring the matter up at their meeting on Jan. 9. Probably they will call for another membership referendum. This is a slow process, but it is hoped it will only be a matter of weeks before the cooperation is permitted to start. We confidently believe the rank and file of A. P. members will accept the new plan. The system as now operating is ridiculous and will lead to irreparable damage. It's no time to destroy when the whole nation is bent on reconstruction. The independent radio interests, organized as the National Association of Broadcasters, Alfred J. McCosker president, have yet to give formal assent. As might be expected, they will hold out to the last, for they have in instances been free in their use of local news, reckless of local newspaper rights. However, they can scarcely risk standing out for selfish reasons, incompatible with public policy, if all other interests are agreed."

"To avoid further waste and cross-purpose and to assure mutual benefits of incalculable worth, the "war" should end now, permitting both radio and press to rear their separate castles in the spirit of mutual respect and fair play. It is doubtful if such favorable auspices as the 10-point plan affords will again be available."

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PRESSLEY IS NEW ZENITH CHIEF ENGINEER

E. F. McDonald, Jr., president of Zenith Radio corporation, announces the appointment of Jackson H. Pressley as chief engineer in charge of the entire Zenith engineering department and laboratories. Mr. Pressley was graduated from the University of California.

He served with honors during the World War and while in army radio laboratories, his work comprised research, development, and design of a wide variety of radio problems and apparatus. This included radio receivers and transmitters having ranges from a few miles to several hundred miles, and also radio telephone transmitters as well as receivers for ground use and aircraft. His work also involved many special problems such as direction finders on which he has several patents relative to this branch of radio. Part of his work during the World War was spent with E. H. Armstrong in the development of his first superheterodyne receiver.

After the war Mr. Pressley entered the U. S. Army Signal Corps radio laboratories as radio engineer and was appointed chief engineer of these laboratories in 1922. In 1928 he became Assistant Chief Engineer at the Hazeltine Corporation. In 1929 Mr. Pressley went with the U. S. Radio & Television Corp., as Chief Engineer and later as Vice-President in charge of production and engineering.

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SEE DILL'S COMMISSION ATTACK AS CAMPAIGN RED FIRE

There are those in Washington who regard the attack of Senator Dill on the Federal Radio Commission as the opening gun of his campaign for re-election next year.

"It is true Senator Dill has it in for the Radio Commission and has had ever since they turned down his proposition providing that two stations may broadcast simultaneously on a clear channel if they are 2300 miles apart" a critic of the Senator said" Senator Dill was embarrassed by the failure of this regulation as it kept several stations in his state of Washington from increasing their power as he assured them they would be able to do!"

"However the Senator knows well that the Commission has not the authority to regulate and censor advertising as he suggests. He also knows that every member of the Commission quakes and fears that the body may be dissolved when he declares that they have nothing to do and are doing it. The latter assertion is really not far from the truth nevertheless the Senator seems to delight in telling them so.

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: BUSINESS LETTER NOTES :
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Radio broadcasting has reached maturity without having gone through those wildcat early years that have marked the childhood stage of so many great activities, William S. Paley, president of Columbia said in a New Year statement.

"Nothing could have demonstrated its soundness, its vigor and its maturity better than its sure, unwavering strides in 1933." Mr. Paley continued, "in the year just closing the depression hit us. The blow came to us last of all, and I think it should be a deep source of satisfaction to all Americans that it was unable to slow our forward movement."

"If it is of public significance that we were the last to feel the depression, I think it is also significant that we have been among the very first to recover. This recovery is added evidence of our sound and permanent place in American life as a medium of entertainment, instruction and advertising."

Charles H. Berkeley, father of K. H. Berkeley, manager of Stations WRC and WMAL in Washington, died of heart failure after a long illness. Mr. Berkeley, Sr., who was 57 years old, was a native of Washington and had lived there practically all of his life.

George Durno writing for the McClure Newspaper Syndicate makes this observation with regard to the President's Communications report:

"Secretary of Commerce Roper is going to watch Congress work out a solution to the communications problem without interference. President Roosevelt has suggested the alternative of letting telephone, telegraph and radio (1) remain as they are, (2) become monopolies under strict government supervision or (3) be taken over by the government!"

"That pretty well leaves No. 2 as the outcome but Roper isn't going to draw up any bill providing for an Administrator of Communications with his name attached to it. He'll just be on hand with advice."

Mr. Durno has this to say about the proposed Food and Drugs Act:

"The administration is still behind the Tugwell Bill with all the influence it has but wishes now the Professor's name

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hadn't been so prominently identified with the original draft."

"All the patent medicine boys have been building up a backfire against "the young college theorist." (As a matter of fact, Tugwell is 42 and has made a most intensive study of the food-drug-cosmetic problem!) But the net result seems to be since the hearings that everybody and his brother are going to take a whack at re-writing the bill.

"The New Dealers have concluded it's bad business to attempt to draft legislation and send it on to Congress for a rubber-stamp okay. There's every indication that endorsements of administration desires won't be bouncing off the ink pad as fact this coming session as they did last."

A dinner dance attended by 500 members of society was given by Mr. and Mrs. A. Atwater Kent, in honor of their debutante daughter, Miss Virginia Tucker Kent. The entire first floor of the Bellevue Stratford Hotel was given over to the event.

The debutante was presented at the Court of St. James's last May.

A welcome to Station WAVE, Louisville, Kentucky, when it joins the National Broadcasting Company networks on Saturday, December 30, will be extended over an NBC-WEAF hookup at 12:00 midnight E. S. T.

The opening last Saturday of radio telegraph transmitting and receiving stations at Chicago, New Orleans and Seattle by the MacKay Radio and Telegraph Company, marks an important extension of the only point-to-point radio communication network in the United States. These points will be in addition to the service now given between New York, San Francisco, Los Angeles and Portland, Oregon.

A novel feature demonstrated by O. B. Hanson when the New York Electrical Society visited the Radio City studios, was the separation of the several traffic lanes which penetrate and intermingle in the new studio structure. Thus tourist sightseers can pass through the studios, by way of corridors which overlook the broadcast stages, yet without at any time contacting the performers in the broadcasts, or contacting the NBC announcers, engineers and attendants, -- since

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all three traffic groups are kept entirely separate. Provision is also made for the audiences who attend the big broadcast features to be segregated from the preceding groups. Meanwhile the studio audio output, the real traffic of the studios, goes out over lines which are kept wholly clear of the communication channels, the order wires, and the monitoring channels.

RMA DEMANDS REPEAL OF RADIO TAX BY CONGRESS

Demands of the radio industry for repeal of the 5 per cent federal excise tax on radio and phonograph apparatus were presented by the Radio Manufacturers Association in Washington, at the hearings of the House Ways and Means Committee.

"The facts are," said Paul B. Klugh of Chicago, chairman of the RMA Legislative Committee, "that the radio industry has been hard pressed since 1929. Many concerns both large and small have been compelled to go out of business and those which have remained have lost huge sums. This 5 per cent excise tax on radio is oppressing a new industry. That the tax has operated to reduce the volume of our business is apparent to everyone."

"Our industry is wholly and entirely working under NIRA and is unanimous in its determination to do everything that can be done to further the program of the Administration for increasing employment. Notwithstanding this determination upon our part, the oppressive tax which has been levied upon our industry has in fact operated to reduce employment. We estimate that if this 5 per cent excise tax is removed that the number of people employed in our industry will be increased by a minimum of 10 per cent and possibly more than 15 per cent."

"We know that the Government needs revenue and it is not our desire to escape our just and fair proportion of the tax burden. Our mind is upon a larger revenue for the Government and not a smaller one. For this reason we advocate and wish to impress this Committee with our sincere belief in the fairness, justness and equity of a general sales tax which would produce the large revenue which the Government requires and which would put all industries upon an equal basis."

Mr. Klugh in the RMA brief and orally to the Committee presented evidence showing that the Treasury originally estimated the returns from the radio tax this year would be \$20,000,000, but that the actual taxes received were only about 11 per cent of this estimate. For the Government's fiscal year ending June 1933, the radio taxes collected were \$2,206,763.39, the House Committee was told, and for the 10 months of the present calendar year ending with

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the last available reports in October, the 1933 receipts have been \$1,779,456.04 and, Mr. Klugh contended, hardly sufficient to warrant the cost of administration, while burdening the radio industry severely. In no event, it was contended, should the radio tax in fairness be more than the 2 per cent tax prevailing on automobile accessories.

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Major J. Andrew White, formerly of the Columbia Broadcasting System, was divorced in Chicago by Mrs. Katherine Titus White, former Follies girl, in Superior Court.

Mrs. White charged that he deserted her Nov. 15, 1932. She waived alimony. They were married June 7, 1928.

Another name mentioned as a possible backer of George B. McClelland in a third network is William Randolph Hearst and that the latter tried to buy WJR, Detroit. McClelland still keeps mum.

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POLITICAL WRITER KIDS EDDIE DOWLING

"If there is one thing I wish the Administration would go ahead and do and quit threatening to do, it is to appoint Eddie Dowling to the Radio Commission." Carlisle Barger writes in the WASHINGTON POST.

"Eddie is the court jester and while placing him on the Government pay roll will be a luxury that previous Administrations have not enjoyed, something must be done with him, soon or late, so the sooner the appointment is made and got over with the better it will be."

"He will be loads of fun on the Radio Commission. It may be that his probable appointment is with a view to sharing him with the country, though at a radio commissioner's salary he comes right high. He is always getting off the funniest jokes you ever heard of. When Jim Farley and the rest of them were at Miami that time, waiting for Mr. Roosevelt to return from his cruise with Vincent Astor, there was a story in the papers that Eddie had pulled off the best joke yet--that he had called up some prominent man by long distance at 6 o'clock in the morning and made as if he was Mr. Roosevelt. Gosh, that must have been funny

"The question arises, though, why they don't put Eddie on the radio air instead of the commission."

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SUGGESTS AUTO RADIOS RECEIVE WEATHER BROADCASTS

Automobile radio receiving sets capable of receiving weather broadcasts from Department of Commerce aeronautical radio stations were suggested by Rex Martin, Assistant Director of Aeronautics, in a letter to radio receiver manufacturers. Mr. Martin, pointed out that automobile drivers could receive these Broadcasts if the sets available for installation in automobiles were capable of receiving the frequencies between 200 and 400 kilocycles.

"Knowledge of weather conditions along the route ahead of him would be of great value to the automobile driver during a cross-country trip," Mr. Martin said. "If he learned by radio that he was approaching rain, ice or fog, he might detour along a route with more favorable conditions, and even if he continued his trip as planned, he would be prepared in advance for the conditions which he would encounter. This information would be particularly useful at night and during drives over mountain roads."

"Some automobile drivers tell us that they already depend upon these weather broadcasts for guidance in planning trips, and listen for the broadcasts en route if they had sets which would receive them. Automobile test tracks and automobile clubs also make use of the weather reports."

"There are sixth-eight Department of Commerce stations which broadcast weather reports at frequent intervals throughout the day and night, and these broadcasts may be received in virtually any part of the United States. They are transmitted for pilots, but also could be received by motorists without any interference with service rendered to airmen. I doubt if the cost of constructing automobile radio receiving sets so that they could operate both in the commercial bands and in the range of 200 to 400 kilocycles would be prohibitive, and I have suggested to the radio receiver manufacturers that they might find it profitable to study the possibilities of a set with these capabilities."

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BELIEVES BROADCASTERS MAY COME INTO PICTURE THIS SESSION

An engineering authority in Washington sharply disagrees with the theory that the communications situation alone will be considered during the forthcoming session of Congress and that broadcasting will not be considered.

"Communications and broadcasting are so closely related that one can be tampered with without affecting the other" this

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authority said "they cannot set up regulations for point-to-point communications without regard to the program end of broadcasting."

"It is all part of strategy to lull the broadcasters asleep to give them the idea that their interests will not be considered at this time" another observed. The Administration radio leaders are throwing out the impression that nothing will be done to the program people, yet at the same time the leaders, with the quiet backing of the newspaper people, are greasing the skis for a coup de etat aimed at the broadcasters who will wake up to find themselves facing a very definite program to regulate them with regard to rates they may charge for advertising, the amount of profit they may make, and so on."

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LARGE ASCAP MELON REPORTED

The American Society of Composers distributed the largest royalty melon in the history of the organization VARIETY reports.

"The amount split up among the members totalled approximately \$500,000" the theatrical publication continued "the Society in the year passed around about \$600,000 more than it did in 1932."

"Responsible for the major part of the current year's jump in income was radio. Reopening of a large number of theatres this fall also helped out the Society's exchequer. Another source of important support the past few months have been the beer gardens."

"A proposal that the salaries of the officers of the Society be boosted back to where they were a year ago was rejected by the Board of Directors."

"Before the cuts went into effect Mills was getting \$50,000 a year, Gene Buck president \$35,000 and Raymond Hubble, executive secretary \$10,000. Slash taken by Mills and Buck amounted to \$10,000 each, while Hubble's annual figure became \$6,500."

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N. R. A. GRANTS STAY TO RADIO MANUFACTURER

The N.R.A. through division Administrator, Malcolm Muir, has announced the grant to the Johnsonburg Radio Corp., Johnsonburg, Pa., of a stay until April 1, of the wage provisions of the Code of the Electrical Industry.

The order of approval provides that the stay is contingent upon the Johnsonburg firm immediately putting into effect a minimum wage rate of not less than 80 per cent of the minimum provided for in the Electrical Code.