

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
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July 2, 1940

NEW FM BROADCASTS NOW OPENED TO COMMERCIAL USE

The final step to permit launching the new FM (frequency modulation) system of radio broadcasting on a commercial basis has been taken by the Federal Communications Commission in approving "Standards of Good Engineering Practice Concerning High Frequency Broadcast Stations" and a new application blank to accommodate FM broadcasters on their new basis.

The new standards, which remove FM from its heretofore limited experimental use, govern the technical phases of the prospective commercial service, and embrace operation, interference, equipment, etc., and provide a chart for computing the signal range on the frequencies 43,000 to 50,000 kilocycles now assigned to FM. These standards which cover 14 typewritten pages bear the same relation to frequency modulation service that existing standards do for amplitude modulation on the lower frequencies.

The new application may now be used by all individuals and groups interested in applying for FM facilities on a commercial basis, including the nearly 150 parties whose applications for FM facilities on an experimental basis were returned to permit their filing for commercial use. The new form (Form 319) is similar to Form 301 used for amplitude modulation broadcast applications, but revised to apply to FM service particularly.

This completes the official acts necessary to give FM full recognition. Rules applicable to FM were announced last week, about a month after the Commission decided, on the basis of hearing held in March, that commercialization is in the public interest.

Since FM is now on a standard basis, call letters henceforth issued to its commercial stations will consist of four letters to distinguish them from the combination of letters and numerals used to identify experimental stations.

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NEW CLEVELAND POLICE RADIO STATION

The Cleveland Police Department, WRPD, has been granted a license to cover construction permit for a new municipal police land station on a frequency of 33,500 kilocycles, with power of 15 watts.

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WARTIME CENTRAL NEWS CONTROL PLANNED

Moving in utmost secrecy, the Editor & Publisher reports, aides to President Roosevelt in matters relating to the war emergency have proposed a program of press and public relations, installing Lowell Mellett, former editor of the Washington Daily News, as Director of Information, to begin functioning if danger of involvement in the conflict becomes more pronounced.

Censorship likewise would be under Mr. Mellett's supervision but it would not extend to newspapers or other publications. The right of press freedom is constitutionally guaranteed even in time of hostilities and the experience of the United States in the World War has convinced Federal officials they need have no concern in that direction. The espionage laws would be invoked in exceptional cases when the facts warrant so drastic a step.

The program is an extension of the propaganda policies instituted by Mr. Roosevelt when he created the National Emergency Council early in his first administration. The trend toward centralization of press and public relations was accelerated several months ago when the name of that agency was changed to Office of Government Reports and made a part of the White House executive staff. The change was accomplished through a reorganization order. Mellett had been director of N.E.C. and he was retained as chief of the O.G.R.

The revamped policy needs only the signature of President Roosevelt to become operative. With it would come a complete clamp upon information from bureaus and agencies, requiring all federal news to clear through the single office. As Commander-in-Chief of the Army and Navy, it is within the power of the President to subordinate the publicity bureaus of the armed service to the central distributing agency and an order effecting that shift is intended.

The Federal Government now has a national network of trained propagandists which operated under the original National Emergency Council and was co-ordinated from Washington. Overnight it could be placed on wartime basis.

Radio was not a factor in the World War but has become so in the interim and the Office of Government Reports is ready for the new medium. Robert Berger, formerly Radio Director for the Democratic National Committee, is now the O.G.R. Chief of Radio Division. His task will not be a difficult one because the President has statutory power under the Federal Communications Act and auxiliary laws to take any or all commercially-operated stations off the air. No such power is available against claimed offenses by the printed word.

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AMATEUR EXAMS POSTPONED TO AUG. 1

The new type amateur radio operator examinations scheduled to become effective July 1, have been postponed to August 1.

This postponement was made necessary because of the impossibility of completing the printing of the examinations. The present examinations will therefore be continued in use until August 1, 1940.

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WOULD LIMIT POLITICAL BROADCAST SCOPE

Following a thorough discussion of the subject, the Board of Directors of the National Association of Broadcasters at a meeting held in New York expressed the view that political broadcasts should be limited to speakers, interviews and announcements, and to broadcasts of bona fide political meetings or rallies held outside the studio.

It was the feeling of the NAB Board that stations and networks will find that the best interests of the industry will be served by a broadcasting policy which would bar the following: dramatizations of political issues, either in the form of announcements or programs; studio political "rallies"; audience participation programs such as the "Man on the Street" type; anonymous, simulated and unidentified voices at any time.

The Board discussed the matter of the sale of time on election day, and came to the conclusion that this is a subject, in some states affected by law, within the decision of the individual broadcaster. They also discussed but took no action on the matter of limitation to not more than one hour in any one evening to any one candidate.

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AP ON AIR IN N. Y.

A 24-hour Associated Press news printer has been installed in Station WNEW, New York, on a one-year agreement with an option for renewal. The contract was negotiated through the New York Daily News, AP member paper, which must pay a basic 25% additional assessment, according to AP by-laws. The News, in turn, receives compensation from the radio station which broadcasts 24 hours per day. The news broadcasts will be sponsored by several of WNEW's clients.

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FTC ISSUES DESIST ORDERS IN RADIO LOTTERIES

The Federal Trade Commission has issued several orders prohibiting dealers from using lottery methods in connection with the sale of their products, to ultimate consumers. Among these was respondent Sam Guttman, trading as Standard Sales Co., 2363 Milwaukee Ave., Chicago, dealer in radios, clocks, watches, fishing tackle, cameras, pen and pencil sets, billfolds and wood statuettes; also respondent Morton Cohen, trading as Lee-Moore & Co. and as Adwell Sales Co., 180 West Adams St., Chicago, distributor of radios, knives, cigar lighters and other articles.

The respondents were ordered to cease selling or distributing merchandise so packed and assembled that sales to the general public may be made by means of a lottery, game of chance, or gift enterprise.

The Chicago dealers were further ordered to cease supplying to or placing in the hands of others, punch boards, push or pull cards, or other lottery devices, either with assortments of merchandise or separately, which devices may be used in selling or distributing any merchandise to the public.

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CALLS FM "RADIO REVOLUTION"

In the current Saturday Evening Post is an article an article "Comes the Radio Revolution" by Samuel Lubell. Advertising this article the Post says:

"There's something new in radio, which is giving the industry the jitters. It's called 'frequency modulation', or FM, and it means a new kind of noise-free, high-fidelity, staticless broadcasting that can be tailor-made to fit the air waves. But it also means a revolution in transmission methods and a complete change of receiving sets throughout the nation. That's why there's trouble brewing in the council chambers of the radio industry - and why it's being aired before the FCC. Here is your chance to sit in as judge."

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Special temporary authority has been granted to Station WINS in New York to operate from 9:15 P.M. to midnight, EST, on July 9th, in order to broadcast the All-Star Boxing Show for the benefit of the New York City Milk Fund.

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FCC CLOSES SHOP FOR THE FOURTH

Taking advantage of the respite offered by the approaching holiday, practically all of the members of the Federal Communications Commission have left Washington not to return until after the Fourth of July.

No official business will be transacted until next week and even then the presence will be lacking of Col. Thad Brown who, up to now, has failed to be confirmed by the Senate and whose term of office in the meantime has expired. It is expected, however, that Colonel Brown eventually will be confirmed by the Senate but it is not known exactly how strong the charges against him will be pressed.

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VIRGINIA EMERGENCY NET REGATTA TRYOUT

Special permission has been given by the Federal Communications Commission to a group of amateurs in the vicinity of Hampton Roads, Va., to practically test their emergency communications system during the Hampton Regatta from July 4 to 7. The operators' stations included are:

Carl Probst, W3AJA, Hampton, Va.; Walter G. Walker, W3AKN, Newport News, Va.; John Needre, W3GGI, Newport News, Va.; A. Curtis Bryant, W3GGP, Newport News, Va.; W. Raymond Burrows, W3HJW, Hampton Institute, Hampton, Va.; Maj. Edmund C. Lynch, W3HWJ, Langley Field, Va.; Harry A. Morewitz, W3IAN, Newport News, Va.; L. L. Stoner, W3ICZ, Newport News, Va.; P. B. Schroder, W3IEX, Hampton Institute, Hampton, Va., and A. C. Jones, W3NE, Hampton, Va.

These amateurs located in one of the most important naval strategic national defense points in the United States and also in a storm area which frequently jeopardizes shipping and life and property, have banded together to provide more effective emergency communication in the event of tropical hurricanes or other emergencies which might arise in the lower part of the Virginia Peninsula.

They have constructed portable-emergency equipment and regularly hold drills to test the equipment and operating methods.

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NOTE: DUE TO THE FACT THAT THE GOVERNMENT OFFICES ARE TO BE CLOSED FOURTH OF JULY, THERE WILL BE NO ISSUE OF THIS SERVICE ON FRIDAY, JULY 5TH.

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CROSLY TELEVISION TO TRANSMIT FROM CINCINNATI SKYSCRAPER

Following assignment to Powel Crosley, Jr., to the main channel, on a band ranging from 50,000 to 56,000 kilocycles, by the Federal Communications Commission, announcement was made by James D. Shouse, General Manager of WLW, that the new television transmission station would be located in the top of the Carew Tower, 48-story Cincinnati skyscraper.

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ENTER THE "NEWSPAPER RADIO BOOK"

Described as a "Newspaper Radio Book", an advertising feature appeared for the first time anywhere in a recent edition of the Washington (D. C.) Sunday Star.

Employing two full pages, the innovation carries radio programs for a full week with space divided equally between program schedules and advertising copy. The potential "pull" for a full week made it possible for the Star to obtain premium rates for space. One solicitor sold out the available linage on that basis within one week.

When folded according to printed instructions, the sheet becomes a 16-page booklet. The first page lists recommended programs for Sunday and for the week. Opened, each left page carries a day's program and each right page displays advertising copy, sold only in units of full or half column.

The Star is designing a substantial cover into which the sheared pages may be easily slipped. Designed by Gene Flynn of Lewis Advertising Agency, who has applied for patent, the newspaper radio book is available to one newspaper in any community for a flat charge measured on linage.

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Authority has been given to McNary & Chambers, radio engineers of Washington, D. C., to make tests of possible transmitter sites in the vicinity of Schenectady, N. Y., to more accurately determine the results of operation of the proposed station WLOXMC on 1190 kc., to be operated in the area of Schenectady pending action on formal application for a developmental broadcast station.

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NEWSPAPERS URGED TO MAKE FM APPLICATIONS

Urging publications, large and small to take out FM licenses and not to be caught napping as the papers were in the beginning of broadcasting, Editor & Publisher makes the following appeal to its readers:

"Members of the Inland Daily Press Association recently heard an enlightening discussion of the possibilities of radio transmission by frequency modulation. This page has referred often to this technical advance in broadcasting, and it reminds its newspaper-maker readers again that the new development may mean much to newspapers large and small.

"We understand that applications for licenses to broadcast with FM transmitters are being received by the Federal Communications Commission and that these applications will be considered on and after Jan. 1, 1941. It is stated also that commercial broadcasting by FM may be approved as of that date.

"This method permits broadcasting with remarkable fidelity of reproduction by ultra short wave over short ranges. Its original cost is said to be two-thirds of present installation cost and its maintenance also promises to be cheaper. That may let small city newspapers in for a new and disturbing form of competition, if possible competitors get their applications filed before the newspapers act. Newspapers can present a more meritorious case for the rendition of public service by radio than any other commercial interest, but it must not be forgotten that priority of application often carries weight in official circles.

"Unless the small city newspapers want to be left at the post now as their metropolitan brethren (with some important exceptions) were with pioneer broadcasting, immediate action is important."

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AMATEUR FAVORED AT NATIONAL SOARING CONTEST

That John M. Mulligan, of Elmira, N. Y., an amateur operating Station WBUSA might render a voluntary communication service in connection with the 11th National Soaring Contest which will continue in the vicinity of Elmira until July 14th, the Federal Communications Commission has given him special permission to operate portable and portable-mobile amateur radiotelephone equipment on amateur frequencies between 28,500 and 30,000 kilocycles.

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7/2/40

FROM THE FCC MAIL BAG

Individually disgruntled radio fans still deluge the Federal Communications Commission with their particular complaint about this or that radio program, according to the FCC Press Department. Few well-known programs - or artists - escape mention at one time or another in such letters. As constantly reiterated, the Commission has no authority to censor individual programs or performers. Some idea of the type of squawks in which the Commission lacks jurisdiction may be gleaned from recent "pen" mail:

Various letters object to the air utterances by Col. Charles A. Lindberg, Hanford McNider, Frank Gannett, Judge John A. Matthews, Earl Browder, and others.

A New Yorker wants the radio team of Burns and Allen barred from the air because he doesn't find some of their jokes funny.

A Californian doesn't agree with H. V. Kaltenborn's news interpretations.

Another Californian resents certain airy statements by Jack Benny.

On the other hand, a New Yorker voices indignation at a Fred Allen wisecrack.

And at least one Californian doesn't write highly of Bob Hope.

Also, one Californian's ears do not seem attuned appreciably to Cab Calloway's music.

One of Walter Winchell's fellow New Yorkers is irked by a statement by the former.

An Oklahoman would like to see young ears closed to "Stella Dallas".

A Connecticut man feels that he has been personally stung by "The Green Hornet" series.

A Pennsylvania man would like to have "Confidentially Yours" publicly censured.

A Tennessean is aroused by the "Court of Missing Heirs" program.

"What's My Name" brings criticism over the name of a New Jersey listener.

A New Yorker didn't relish the network presentation of "Abe Lincoln of Illinois."

Another resident of that city is dismayed by "This Amazing America".

The "Dr. I. Q." programs prompts a Californian to ask some questions of his own.

"Information Please" registers objection from one New Yorker.

Even the "National Farm and Home Hour" brought a critical letter from Pennsylvania.

And, last but not least, the numerous contest programs invite numerous letters to the Commission from listeners who think they are also entitled to prizes.

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7/2/40

WILLKIE KEPT PROMISE TO WLW

A major political scoop was claimed by radio station WLW, Cincinnati, Wednesday night during the Republican National Convention when it secured the first air interview during the convention by Wendell L. Willkie. At the very start of the convention, Willkie promised Fred Thomas, script writer for WLW, and Peter Grant, ace announcer, that he would appear on an interview program with Grant.

As his campaign picked up speed, networks and other stations clamored for interviews with Willkie, but the man who now is the Republican standard bearer refused because of the pressing nature of campaign conferences. But - he kept his promise to WLW and went on the air from 6:45 to 7:00 P.M., June 26.

Cecil Carmichael, assistant to James D. Shouse, General Manager of WLW, went to Willkie's room shortly before the scheduled broadcast and escorted him to WLW headquarters in the Benjamin Franklin Hotel. This was also Willkie's headquarters. A freight elevator was used to take the candidate to the floor on which the studios were located and to return him to his own room.

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MUTUAL CONVENTION COVERAGE COSTS \$9,200

The Mutual network devoted 33 hours and 57 minutes to the Republican National Convention. Total operating costs were \$8,000. Loss in commercial revenue accounted for an additional \$1,200.

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NBC DIVIDES SALES GROUPS

The NBC Central Division network sales department will be divided into two distinct groups, one devoting its attention to the Red network and one to the Blue.

The Blue Sales Department will be headed by Paul McCluer as Manager and Floyd Van Etten will serve as Traffic Manager.

Harry C. Kopf becomes Central Division Sales Manager for the Red Network, with James J. Neale as Sales Traffic Manager.

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CHILDREN'S SURVEY TABOOS GANGSTER PROGRAMS

Interest in gangster and other similar radio thriller programs is falling off, according to a survey of children's programs taken by the United Parents' Associations of New York City.

While 45.3 percent of the children held that they liked to listen to adventure and mystery programs, they drew a definite line against the more gruesome thrillers and over-exciting mysteries such as "Gang Busters", "The Shadow" and "Superman", the survey reported.

Among the programs commended by the children were "The Lone Ranger", "Sky Blazers", "Ellery Queen", "I Love a Mystery", "Five Star Final" and "One of the Finest".

Also high in the approved list were "Information Please", "Cavalcade of America", and the Charlie McCarthy and Jack Benny programs.

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SEES RADIO ADVERTISING USURPING NEWSPAPERS

Addressing the Newspaper Advertising Executives' Association, at Chicago, Harvey R. Young of the Columbus Dispatch said that radio is usurping newspapers as the basic advertising medium in the national field, although it has not seriously affected newspaper circulations. He advocated a sharper cleavage between newspaper and radio sales organizations in those instances where newspapers own or control radio stations. He, too, urged less competitive selling among dailies and a united greater effort to regain the national advertiser's esteem.

Mr. Young cited figures to show that a more convincing selling message can be put across in a half page ad in a given list of newspapers than in radio commercials on the average network program. National advertisers, he said, don't give newspapers a fair trial, emphasizing that number of insertions and amount of lineage have a definite bearing on newspaper results. He warned NAEA members that radio is apparently getting ready to invade the retail field with greater effort, asserting that at conferences already held radio is insisting on 52-week contracts for retailers. He expressed confidence in newspapers' ability to meet this invasion and suggested Better Business Bureaus watch local radio programs more carefully as to commercial plugs which may deceive the buying public.

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7/2/40

RCA-VICTOR 4 $\frac{1}{2}$ LB. RADIO PROVES FAST SELLER

According to New York advices, the new RCA-Victor Book-Size \$20 radio was a sell-out on the first day. One of the large New York department stores advertised the novelty as follows:

"Initialed for you without charge. Complete with batteries. As easy to carry as a camera. Goes into your airplane luggage, your knitting bag, your brief case, picnic basket. It's only three inches high, three and eleven-sixteenths wide, eight and seven-eighths long. Neat as a modern cigarette case, compact, self contained. The antenna is hidden in the cover which you lift to turn set on. Plays where many portables have failed. We even tested it in the subway and the Long Island Railroad station, where it worked even though conflicting noises made hearing difficult. New type supersensitive circuit just perfected by RCA-Victor. Wonderful tone and volume rivals that of table models and delights lovers of fine music. Shoulder carrying strap, 50¢."

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DEATH PENALTY FOR FRENCH RADIO SENDERS

Two severe orders were issued by the military authorities in Paris, one signed by General Walther von Brauchitsch, Commander in chief of the German armies, demands that all radio sending apparatus, even that made by amateurs, be turned over to the nearest German military post.

This order includes portable generators, batteries and all other accessories. All persons who keep apparatus of any sort or accessories notwithstanding this order will be punished with death, hard labor or imprisonment.

Paris newspapers have published eight decrees of the German authorities among which are:

The publishing of material harmful to Germany is forbidden.

The listening publicly or alone to non-German or unauthorized radio broadcasts is forbidden.

Spreading anti-German news by radio or any other means is strictly forbidden.

German laws shall be applicable to all cases brought before military tribunals for trial.

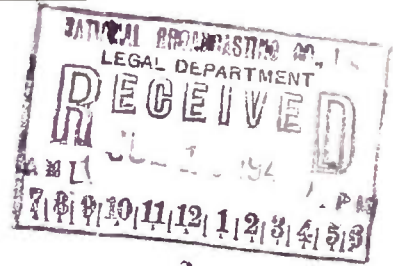
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No. 1248

Handwritten initials and signatures, including "H" and "Ling".

July 9, 1940

FLY SAYS DEFENSE PLANS SHOULD NOT ALARM BROADCASTERS

Seeking to quiet the fear among broadcasters that the Government may take over the operation of radio stations in case of war, James L. Fly, Chairman of the Federal Communications Commission, this week at his regular press conference reiterated a statement that the industry has nothing to worry about.

The FCC Chairman said he knew of no reason why radio advertisers should not continue to sign contracts for the usual periods.

"There is no reason in the world", he said, "why commercial organizations and commitments should not continue unimpeded."

Chairman Fly insisted that the FCC has no plans to assume "sweeping control" over broadcasting activities in event of national emergency.

In response to questions, Mr. Fly asserted "our Government isn't qualified to take over broadcasting."

"Of course", he added, "if we should ever get into war, there will be some particular things the Government would have to do, but there would be nothing done of a sweeping character affecting the broadcasting industry."

Mr. Fly said there was no occasion now and expressed hope there never would be for the radio industry "to become alarmed about plans for defense."

"There is every reason the industry should not be alarmed", he continued. "Our plans are to leave private operations in private hands to continue to perform the functions they are now performing."

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The Federal Communications Commission has granted the application of Joe W. Engel, for a new station in Chattanooga, Tenn., to operate on the frequency 1370 kc. with 250 watts, unlimited time, upon condition that permittee shall file an application for modification of construction permit specifying exact transmitter location within two months after effective date of order.

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RULES AFFECTING RADIO OPERATORS TIGHTENED

New rules to strengthen and make more definite certain prohibitions with respect to conduct of commercial and amateur radio operators were approved Friday by the Federal Communications Commission, effective immediately.

Under authority contained in the Communications Act, the Commission amended its "Rules Governing Amateur Radio Stations and Operators" as follows:

Sec. 12.28 Obscenity, indecency, profanity. No licensed radio operator or other person shall transmit communications containing obscene, indecent, or profane words, language, or meaning.

Sec. 12.81 False signals. No licensed radio operator shall transmit false or deceptive signals or communications by radio, or any call letter or signal which has not been assigned by proper authority to the radio station he is operating.

Sec. 12.82 Unidentified communications. No licensed radio operator shall willfully or maliciously interfere with or cause interference to any radio communication or signal.

Sec. 12.30 Damage to apparatus. No licensed radio operator shall willfully damage, or cause or permit to be damaged, any radio apparatus or installation in any licensed radio station.

Sec. 12.50 Fraudulent licenses. No licensed radio operator or other person shall obtain or attempt to obtain, or assist another to obtain or attempt to obtain, an operator license by fraudulent means.

Likewise, the Commission supplemented its "Rules Governing Commercial Radio Operators" with:

Sec. 13.64 Obedience to lawful orders. All licensed radio operators shall obey and carry out the lawful orders of the master or person lawfully in charge of the ship or aircraft on which they are employed.

Sec. 13.65 Damage to apparatus. No licensed radio operator shall willfully damage, or cause or permit to be damaged, any radio apparatus or installation in any licensed radio station.

Sec. 13.66 Unnecessary, unidentified, or superfluous communications. No licensed radio operator shall transmit unnecessary, unidentified, or superfluous radio communications or signals.

Sec. 13.67 Obscenity, indecency, profanity. No licensed radio operator or other person shall transmit communications containing obscene, indecent, or profane words, language, or meaning.

Sec. 13.68 False signals. No licensed radio operator shall transmit false or deceptive signals or communications by radio, or any call letter or signal which has not been assigned by proper authority to the radio station he is operating.

Sec. 13.69 Interference. No licensed radio operator shall willfully or maliciously interfere with or cause interference to any radio communication or signal.

Sec. 13.70 Fraudulent licenses. No licensed radio operator or other person shall obtain or attempt to obtain, or assist another to obtain or attempt to obtain, an operator's license by fraudulent means.

Under these provisions the Commission clarifies its authority to prosecute as well as suspend licenses in cases of violation.

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THAD BROWN TO GET ANOTHER GRILLING

The Senate Interstate Commerce Committee isn't through with Thad H. Brown yet.

After an executive discussion of the matter yesterday (July 8), the Committee decided to hold a third hearing at 10:30 A.M. tomorrow, (Wednesday, July 10).

Meanwhile Commissioner Brown is without authority to participate in any Federal Communications Commission proceedings as his term expired June 30 and he is off the Government payroll until the Senate acts.

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CANADA RAISES WAR-TIME TAXES ON RADIOS

The budget introduced in Canadian Parliament effective June 25th imposes an additional "war exchange" tax of 10 percent on all non-Empire imports, according to the American Legation at Ottawa, and raises the excise taxes on a number of articles, including radios and radio tubes, both imported and domestic. The additional tax of 10 percent on all imports is based on the value for duty purposes, whether the articles are free or dutiable, except goods entering Canada under the British preferential tariff. This tax will be subject to drawback in the case of goods imported for further manufacture and export from Canada, as in the case of regular import duties. A new excise tax of 10 percent of the duty-paid value is imposed on radios and radio tubes.

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7/9/40

FLY, JOHNSON TO ADDRESS NAB CONVENTION

James Lawrence Fly, Chairman of the Federal Communications Commission, and Assistant Secretary of War, Louis Johnson, will address the convention of the National Association of Broadcasters in San Francisco next month.

This will be the first appearance of Chairman Fly before an NAB convention. Mr. Johnson will speak on the national emergency and its possible effect on the American system of broadcasting. The convention will open at the St. Francis Hotel in San Francisco, August 4, and continue through August 7.

Urging that every station be represented, Neville Miller this past week declared:

"The problems which radio faced in the past pale in comparison with those it faces in 1940. We are in an emergency period. New problems, technical, social and commercial confront us. We are setting up a convention program designed to make this a well-informed industry, to give opportunity for all views to be expressed, evaluated and compared before final formal action is taken. What is done at San Francisco this August will shape the course of broadcasting for possibly years ahead. Every member owes it to himself to have a voice in determining the decisions which must be made."

A comprehensive report on BMI and a full review of the NAB Code are features of an agenda which includes analyses of the labor situation, the A. F. of M., wages and hours, a full review of FM, reports covering legislative matters and the relations of the industry with government and advertisers.

Of wide public and industry interest will be a panel discussion on the problems of special events broadcasting, with particular reference to coverage of the war and the handling of political broadcasting, to be presided over by Mark Ethridge, WHAS. Taking part in the discussion will be Paul White, Director of Special Events of CBS; Abe Schechter, Director of Special Events of NBC; Van C. Newkirk, in charge of special events for KHJ-Mutual on the Coast, and Herb Hollister of KFBI.

In conjunction with the convention there will be meetings of the independent and IRNA groups and FM broadcasters. The Board of Directors will hold its annual meeting on August 4. On the same day, the Code Compliance Committee will be in session to receive recommendations from members.

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RADIO EXPORTS MAKE PARTIAL RECOVERY

United States' exports of electrical equipment were valued at \$12,089,165 in May of this year compared with the April trade of \$11,811,777, an increase of 2.3 percent, according to the Electrical Division, Department of Commerce.

Shipments of radio receiving sets, which had decreased in April to the low level of \$655,679, recovered in May to total \$779,732. Loudspeakers improved from \$22,988 to \$29,861, while receiving set components showed little change at \$447,573. All other radio classifications, however, registered decreases; transmitting sets, tubes and parts decreased from \$363,488 to \$308,775; other receiving set accessories from \$60,180 to \$48,958; and radio receiving tubes fell to the lowest level of the year when sales totaled only \$170,080 in May as compared with \$269,233 in April.

Foreign sales of electrical equipment in May exceeded the \$8,973,606 trade of May, 1939, by \$3,115,559, or 34.7 percent. The trade for the first 5 months of the current year aggregated \$58,222,623 compared with the corresponding 1939 volume of \$43,354,568, an increase of \$14,868,055, or 34.3 percent.

No defined general trend was noticeable, trade fluctuations being numerous in both directions among the individual commodity categories. Outstanding among those which showed an upward tendency were refrigerators, radio receivers, rubber-covered wire, several generator classes, and others.

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DEMOCRATIC CONVENTION NOT TO BE TELEVISED

The Republicans will have had one thing that the Democrats won't when they meet in Chicago next week, i.e., television.

The National Broadcasting Company, which aroused considerable interest, especially among the women delegates, with its television pick-ups, has found that transmission problems would be too great to repeat the performance at Chicago.

The Democratic convention will be covered just as thoroughly by radio, however, as all the major networks are preparing to send their crack announcers and commentators to Chicago.

Preliminary and unofficial estimates of the cost of covering the G.O.P. convention to NBC, CBS, and Mutual were between \$250,000 and \$275,000, chiefly due to the replacement of valuable commercial periods. Variety estimated the television experiment at \$15,000.

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KGKB REVOCATION IS AFFIRMED

The Federal Communications Commission last week announced its proposed findings of fact and conclusions, proposing to affirm the recommendations of Commissioner Payne to revoke the license of the East Texas Broadcasting Company (KGKB), Tyler, Texas, operating on 1500 kc., with 250 watts, unlimited time.

Upon consideration of all the facts of record, the Commission found that the East Texas Broadcasting Company, licensee of Station KGKB, had, on some date unknown to the Commission during the year 1936, delegated the operation and management of the station to one James G. Ulmer. By virtue of such action the company voluntarily transferred the rights theretofore granted to it by terms of the license issued by this Commission, without its consent in writing for such transfer or assignment, in violation of the provisions of the Communications Act of 1934, as amended.

"East Texas Broadcasting Company, licensee of Station KGKB did therefore, violate the provisions of the license heretofore issued to it for the operation of said station, and the revocation order entered in this matter on February 13, 1940, is affirmed", the FCC stated.

All parties will have 20 days within which to file exceptions and request oral argument on the proposed report and exceptions.

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FAIR TO HONOR BROADCASTERS AUGUST 3

A nationwide tribute to the broadcasting industry of the United States will be presented under the joint auspices of the World's Fair of 1940 in New York and the Golden Gate International Exposition of San Francisco on Saturday, August 3, according to an announcement issued this week by both Fairs.

The date has been set aside as Broadcasters' Day at the two expositions and a simultaneous celebration has been planned as an expression of public goodwill toward the radio industry. Especial emphasis will be placed on the efforts of radio at promoting national unity through the free expression of ideas. The date has been selected because the annual convention of the National Association of Broadcasters will open in San Francisco on the following day, August 4.

The chief event of the day will be an impressive program in the Court of Peace and Freedom at the New York World's

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Fair. As the climax of the program a plaque will be unveiled. A similar ceremony will take place simultaneously at the San Francisco Fair. The design of the plaque is based on a quotation from Walt Whitman: "The liberties of the people are safe as long as there are tongues to speak and ears to hear."

Harvey D. Gibson, Chairman of the Board of the New York Fair, and Marshall Dill, President of the San Francisco Exposition, in a joint statement declared:

"The World's Fair of 1940 in New York and the Golden Gate International Exposition are happy to join in this proposed tribute to a great and vital American industry, an industry which has become a tremendous force in the development of our national aims and ideals. In these times of stress, it is more important than ever that Freedom of Radio take its place along with those other priceless freedoms guaranteed to us by the Bill of Rights. We believe that the two great international expositions now being held on opposite sides of our American continent can perform a great service to the nation by helping to focus attention in this way on the American concept of Freedom of Radio taking its place alongside Freedom of Speech, Freedom of Worship and Freedom of the Press."

The ceremonies at the two Fair grounds will provide the nucleus for a one hour broadcast over all the major networks and independent stations of the country. The coast-to-coast hookups of the Columbia Broadcasting System, National Broadcasting Company and the Mutual Broadcasting System, totalling more than four hundred stations, will carry the broadcast from 9:00 to 10:00 P.M., EST. In addition, scores of non-network stations will be linked to the chains for the occasion.

Details of the broadcast program have not yet been completed but the general outline will include expressions of opinion by various leaders, including Mr. Gibson and Mr. Dill, and top-flight entertainment by the greatest stars in the entertainment world today. Neville Miller, President of the National Association of Broadcasters, will speak for the radio industry in accepting the tribute.

While the main portion of the broadcast will originate at the New York and San Francisco Fairs, pickups will be made from all over the nation to give a complete cross section of broadcasting in America.

Dr. John S. Young, Director of Radio and Television for the World's Fair of 1940 in New York, and R. C. Coleson, Director of Radio for the Golden Gate International Exposition, will be masters of ceremonies.

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RADIO ENGINEERS SOUGHT FOR GOVERNMENT EMPLOYMENT

The United States Civil Service Commission has announced examinations to fill engineering positions in the Government in various specialized fields. Salaries range from \$2,600 to \$4,600 a year, less a retirement deduction of 3-1/2 percent.

Applications must be filed with the Commission's Washington office not later than August 5 if received from States east of Colorado, and not later than August 8, 1940, if received from Colorado and States westward.

Applicants must have had study in an engineering course in a recognized college, and professional engineering experience in the branch of engineering for which application is made. Optional branches included in the examination are: Electrical, heating and ventilating, materials, mechanical, mining, radio, structural, telegraph, telephone, and welding. Substitution of additional engineering experience may be made for part of the required education; and graduate study in engineering may be accepted for part of the experience. Applicants will not be given a written test, but will be rated on their qualifications as shown in their applications and on corroborative evidence.

Full information as to the requirements for the examinations, and the appropriate application forms, may be obtained from the Secretary of the Board of U. S. Civil Service Examiners, at any first or second class post office, or from the U. S. Civil Service Commission, Washington, D. C.

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FCC JOINS IN HUNT FOR FALSE SOS RADIO REPORT

The source of a false SOS reporting that the United States destroyer Barry had been struck by a German submarine was sought by Government investigators this week.

Authenticity of the SOS was suspected almost as soon as it was picked up by Mackay Radio because it was sent on the short-wave band of 55 meters instead of the "Barry's" wavelength of 500 meters. The false message, mentioning the "Barry" by name but not signed with its call letters, reported:

"Sinking slowly, hit by German submarine; water in hold; can last three hours." It gave a position 400 miles off the coast of Spain."

The Navy declined to disclose position of the destroyer after establishing it was safe. It was known to be in Spanish waters, however, and there have been reports that it was at Bilbao, Spain.

The Federal Communications Commission tackled, as an "exceedingly difficult task", the job of running down the author of the false message.

Chairman James L. Fly said the Commission was making an extensive investigation through its monitor stations in cooperation with the Navy and Mackay radio, which picked up the mysterious message.

"It is a puzzling case", Mr. Fly said. "We cannot monitor every wave length all the time. When a message comes and goes on an unsuspected wave length, there you are."

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::: TRADE NOTES :::

WOR will be the first station in the country to completely equip one of its studios for high fidelity Frequency Modulation broadcasting in accordance with the recent new regulation of the FCC calling for high fidelity facilities for FM broadcasts. The new equipment will be put in to use simultaneously with the beginning of FM transmission from WOR's new site at 444 Madison Avenue the latter part of this month.

William S. Knudsen, in charge of correlating production under the National Defense Program, announced yesterday that W. H. Harrison, Vice President and Chief Engineer of the American Telephone & Telegraph Co. had been appointed Director of the Construction Division of the Production Department of the National Defense Advisory Commission.

Gross billings for time on the Columbia Network - prior to deductions for agency commissions and time discounts to sponsors - totaled \$3,144,213 during June, 1940. The June figure brings the six-month cumulative total for 1940 to \$20,457,372.

June time sales of the Mutual Broadcasting System amounted to \$299,478, an increase of 31.2 percent over June 1939 time sales of \$228,186. Cumulative time sales for the first six months of 1940 amounted to \$2,031,323, an increase of 25.1 percent over the similar 1939 period when time sales amounted to \$1,624,235.

Gross client expenditures on NBC networks increased 7.7% in June over the corresponding month in 1939, and rose 8.7% during the first six months of 1940 over the same period last year. Total billings last month were \$3,642,100 compared with \$3,382,404 in June 1939. For the first six months of 1940 billings totalled \$24,559,876 as against \$22,598,937 for the same period in 1939.

Gross expenditures on the NBC Red Network in June were \$2,919,405 compared with \$2,759,917 for June 1939, an increase of 5.8%. Gross expenditures on the NBC Blue Network totalled \$722,695 as against \$622,487 in 1939, an increase of 16.1%.

Cumulative billings for the first six months for the Red Network were \$19,326,846 compared with \$18,149,437 for the same period last year, an increase of 6.5%. Blue Network billings totalled \$5,233,030 as against \$4,449,500 for the first six months of 1939, an increase of 17.6%.

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I. T. & T. INCOME SHOWS SPURT FOR QUARTER

The International Telephone & Telegraph Corporation last week reported net income of \$406,580 for the quarter ended March 31, after taxes, depreciation, subsidiary dividends, interest and other deductions, but excluding reports from all European, Mexican and cable and radiotelegraph subsidiaries.

In the same quarter of 1939 net income on a similar basis was \$261,367.

The report included a cash dividend of \$600,000 received during last March from International Standard Electric Corporation but it was stated it was not expected further dividends would be received from that source.

"With respect to the properties of International Standard Electric Corporation and its subsidiaries, the corporation's latest advices indicate that the factories of the subsidiaries in the occupied areas of Denmark, Norway, Belgium and Holland have not been damaged and are operating, but on a reduced scale", said Sosthenes Behn, President. He added the French factories also were reported undamaged but that some machinery was transferred before evacuation of Paris upon instructions of the French government.

The report said preliminary information was that Russian-occupied Rumanian territory contained about 10 percent of the plant of the Rumanian telephone operating subsidiary, and that revenues from Transatlantic Cable Operation had been reduced seriously by the cables ceasing to function after German occupation of Holland, Belgium and France.

For the March, 1940, quarter the parent company, only, reported net loss of \$530,971, after taxes and other reductions, against loss of \$306,928 in the same period of 1939.

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~~SPONSORED NEWS MAY BE BANNED IN CANADA~~

Because of the alleged distribution by private broadcasting companies of war news in an unnecessarily alarming form, the Canadian Broadcasting Corporation is likely to be given a monopoly of news broadcasting in Canada, according to a Montreal correspondent of Editor & Publisher.

Sponsored news broadcasts will soon be a thing of the past, Hon. C. D. Howe, Minister of Transport, informed the Canadian House of Commons June 28, in reply to a question from R. B. Hanson, Conservative leader. He promised that Parliament would be told first, "if I am not scolded by New York news services", about the new plan which would be evolved after investigation of the situation by Walter S. Thompson, Director of Public Relations of the Canadian National Railways, whose appointment to do that work Mr. Howe announced.

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The plan which is reported to be under consideration would involve a pooling of the news gathered by the various news services including the Canadian Press, the British United Press and Transradio Press. This news would be collected and edited by CBC and then transmitted over its facilities. While the Canadian Press has been furnishing its news to CBS without charge it is possible that the other agencies might be given some compensation.

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PHILCO STOCK OFFERED PUBLIC THIS WEEK

Plans are proceeding for public offering this week of 325,000 shares of common stock of the Philco Corporation, according to the New York Times' business page. Smith, Barney & Co. will manage the offering. With them will be an underwriting group of thirty or more investment firms. The original registration statement was filed with the Securities and Exchange Commission on May 23, but public offering has been delayed pending a return of more normal conditions and the offering is expected to signalize the resumption of distribution of new issues of the equity type.

By announcing its intention to finance publicly, the company, formed in 1892, broke a tradition because its shares never before have been available to the public. On April 26 stockholders of the corporation amended the articles of incorporation and provided for reclassification of the existing common stock. Each share of previously outstanding common was exchanged for thirty-three and a third shares of new common stock. When effect was given to this exchange, Philco had outstanding 1,221,100 common shares, in addition to 28,385 shares of \$100 par value \$5 preference stock. It has no funded debt.

It is planned to offer 150,000 shares of the new common stock for the account of Philco Corporation and 175,000 shares for the account of certain stockholders who agreed to dispose of a part of their holdings for public subscription. All of the 150,000 shares to be sold for the account of the company are held in its treasury. The difference between the net proceeds to be received by the company and the \$3-par value a share will be added to the company's capital surplus, and the entire net proceeds, together with such additional funds from the company's funds as required, will be used to redeem the outstanding \$5 preference stock.

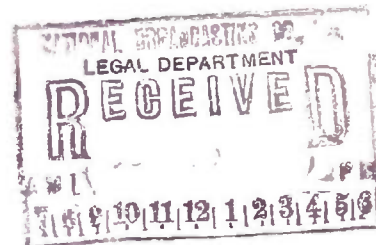
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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"ERRORS" IN MONOPOLY REPORT TO BE CITED

The networks and other interested parties will be given an opportunity to cite specific errors in facts and conclusions in briefs filed with the Federal Communications Commission, it was disclosed this week at the third hearing by the Senate Interstate Commerce Committee on the renomination of Commissioner Thad H. Brown.

John J. Burns, special counsel for the Columbia Broadcasting System, made the disclosure in the presence of Chairman James L. Fly of the FCC after the monopoly report had been riddled by Ralph Colin, general counsel of the CBS.

Previously Mr. Burns charged that the report "contains errors of fact and unwarranted inferences", and Mr. Colin pointed out in detail numerous misstatements with regard to the CBS deal with Paramount, the motion picture company.

The disclosure brought a reproof to the FCC from Chairman Wheeler, of the Interstate Commerce Committee, who said:

"Everyone of these governmental commissions ought to be extremely careful not to make misstatements of fact regarding any company. Such action brings the commission into disrespect."

Earlier Chairman Wheeler and other members of the Senate Committee rebuked Mr. Colin for his sharp language in criticizing Senator Tobey (R), of New Hampshire, for his attack on CBS and William S. Paley, its President, during the previous Brown hearing.

Senator Wheeler called Mr. Colin's statement, in which on June 21 in a statement to the press he charged Senator Tobey with making false statements and deliberately attempting to injure CBS and Mr. Paley, "entirely unjustified" even if the information on which Senator Tobey's remarks were based was incorrect.

Senator Tobey and other members of the Committee had criticized the network and its officers on the basis of charges made in the FCC monopoly report, prepared by a Committee headed by Commissioner Brown.

Senator Reed (R), of Kansas, joined Senator Wheeler in the condemnation and suggested that Mr. Colin "correct" his statement in "your own interest". He labelled the attack on Senator Tobey as "outrageous".

Mr. Colin persistently refused to withdraw the statement or make an apology, but at the conclusion of the hearing he said

that if he had known all the circumstances at the time and had not been trying to "beat a deadline" he "might have thought differently."

"I withdraw any charge of malice against Senator Tobey", he said.

Senate action on Commissioner Brown's renomination was delayed until after the Congressional recess for the Democratic convention as Senator Tobey said he still had more questions to ask the nominee.

While Commissioner Brown did not take the stand, he was asked several times for an explanation of statements appearing in the monopoly report.

After the Commissioner had turned each time to his aides who prepared the report for advice before answering, Senator Tobey observed that Mr. Brown appeared "ignorant" of what is contained in the report.

At one stage of the proceedings Senator Neely (D), of West Virginia, complained that the inquiry seemed to be "going far afield" of the matter before the Committee, and Senator Wheeler observed that it should be confined more to the "question of the general fitness of the nominee for office".

Meanwhile, the FCC is operating as a six-man agency and there is some question as to whether Commissioner Brown, when and if confirmed, will be able to collect back salary to July 1, when his new appointment was intended to begin. FCC officials said he would draw back salary, while others suggested that the Comptroller General will have to pass upon the question.

The CBS-Paramount deal, which was the basis of the Tobey criticism, was explained at length by Mr. Colin, who pointed out in detail wherein the FCC monopoly report was wrong in reporting fact and in its conclusions and implications.

Afterward Chairman Wheeler commented that he saw nothing irregular in the transaction in which Mr. Paley is reputed to have made \$1,000,000.

Mr. Colin explained that CBS had doubled its shares of stock in 1929 and sold them to Paramount in exchange for 58,823 shares of the movie company's stock. Paramount agreed to buy back its own stock at the end of two years at \$85 a share providing CBS earned \$1,000,000 a year or more in the interim.

As the stock market crash occurred before the expiration of the two-year period, Paramount, when confronted with the demand decided to sell its CBS holdings to raise the necessary cash. CBS, thereupon bought 14,156 of the 63,250 shares held by Paramount out of its surplus, and 15 CBS stockholders bought the remainder.

The profit came to Mr. Paley and other stockholders through the subsequent sale of this CBS stock to investment bankers at \$82.21 a share, which was the value fixed by Paramount, although the book value was far less.

Mr. Colin insisted that minority stockholders, as well as the majority, profited by the transaction.

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NEW FCC RULES AIMED AT "FIFTH COLUMNISTS"

New rules obviously designed to prevent "Fifth Column" activities in the radio communications field were adopted this week by the Federal Communications Commission. They prohibit, among other things, damage to apparatus, false signals, and malicious interferences by either amateur or commercial radio operators.

The new rules governing commercial radio operators are:

Sec. 13.64 Obedience to lawful orders. All licensed radio operators shall obey and carry out the lawful orders of the master or person lawfully in charge of the ship or aircraft on which they are employed.

Sec. 13.65 Damage to apparatus. No licensed radio operator shall willfully damage, or cause or permit to be damaged, any radio apparatus or installation in any licensed radio station.

Sec. 13.66 Unnecessary, unidentified, or superfluous communications. No licensed radio operator shall transmit unnecessary, unidentified, or superfluous radio communications or signals.

Sec. 13.67. Obscenity, indecency, profanity. No licensed radio operator or other person shall transmit communications containing obscene, indecent, or profane words, language, or meaning.

Sec. 13.68. False signals. No licensed radio operator shall transmit false or deceptive signals or communications by radio, or any call letter or signal which has not been assigned by proper authority to the radio station he is operating.

Sec. 13.69. Interference. No licensed radio operator shall willfully or maliciously interfere with or cause interference to any radio communication or signal.

Sec. 13.70. Fraudulent licenses. No licensed radio operator or other person shall obtain or attempt to obtain, or assist another to obtain or attempt to obtain, an operator's license by fraudulent means.

The new rules governing amateur radio stations and operators are:

Sec. 12.156 Obscenity, indecency, profanity. No licensed radio operator or other person shall transmit communications containing obscene, indecent, or profane words, language, or meaning.

Sec. 12.157 False signals. No licensed radio operator shall transmit false or deceptive signals or communications by radio, or any call letter or signal which has not been assigned by proper authority to the radio station he is operating.

Sec. 12.158 Unidentified communications. No licensed radio operator shall transmit unidentified radio communications or signals.

Sec. 12.159 Interference. No licensed radio operator shall willfully or maliciously interfere with or cause interference to any radio communication or signal.

Sec. 12.160 Damage to apparatus. No licensed radio operator shall willfully damage, or cause or permit to be damaged, any radio apparatus or installation in any licensed radio station.

Sec. 12.161 Fraudulent licenses. No licensed radio operator or other person shall obtain or attempt to obtain, or assist another to obtain or attempt to obtain, an operator license by fraudulent means.

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WAR CLOSES FRANCE MARKET FOR IMPORTED RADIOS

Even before its capitulation to Germany, France was practically closed as a market for imported radio sets and parts from the United States, the U. S. Commerce Department disclosed this week.

Releasing a report which was completed before the French invasion, the Commerce Department quoted the American Consul in Paris thus:

"The war has practically closed the market in France for imported radio sets and parts. The domestic industry, built up under the protection of restrictive quotas for several years, is able to satisfy all ordinary demands. War-time restriction of imports, permitted only under special license and subject to the grant of foreign exchange permits, is being administered so as to admit only such products from abroad as are not obtainable in France and are essential to the national war-time economy."

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U. S. BROADCASTS POPULAR IN LATIN AMERICA

Increasing popularity in Latin America of radio programs originating in the United States is indicated in consular reports reaching the Department of Commerce from the Latin American countries, according to John H. Payne, Chief of the Electrical Division.

While it is frequently reported that reception in certain of the countries is not good, due to adverse atmospheric conditions or technical limitations, the excellent quality of the programs is commented upon in most of the communications.

Mr. Payne said that transmission of radio programs to Latin America is considered of mutual benefit, since it makes available in that region many of the high quality programs heard in the United States and at the same time is a medium through which the Latin American public is informed of our customs, culture and endeavors.

News reports emanating from American short-wave broadcasting stations have probably acted as the greatest single factor in enhancing the popularity of American broadcasts among Latin American listeners. Mr. Payne believes, too, that emphasis on entertainment value which characterizes American broadcasts also contributes greatly to their popularity.

Publication in newspapers and other periodicals in Latin America of schedules of short-wave radio programs originating in the United States and beamed directly on Latin America is being effected by the Department of Commerce in close cooperation with the Department of State, the Radio Manufacturers' Association and the radio broadcasting industry. Mr. Payne indicated that a greater volume of short-wave programs is put on the air by American broadcasters than in any foreign country.

Weekly schedules of forthcoming radio programs, especially prepared or selected on the basis of known preferences of radio listeners in Latin America and frequently presented in the languages most widely understood in that area, are distributed in Latin American countries through the Foreign Offices of the United States Government.

At the present time, seven companies operating eleven short-wave radio stations located in New York, N.Y., Schenectady, N.Y., Boston, Mass., Philadelphia, Pa., Pittsburgh, Pa., Cincinnati, Ohio, and San Francisco, Calif., are transmitting these programs daily to Latin America.

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FCC MAKES DECISION IN HEITMEYER AND FRONTIER CASES

The Federal Communications Commission this week announced decisions with respect to docket cases involving construction of new radio broadcast stations at Cheyenne, Wyo.

It denied a motion of Paul R. Heitmeyer to grant without further hearing his application for a construction permit but complied with his alternative request that his application be dismissed. At the same time, the Commission granted the petition of the Frontier Broadcasting Company to reconsider Commission action in remanding its application for hearing and granted the same without further hearing.

In doing so it authorized the Frontier Company to operate on 1420 kilocycles, with power of 100 watts night, 250 watts until local sunset, unlimited time of operation, subject to condition that permittee file within a period of two months an application for modification of construction permit specifying the exact transmitter location and antenna system proposed to be installed.

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NEWSPAPERS AGAIN ADVISED TO SEEK FM LICENSES

Editor & Publisher, organ of the newspaper publishers, last week again advised newspapers to seek frequency modulation licenses so that the broadcasting of news "will not fall into incompetent hands". In an editorial it said:

"Several comments on the editorial which appeared here last week informed us that the Federal Communications Commission is now receiving applications for commercial operation of frequency modulation radio stations. Several stations, including some newspapers, are already working on an experimental basis, and commercial operation will be permitted on and after Jan. 1, 1941, to all licensed by the FCC. Forms for application were released by the Commission July 1. It is stated that the applications will receive immediate action.

"We mentioned that commercial broadcasting by FM may be approved as of Jan. 1, 1941. That approval has already been given, but applicants should not take it as a guarantee of commercial support. Our own view is that FM will take months, if not years, of nursing before the amount of income available to it will suffice to support the number of potential stations. Only a few thousand receivers equipped to take FM signals are now in the hands of the public, and, until that condition is changed, the field for commercial broadcasts is limited.

"Nevertheless, we repeat our advice that newspapers generally should seek FM licenses. The cost of supporting an FM station during experimental commercial stages can well be regarded as insurance against formidable local competition, and insurance to the public also that the function of furnishing news by radio will not fall into incompetent hands."

No new FM applications have been received by the FCC to date. A Commission spokesman suggested that the forms were so complicated that applicants need a little time to understand them.

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BROADCASTERS SEEK WAGE-HOUR MODIFICATION

Broadcasters will seek a redefinition of the term "executive" in the wage and hour regulations at a hearing before the Wage and Hour Division of the Labor Department July 25 in Washington.

Many stations, particularly smaller ones, have found it difficult to comply with the definition of executive, as interpreted by the Wage and Hour Division. The regulations prescribe that bona fide executives, professional workers, outside salesmen, and others in similar classifications, shall be exempt from overtime provisions of the Act. In its interpretations of October, 1938, the Division held that executives must be paid \$30 per week and direct work of others as the head of a department, have the power to hire and fire, or make recommendations on retention or release of personnel.

The interpretation further specified that executives "shall do no substantial amount of work of the same character as that performed by non-exempt employees." It is this provision that has worked undue hardship on stations, since chief announcers, chief engineers, and program department heads in many cases perform operating functions along with members of their staffs.

Joseph L. Miller, NAB Labor Relations Director, has filed an appearance for the July 25 hearing before Harold Stein, Assistant Director of the hearings branch of the Division.

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So that radio listeners may make their own transcribed versions of notable radio programs, General Electric's Radio Department has announced a new home recording record player. The new unit has facilities not only for making transcriptions or original recordings on blank disks, but for playing records of any type in conjunction with a modern radio, thus combining the functions of record player and recorder.

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EXTENSIVE NAZI RADIO NET SEEN BY PICK-UPS

Germany, which has utilized radio with considerable success in the present war, may now be linking radio stations in countries it has conquered into an extensive network. Evidence that such a thing is being done comes from American short-wave listening posts, which have heard announcements recently that ten or more stations are linked to handle the same program.

Among the powerful short-wave stations no longer heard independently in this country are those of Eindhoven and Paris. Prague disappeared some time ago. Berlin and Rome continue to come in with regularly scheduled programs.

Generally, only three or four of the stations are picked up in this country, the New York Times notes, since they operate on short waves. The others are standard broadcast waves that do not span the Atlantic. Prague was the first to be added to the Nazi chain, and the stations of Poland were next. Since then Oslo, Copenhagen, Brussels, Amsterdam and Paris have been annexed. According to operators in New York, constantly listening in on Europe, the Nazis dominate the air.

This week five short-wave stations were heard - Berlin, Paris, Amsterdam, Rome and Belgrade - handling the same program, apparently originating at the Rome end of the Axis, the Times reported. The announcer was Italian. American listeners were puzzled at Belgrade being in the hook-up.

"It's all very confusing", explained an operator at one of the receiving outposts on Long Island. "We can't make out what goes on over there. We aren't linguists, so can only report that the broadcasts appear as news, probably propaganda, martial airs and waltzes. We even hear Berling through Rome."

Press Wireless, Inc. later tuned in a station, apparently rebroadcasting a German program, which identified itself in English as JZK, Japan.

The station, heard on 15,160 kilocycles, was said to have broadcast the program simultaneously with the German-controlled Paris Mondial transmitter. Programs originating in Germany already have been picked up from a hook-up taking in France, Italy, the Netherlands, Belgium and Norway.

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Increasing its daily schedule to include a special three-hour program of full-fidelity recordings, Major Edwin H. Armstrong's high-powered FM station, W2XMN, at Alpine, N.J., is now being heard Mondays through Saturdays from 10 a.m. to 1 p.m., EST. In addition, W2XMN continues its regular transmission of Columbia Broadcasting System programs from 4 to 11 p.m. each weekday, Mondays through Fridays, and from 3 to 6 p.m. on Sundays.

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COASTAL HARBOR RADIOTELEPHONE FREQUENCIES CHANGED

Ship radiotelephone stations which now communicate or intend to communicate with the public coastal harbor radio stations at Ocean Gate, N.J.; Delaware City, Del.; Tampa, Fla., and New Orleans, La., were reminded this week of changes in the existing frequencies of these four stations, effective August 1.

Ocean Gate will use 2558 kilocycles in place of the 2522 kilocycles now employed, and ships transmitting to Ocean Gate will change over from 2126 to 2166 kilocycles, the FCC stated.

Delaware City will employ 2558 instead of 2522 kilocycles, and ships transmitting to Delaware City will use 2166 instead of 2126 kilocycles.

Tampa will supplant 2598 with 2550 kilocycles, and communicating ships will change from 2206 to 2158 kilocycles.

New Orleans will move from 2558 to 2598 kilocycles, and ships transmitting there will substitute 2206 for 2166 kilocycles.

Ships in contact with these points must adjust their equipment accordingly.

The changed frequencies are necessitated by the modified regional working arrangement to improve short-distance maritime radiotelephone service of Canada and the United States, which went into effect May 1 last. Other stations will retain their present frequencies.

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Mrs. Franklin D. Roosevelt, who has been broadcasting on current topics Tuesday and Thursday afternoons over forty-three outlets of the National Broadcasting Company's Blue Network, will not be signed for a new series when her contract expires July 25, according to the Franklin Bruck Agency, which handles the account for her sponsors, the Manhattan Soap Company.

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The University of Berlin recently established a chair for the study and teaching of the scientific, technical and educational aspects of radio as one of its many new departments. The department is under the direction of Prof. Dr. Kurt Wagenfuehr, who is proceeding with his work in collaboration with many notable experts in the field of radio broadcasting and research.

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PHILCO SHARES QUICKLY BOUGHT BY PUBLIC

Initial public financing on behalf of Philco Corporation, the largest radio receiver manufacturer in the United States, was carried out successfully Thursday through the offering of 325,000 shares of common stock by an underwriting syndicate headed by Smith, Barney & Co., according to the business page of the New York Times. The stock was priced at \$15 a share. Of the total shares offered, 150,000 shares were for the account of the company and 175,000 shares for the account of certain stockholders.

Formal offering of the stock was made before the opening of normal trading activities Thursday morning. The issue was oversubscribed by 1 P.M., and the syndicate managers formally announced at 3:20 P.M. that the books had been closed.

The net proceeds to be received by the company from the sale of 150,000 shares of common stock, estimated to be \$1,908,829 after deducting estimated expenses, will be used, with such additional funds from the general funds of the company as may be required, to retire and cancel all the outstanding \$5 preference stock.

Net proceeds from the sale of the remaining 175,000 common shares will not be received by the company inasmuch as these shares are being sold by certain stockholders. Since the company's common stock has heretofore been held by a relatively small number of stockholders, principally officers and employees, certain stockholders agreed to sell simultaneously as much of their stock as they were advised by the bankers as desirable for the purpose of creating a satisfactory public market. After the sale of the shares, the company's officers, directors and employees will still own, of record or beneficially, approximately 68 percent of the company's total common stock.

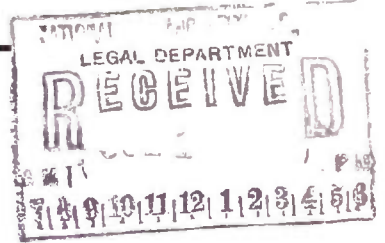
Underwriting discounts or commissions on the whole offering amounts to \$568,750, or \$1.75 a share, leaving gross proceeds to both the company and the stockholders who sold part of their holdings of \$4,306,250. Upon completion of this financing, the capitalization of Philco Corporation will consist solely of an authorized issue of 2,000,000 shares of \$3 par value common stock, of which 1,371,000 shares will be outstanding. The company has no funded debt of any kind.

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FTC AMPLIFIES REPORT ON RADIO ADS EXAMINED IN 1939

Additional data on the analyses of radio and periodical advertising made by the Radio and Periodical Division of the Federal Trade Commission were released this week as a supplement to the report issued April 13.

"Of the total 334,532 commercial radio continuities examined during the first half of the calendar year 1939, (later data not available), 15,390 originated from commercial broadcasts by nation-wide networks", the FTC stated. "Of these latter continuities, 22.2% were marked and referred for further investigation.

"Owing to the obvious interstate appeal of advertisers utilizing the broadcast facilities of nation-wide networks, copies of network commercial continuities are procured on a continuous weekly basis, and the commercial script examined, therefore, comprised all such network announcements.

"Commercial radio continuities are procured from individual station broadcasters, (for non-network broadcasts) uniformly as to frequency and length of period sampled, (and irrespective of transmittal power); with returns being staggered and proportionated throughout the year.

"From the total 305,787 commercial continuities examined in script rendered by individual station broadcasters, 150,192 comprised commercial continuities broadcast by medium-powered regional stations. Of these latter continuities, 3.3% were marked for further investigation.

"On a whole, it was observed that the average commercial continuities representing nation-wide network broadcasts, were about 7 times the script length of those rendered for individual station commercial announcements.

"Commercial continuities covering the built-in commercial portions of electrical transcription recordings intended for radio broadcasts, are procured on a continuous monthly basis direct from the producers of such recordings. (Therefore, while the continuity data presented for this type of broadcast, represented all commercial recordings of the producers, there is no data available to indicate the number, or period of time that copies of such recordings, may have been repeated over the air through the facilities of multiple stations.)

"The completed tabulation, showing other particulars representing each group type of broadcaster whose commercial con-

tinuities were included in the advertising surveys during the first half of 1939, are given in the data presented below. (Individual broadcasters are grouped according to their respective authorized maximum night transmittal power, prevailing during the broadcast period reported upon.)"

Type of Broadcaster Maximum Night Power	Commercial Continuities		Broadcasters Surveyed	
	Quantity Examined	Per Cent: Marked	Script Procured	Stations or Net- works Represented
Nation-Wide Networks	15,390	22.2%	100%	3
Regional Networks	9,228	6.5%	100%	22
Total All Networks	24,618	16.4%	100%	25
<u>Individual:</u>				
Low Local (100 watts)	113,927	2.3%	16-2/3%	308
Med. Regional (1,000 watts)	150,192	3.3%	16-2/3%	252
High Regional (10 kw)	19,736	4.4%	16-2/3%	36
Clear Channel (Inc. Special High) (25 Kw-300 Kw)	21,932	7.0%	16-2/3%	36
Total Individual Station	305,787	3.3%	100%	632
Transcriptions	4,127	13.4%	100%	--
	334,532	4.2%		

"The percentages and other statistics presented relate only to the initiation of inquiry and are not necessarily representative of any final adverse action taken by the Commission", the report explained.

"In analyzing advertising survey data of this Commission, which may be procured through its Radio and Periodical Division, consideration should be given to the fact that this data is derived only from representative, selected advertising mediums, and selected advertisements therein, deemed pertinent to the Division's and the Commission's work. Resultant marked specimens of advertising,

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often originate from similar individual advertising mediums; and the surveys do not comprise a complete coverage of all magazines or newspapers or all radio commercial broadcasts.

"Owing to the limited size of examining staff available and the large volume of local commercial radio announcements broadcast, such commercial continuities are procured from individual station broadcasters, (non-network), on an equal representative basis. However, for practical use by the Commission, experience has proved that the commercial script rendered, includes current representative specimens of practically any national or regional advertising campaign of consequence, pertaining to products in commerce, disseminated through such broadcasters.

"Many commercial radio continuities and published advertisements marked in the preliminary stage as warranting further investigation, may pertain to respective cases already receiving legal attention in the Commission; and various specimens included, may be only duplicates of similar representations previously observed, or also in process of appropriate attention; and the number of marked specimens tabulated, do not of themselves signify the existence of a like number of cases, prospective or pending."

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NAB SEEKS "FREE RADIO" IN DEMOCRATIC PLATFORM

The broadcasting industry will try to get the Democrats to include "free radio" plank in the convention platform this week.

Since the Republican National Convention in Philadelphia June 19 unanimously adopted a radio plank endorsing the principle of free radio on a parity with the press, it is expected that the Democratic Convention will follow through in similar fashion. Neville Miller, President of the National Association of Broadcasters, and members of the NAB Legislative Committee will appear before the Democratic Resolutions Committee on behalf of such a plank.

In addition to Mr. Miller, it is likely that Harry C. Butcher, CBS Washington Vice-President and member of the Legislative Committee; John A. Kennedy, West Virginia Network, Chairman of the Legislative Committee, and F. M. Russell, NBC Washington Vice-President, will appear before the Democratic Board.

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ZENITH WELCOMES TEST CASE WITH TRADE COMMISSION

E. F. McDonald, Jr., President of the Zenith Radio Corporation, Chicago, this week stated that he welcomes the test case instituted late last week by the Federal Trade Commission against Zenith for alleged misleading advertising.

"Information released by the Federal Trade Commission at Washington indicates that a formal complaint was issued against the Zenith Radio Corporation because of certain advertising practices", Commander McDonald said. "The points of this case have been discussed at length by Zenith, the Radio Manufacturers' Association and many members of the industry with the FTC over a period of years and its disposition will represent the first complete determination of the questions involved. Behind all the legal wording of this complaint is the first step in a friendly proceeding to attempt to give test case background to several points raised by the Commission.

"First, they desire to stop the advertising of ballast resistors as tubes, a practice which has long since been abandoned not only by Zenith but other major manufacturers of the industry.

"Second, to ascertain whether magic eye tubes, rectifier tubes and other special purpose tubes should properly be referred to as tubes in advertising. These tubes have been described as tubes by the manufacturers and the industry generally in the forty million radios that are now in use.

"It also strangely appears from this complaint that the Commission questions whether a radio may be sold for the reception of foreign programs and whether it is proper to advertise the fact that German, French, Russian and Italian short-wave broadcasts are now conducted in English.

"Zenith welcomes the test case as I feel sure will the entire industry."

Zenith was charged in the FTC complaint with misleadingly advertising the number of tubes contained in its radio receiving sets and the power and capacity of such sets for foreign reception.

The complaint alleged that Zenith has advertised, among other things:

"Zenith Short-Wave Radios are guaranteed to bring in Europe, South America, or the Orient every day or your money back! * * *"

"Positively the greatest 1940 Zenith values ever offered *** ten-tube superheterodyne***eleven-tube superheterodyne*** radio console with eight tubes *** the

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amazing new 1940 eight-tube, three band Radiorgan Zenith long distance radio *** six tubes! Push buttons! Long and short-wave *** six-tube heterodyne with wave magnet aerial, two-button Radiogram."

"These representations and others made by the respondent", the FTC charged, "are misleading, for in truth the Zenith radio sets are not equipped with six, eight, ten or eleven active, necessary, fully functioning tubes, but contain one or two, or more ballast non-functioning, or tuning beacon tubes, or rectifier tubes which do not serve as amplifying, detecting, or oscillating tubes and do not perform any recognized and customary function of a radio receiving tube in the detection, amplification and reception of radio signals.

"Contrary to the respondent's representations", the FTC added, "Zenith radio sets equipped with such tubes will not bring in broadcasts from London, Paris, Berlin, Moscow, Rome, and other points in Europe and from South America and the Orient in sufficient volume, free from static, to be distinctly heard at all times and under all conditions."

The complaint grants Zenith 20 days for filing answer to the charges.

Criticism of the Trade Commission's procedure in publicizing complaints before the respondent has an opportunity to answer them was criticized last week by representatives of the Association of National Advertisers. G. S. McMillan, ANA Secretary, and I. W. Digges, ANA counsel, attacked various phases of Federal Trade Commission procedure at a hearing of the Attorney General's Committee on Administrative Procedure in Washington. During the last several weeks the Committee has been holding hearings at which private parties are given an opportunity of voicing their suggestions on procedure of Government administrative agencies.

The ANA representatives' principal criticism lay with the FTC procedure in issuing complaints against business concerns "relating to alleged falsity of advertising claims before there has been any determination on the merits of such claims". Mr. McMillan declared this practice on complaints "often results in very real damage to national corporations", since the publicity accorded complaints may be used by competitors to damage a concern and also makes a bad impression on the public. Mr. Digges recommended that complaints be withheld until the defendants have an opportunity to answer, and that both sides of the case be made public simultaneously.

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NAMING OF COMMUNICATIONS DEFENSE BOARD AWAITED

Announcement of the appointment of a Defense Communications Committee comprising Government officials concerned with radio and wire regulation was expected to be made at the White House this week or next.

James L. Fly, Chairman of the Federal Communications Commission, stated at his press conference on Monday that all preliminary work had been done and that the matter is in the President's hands.

A suggestion by Neville Miller, President of the National Association of Broadcasters, that a communications expert from the industry be appointed to serve with the National Defense Commission headed by William S. Knudsen, has not met with the approval of Chairman Fly.

Whether this difference of opinion has caused a delay in the creation of the Communications Committee was not known definitely.

Mr. Miller suggested in a letter to Chairman Fly that an outstanding communications authority should be appointed to the Defense Commission to give the industry the same representation accorded other fields. Mr. Fly, however, points out that co-ordination of activities is required for communications, whereas the Defense Commission deals principally with procurement problems.

While Mr. Fly declares the industry will be consulted if the plan for a separate governmental board is approved, industry is said to be apprehensive that a Board composed entirely of Government officials would be a forerunner of Government operation. Although Government officials disclaim such intention, it is known that certain FCC members are inclined toward this objective.

Sub-committees representing the various branches of the communications industry are expected to be appointed as aides to the governmental Communications Committee.

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Selection of the winner of the Paley Amateur Radio Award for 1939 has been waived by the Board of Judges. This action was suggested by the American Radio Relay League because, in its opinion, no candidate was named whose accomplishments in "research, technical development or operating achievement" justified presentation. William S. Paley, President of the Columbia Broadcasting System, is donor of the prize.

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FCC WORKING ON TREATY REALLOCATIONS, SAYS FLY

The staff of the Federal Communications Commission is busily engaged in preparing proposed reallocations of most of the nation's broadcasting stations in accordance with the provisions of the Havana Treaty, Chairman James L. Fly stated this week.

At the same time he indicated that the reallocation may not take place in the early Fall, as had been anticipated, by explaining that the October 1st date was fixed at the time when broadcast licenses would expire and not as the time when the re-allocation necessarily would become effective.

Meanwhile, reports were current that the FCC is divided on the question of retaining clear channels as provided in the treaty and the broadcasting industry was represented as being deeply concerned over the Commission's delay in making the Havana pact operative.

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COMMISSION MUST ACT ON REQUESTS FOR MONOPOLY PROTEST

The Federal Communications Commission must determine whether it will accept briefs in opposition to provisions of the monopoly report, Chairman James L. Fly stated this week in response to questions. He explained that the Columbia Broadcasting System already has asked permission to file such a brief.

The Chairman's statement was made despite the fact that he did not contradict John J. Burns, special counsel for the Columbia Broadcasting System, when he told the Senate Interstate Commerce Committee last week that Mr. Fly had indicated that all parties would be accorded the privilege of filing briefs. The FCC Chairman was present at the time.

CBS counsel has charged that the report, so far as it concerns Columbia, is full of errors and "unwarranted" conclusions, especially with regard to the CBS-Paramount deal.

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World Radio Market reports issued recently by the U.S. Bureau of Foreign and Domestic Commerce include the following: Seychelles, Sierra Leone, Belgian Congo, Costa Rica, and Iceland.

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STATIONS DON'T HAVE TO QUOTE RATES, SAYS FCC

A New Yorker inquires of the Federal Communications "whether a company operating a commercial radio station is under a duty to quote rates for time not sold and to sell such time if its rates are met." Under the Communications Act a radio broadcast station is expressly declared not to be a common carrier, the Commission replied. Accordingly, except the provision which relates to candidates for public office, a radio broadcast station is under no obligation to quote rates or sell time. Hence a radio broadcast station is unlike some other classes of radio stations - notably radiotelegraph and radiotelephone which have the status of common carriers and are required to furnish service in accordance with tariffs filed with the Commission.

From the same city comes a lone letter protesting certain restrictions imposed upon amateurs at the present time. By way of explanation, the Commission replied in part:

"Although it is realized that these orders will probably cause inconvenience and annoyance to some of the amateur operators, the Commission feels that the recent restrictions and requirements are not only entirely justified but that they are necessary actions in the interests of neutrality and national defense. From the responses received from amateur organizations and individual amateurs throughout the country, it appears that the amateurs themselves are appreciative of the reasons necessitating the adoption of these orders and that they will fully cooperate in their enforcement. As you are undoubtedly aware, this Commission is cognizant of the valuable services rendered to radio and the nation by its amateurs and has on numerous occasions made public its appreciation of those services. The Commission does not believe that the order requiring more detailed proof of citizenship than has been required in the past can be construed as an indication of distrust of the American amateurs. This is also true as to the commercial operator to whom that order also applies. Requiring fingerprints is not an indication of suspicion. You will be interested to know that all Federal employees under Civil Service have been required to submit fingerprints for a number of years."

Since the Commission lacks jurisdiction in the matter, it has suggested to a Palm Beach woman that she submit to independent stations and networks a prayer that she wants to be broadcast twice daily throughout the United States.

In response to query from Chicago, the Commission advised that there is no rule or regulation pertaining to the solicitation of funds over the air, and that the matter is one within the discretion of station management.

The Commission said it is likewise without authority to take remedial action with respect to the following complaints:

A Brooklyn, N.Y., man is irked because a network substituted an address by Winston Churchill for the usual baseball program.

A Washington, D. C., man alleges failure of a network to advise the listening audience concerning the reconvening of the Republican National Convention.

A San Francisco listener takes issue with the "man in the street" type of programs.

A Bronx, N.Y., individual would bar the radio to minority groups.

A Lynn, Mass., florist dislikes radio advice to purchase hosiery for Mother's Day gifts rather than flowers.

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PARTY CONVENTIONS PROVE EXPENSIVE TO NETWORKS

The Republican and Democratic conventions will cost the major networks well over \$500,000, it appeared this week, as accurate reports on the Philadelphia hook-ups were released.

The networks lost in commercial accounts and paid out of their pockets a total of \$364,700 to cover the Republican conclave, of which more than \$300,000 was for rebates made to advertisers whose programs were cancelled.

The Democratic convention is not expected to be quite so expensive, especially if it continues only four days as has been predicted.

The detailed expenses of the networks at Philadelphia were:

Out-of-pocket costs of convention coverage were set at \$15,000 by NBC, \$25,000 by CBS and \$8,000 by MBS, a total of \$48,000. Commercial cancellations cost NBC \$87,500 for time and \$58,000 for talent rebates. CBS lost \$125,000 in time charges and \$45,000 in talent rebates. Mutual cancellations totaled \$1,200.

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RADIO MEN INVITED TO JOIN R.A.F. BY BRITISH

An appeal to American radio operators and fliers to enlist in the Royal Air Force via Canada came this week from Great Britain through American correspondents.

The service for radio operators, it was said, would be both on the ground and in the air. Ground operators would be acceptable up to 50 years of age although the age limit for fliers is 18 to 32.

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NILES TRAMMELL NAMED PRESIDENT OF NBC

Niles Trammell, Executive Vice-President, was elected President of the National Broadcasting Company at the regular meeting of the Board of Directors in New York City last Friday. He succeeds Lenox R. Lohr, who resigned to accept the post of President of the Chicago Museum of Science and Industry. Mr. Lohr's resignation, announced June 7th, was accepted at the NBC Board meeting, and Mr. Trammell was elected as his successor.

The announcement, made by David Sarnoff, Chairman of the Board of the National Broadcasting Company, stated.

"The National Broadcasting Company at its regular meeting of Directors held here (New York City) today, accepted the resignation of Lenox R. Lohr as President, tendered on June 7th. The Board unanimously expressed its appreciation for Mr. Lohr's devotion and service to the company and its good wishes for his continued success in the new work he has chosen.

"Niles Trammell, who for the past 18 months has been Executive Vice-President of the NBC, was then elected by the Board as the new President of the National Broadcasting Company.

"In electing Mr. Trammell, the Board has promoted to the presidency a man who has risen from the ranks of the company. He began his career with the RCA in 1923, and joined the National Broadcasting Company in 1928, where he has achieved outstanding success as a broadcasting executive both in Chicago and in New York. He now brings to the position of President, 17 years of experience in communications, merchandising and broadcasting.

"Mr. Trammell is 46 years of age. It is a distinction to a young industry that it has produced from its ranks a young executive of his type. Mr. Trammell's successive advances in positions of responsibility with the NBC have been made as the broadcasting industry grew from small beginnings to a nation-wide service of entertainment, information and education, and as a medium of vital service to commerce and industry.

"His intimate knowledge of broadcasting, his popularity and wide acquaintanceship in all segments of the industry, and his contributions to the development of nation-wide broadcasting, are important assets of the company he now heads."

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The following appeared in the syndicated column of Harlan Miller, Washington columnist:

"Lady Bountiful: Mrs. Roosevelt has developed a great fondness for making people gifts of radios. She buys them by the wholesale, sometimes around a hundred a year, to give to friends and acquaintances. Probably she buys more radio sets than any other individual."

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E. & P. SEES ADVANTAGE FOR NEWSPAPER ADVERTISERS

Editor & Publisher last week called attention with a note of sarcasm to the necessary cancellation of sponsored programs during the political conventions.

"The Republican National Convention in Philadelphia, the coming Democratic meeting, and a number of extra-inning ball games have given national advertisers on the radio a foretaste of what they can expect during the Fall political campaigns", it said in an editorial. "Nearly two-score regularly scheduled advertising programs were cut off or curtailed during the Philadelphia meeting, so that the public could get all the thrills of a ring-side seat at the G.O.P. shindig.

"For the past decade, these conventions have been staged as much for the radio as they have for the nomination of candidates, it has seemed to some observers. Business has been strung out over four or five days when it might well be concluded in two, if business was the only consideration. Even the Democrats, facing what seems to be a foregone conclusion of their meeting, are likely to follow the four-day tradition.

"Radio advertisers have no choice in the matter. They are committed to continuity of schedule on their own part, but the stations and networks exercise their privilege of cutting a scheduled commercial whenever news of public interest emerges. In any case, no advertiser's message stands any chance of attention in competition with the roar of a convention crowd, a succession of staccato war bulletins, or the play-by-play of a tense ball-game. When radio news is hot, the advertiser draws a shut-out.

"We commend that fact to our newspaper advertising friends, the representatives, and the advertising agencies. If advertising continuity and consistency has the value that the radio salesmen place upon it, and we believe their argument, it seems to us that it can be found best in newspaper columns. There are only 24 hours around the clock twice, but there is no limit today on the space available for advertising in newspapers."

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STORY OF TELEVISION TOLD BY 11 EXPERTS

"We Present Television", a series of reports on the state and history of visual broadcasting by 11 experts, has just recently been released. Edited by John Porterfield and Kay Reynolds, it is published by W. W. Norton & Co., New York, and sells for \$3.00.

Writers who have contributed to the volume are: Alfred H. Morton, Vice President in Charge of Television for NBC; Donald G. Fink, Managing Editor of "Electronics"; O. B. Hanson, NBC Vice-President and Chief Engineer; Charles E. Butterfield, radio writer; J. R. Poppele, Chief Engineer of WOR; Thomas H. Hutchinson, NBC Television Program Manager; Thomas Lyne Riley, NBC Television Director; Earle Larrimore, actor; Robert Edmond Jones, stage designer; Benn Hall of Radil Daily, and Harry R. Lubcke, Director of Television for the Don Lee Broadcasting System, Los Angeles.

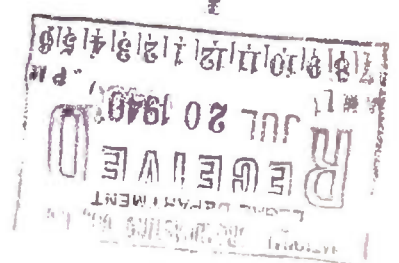
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FCC AND RMA MOVE TO BREAK TELEVISION DEADLOCK

The Federal Communications Commission and the Radio Manufacturers' Association moved jointly this week to expedite the commercialization of television.

Following the suggestion of the FCC last May, when the latest television regulations were issued, the RMA announced the organization of a National Television Systems Committee which includes non-members. Chairman James L. Fly, of the FCC, welcomed the Committee as a "splendid opportunity for the cooperation of industry and Government in the solution of a problem which is of such timely concern to the public and to business."

Organization of the RMA Committee was announced by Bond Geddes, Executive Vice President, upon behalf of J. S. Knowlson, the new President of the Association.

Invitations have been sent, it was said, to the following companies to nominate representatives on the Television Systems Committee:

Columbia Broadcasting System, Inc., Don Lee Broadcasting System, Allen B. DuMont Laboratories, Inc., Farnsworth Television & Radio Corporation, General Electric Company, Hazeltine Corporation, J. V. L. Hogan, Hughes Tool Company, Institute of Radio Engineers, Philco Corporation, Radio Corporation of America, Stromberg-Carlson Telephone Manufacturing Company, and Zenith Radio Corporation.

Dr. W. R. G. Baker of Bridgeport, Conn., Director of the the RMA Engineering Department, and an official of General Electric, has been appointed Chairman of the new National Televisions Systems Committee. The Chairman, while correlating the work of the Committee, will have no vote.

"I think I am safe in saying that both the Commission and RMA feel that in this way we are setting the vexing problem of television standards on a path which will lead to a satisfactory solution", said Mr. Knowlson. "We are both encouraged to feel that by so doing we are serving the interests of all concerned."

A meeting of the Committee with Chairman Fly and possibly the FCC Chief Engineer, E. K. Jett, was expected to be held the latter part of this month, probably July 31, in New York City.

The FCC, in a formal release, stated that in following through its promise of May 28th that it "stands ready to confer with the television industry and otherwise assist in working out

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television's remaining problems." The Committee, the FCC said, "should be of value in the advancement of television to a satisfactory level of performance that will insure a general and widespread public service."

The Commission recently paved the way for an increased number of television stations throughout the country with a view to crystalizing their experimentation with different systems into a uniform standard upon which commercialized visual broadcasting may be safely launched. A previous television hearing had revealed a serious conflict of engineering opinion upon the question of standards among the representatives of various responsible elements in the industry engaged in important research and experimental work.

"Because of the inadequacy of the various suggested standards", the FCC continued, "the new group will explore existing television systems with a view to developing and formulating standards that will be acceptable to the industry as a whole in expediting establishment of a single well-founded national system - one which has promise of ultimately giving this country more television stations and receivers than all other nations combined, with resultant benefits to manufacturers, dealers, and broadcasters, as well as the public.

"This project, though sponsored by the Radio Manufacturers' Association, will operate independently and represent the majority opinion of the industry. Membership will not be limited to the association; it will embrace representatives of companies broadly interested and experienced in the television field, also representatives of national technical organizations desirous of seeing television launched on a firm footing, as well as individual experts."

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RADIO FREEDOM SHOWS IMPROVEMENT, SAYS UNION

Freedom on the radio has shown marked improvement during the past year, according to the American Civil Liberties Union in its report issued this week.

The organization found that censorship of motion pictures, plays, books, and radio declined sharply last year.

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FIRST TELEVISION STATION FOR SAN FRANCISCO SPEEDED

Television experimentation tending to develop uniform transmission standards of acceptable technical quality, plus equipment tests and training of technicians, in addition to experimental programs which the public may enjoy, are assured by the National Broadcasting Company, through its station W2XBS at New York, and the Don Lee Broadcasting System, through W6XAO at Los Angeles and a proposed station to be located in San Francisco.

Besides confirming its previous tentative approval of construction of the San Francisco station, the Federal Communications Commission has authorized the other stations mentioned to use the new television channel No. 1 (50,000-56,000 kilocycles). This is in conformity with the Commission's announcement of June 18 encouraging the widespread distribution of experimental facilities to promote advancement of television.

Stations W2XBS and #6XAO operated on the former television channel No. 1 (44,000-50,000 kilocycles) which, on May 22, was removed from the television band. The Commission's approval of the use of the new television channel No. 1 was conditioned upon showing of acceptable programs of research and development.

National Broadcasting Company reported that its New York station will continue to use the RMA standard but will increase the number of frame lines from 441 to 507. In collaboration with RCA, it will review the various types of transmission standards under laboratory conditions and, if necessary, undertake full scale field testing. Change in polarization of W2XBS transmission would interfere with reception by receivers in the area served, since antennas there are for horizontal polarized signals. However, polarization studies will be conducted by RCA subsidiaries. NBC hopes to make the necessary equipment changes for utilizing the new channel during the Summer when audience interest is at a minimum. The work will require about two months.

Both Don Lee stations will experiment with television transmission using 525 lines, 30 frames interlaced, or 441 lines, 30 frames interlaced, and possibly television signals of other composition. These stations will make tests to determine the effect of the different power supply systems on reception of television images, and propagation characteristics and signal-to-noise ratios will be compared with vertical and horizontal polarization. Studies will also be made of co-channel interference between the Los Angeles and San Francisco stations.

Station W2XBS operates with 12 kilowatts visual and 15 kilowatts aural power, and W6XAO with 100 watts visual power and 150 watts aural power. The proposed San Francisco station will use 1 kilowatt aural and visual power.

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TIME EXTENSION GIVEN INTERNATIONAL STATIONS

Six months extension of time to comply with the rule that international broadcast stations must operate with power of not less than 50 kilowatts has been granted by the Federal Communications Commission in the case of eight such stations which have outstanding construction permits or have applications pending to reach that minimum power.

These stations and their present authorized power are: WPIT, Westinghouse Electric & Manufacturing Co., which is to move to Hull, Mass., 50 kilowatts; WRUL, World Wide Broadcasting Corp., Scituate, Mass., 50 kilowatts; WCBX, Columbia Broadcasting System, near Wayne, N. J., 10 kilowatts; KGEI, General Electric Co., San Francisco, 20 kilowatts; WGEA, General Electric Co., Schenectady, N. Y., 25 kilowatts; WNBI, National Broadcasting Co., Bound Brook, N.J., 35 kilowatts; WRCA, National Broadcasting Co., same place, 35 kilowatts, and WRUW, World Wide Broadcasting Corp., Scituate, Mass., 20 kilowatts.

Stations which are already complying with the minimum power prescribed in Section 4.45 of the Rules Governing International Broadcast Stations now extended to January 1, 1941, are WLWO, Crosley Corp., Mason, Ohio, 50 kilowatts, and WGEO, General Electric Co., So. Schenectady, 100 kilowatts.

The remaining international broadcast stations, which have not yet moved to bring power to the required minimum, are WCAB, operated by the WCAU Broadcasting Co., Newton Square, Pa., 10 kilowatts; WDJM, Isle of Dreams Broadcasting Corp., Miami, Fla., 5 kilowatts, and WBOS, Westinghouse Electric and Manufacturing Co., Millis, Mass., 10 kilowatts.

Meanwhile, the Commission has acted in individual international broadcast station cases as follows: Granted the application of World Wide Broadcasting Corp. for modification of license of WRUL, at Scituate, Mass., to operate unlimited time on 6040 kilocycles, and set for hearing application by the same company for unlimited operation of WRUW, at Scituate, Mass., on 6080 kilocycles; granted application of the Crosley Corp. for unlimited time operation by WLWO, at Mason, Ohio, on 6080 kilocycles; and deleted station WDJM, at Miami, Fla., which shared frequency with WRUL and has now sold its equipment to that station.

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Dr. Frank Kingdon, nationally known social leader and Executive Director of the Citizenship Educational Service, has been added to the list of the speakers at the Eighteenth Annual Convention of the National Association of Broadcasters in San Francisco August 4-7.

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BRITISH BIGGEST BUYER OF U. S. RADIOS

United States exports of radio receiving sets increased from \$655,679 in April of this year to \$779,732 in May, according to John H. Payne, Chief of the Electrical Division, Bureau of Foreign and Domestic Commerce.

The United Kingdom was the chief contributor to this advance with purchases of 14,218 sets valued at \$120,513, an improvement of more than 800 percent in number and 300 percent in value over April purchases of 1,546 units valued at \$30,407. Sizable purchases were also credited to Brazil, Union of South Africa, and Mexico, their respective shares being \$85,817, \$69,172, and \$63,739. Other less important, but still noteworthy outlets were found in British India, Cuba, Venezuela, Philippine Islands, Colombia, China and Chile.

Of the total foreign shipments of transmitting sets, tubes and parts which aggregated \$308,775, China accounted for \$108,105 while Switzerland ranked second with \$35,221.

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SIX ATTORNEYS JOIN FCC LAW DEPARTMENT

The Federal Communications Commission this week announced the following additions to its legal staff:

Lucien Hilmer, who was in charge of the New York office of the Senate Interstate Commerce Committee in its railroad investigation, to be special counsel.

David Lloyd, formerly Assistant Chief Counsel of the Senate Civil Liberties Committee, to be Special Counsel in charge of an investigation unit within the Law Department.

Oscar Schachter, from the Wages and Hours Division of the Department of Labor, to be an associate attorney.

Leo Resnick, from the field legal staff of the Public Works Administration, to be associate attorney.

Marcus Cohn, graduate of the University of Oklahoma, University of Chicago Law School and Harvard Law School, to be associate attorney.

Philip Elman, at present law clerk to Circuit Judge Calvert Magruder of the First Circuit, to be assistant attorney.

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FCC BEGINS HIRING RADIO OPERATORS

Because of the urgency of enlarging its field staff, the Federal Communications Commission this week announced it would begin hiring radio operators at once and permit them to take Civil Service examinations while temporarily employed.

"In view of the emergency", a statement said, "the Federal Communications Commission is prepared to accept applications from licensed commercial operators and amateurs for appointment as radio operators in the field service, with the understanding that those selected will be given temporary employment for ninety days and examined during that time by the Civil Service Commission. The temporary employees who pass the Civil Service examination, and are reached in the order of their standing on the eligible list, will receive indefinite probationary appointment on a temporary basis as the present emergency may justify."

Some of the appointees will be assigned to Alaska, Hawaii, and Puerto Rico.

Persons holding radiotelegraph first class licenses will be appointed to fill positions at \$1800 per annum and those holding radiotelegraph second class licenses at \$1620 per annum. Amateur licensees are eligible providing they possess certain qualifications and are between 21 and 55 years of age.

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DEMOCRATS PLACE RADIO ON PLANE WITH PRESS

Following the lead of the Republican convention, the Democrats in Chicago this week adopted the following platform in its platform with regard to radio:

"Radio has become an integral part of the democratically accepted doctrine of freedom of speech, press, assembly and religion. We urge such legislative steps as may be required to afford the same protection from censorship that is now afforded the press under the Constitution of the United States.

"We must strengthen democracy by improving the welfare of the people. We place human resources first among the assets of a democratic society."

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For Release - Sunday, July 21, 1940

WESTINGHOUSE DEVICE STOPS WASTE OF RADIO WAVES

Station WBZ will stop wasting radio waves over the Atlantic when its new 50,000-watt transmitter is opened in Hull, across the harbor from Boston, on July 27, according to Ralph N. Harmon, Chief Radio Broadcasting Engineer of the Westinghouse Electric and Manufacturing Company.

With a modern "traffic cop" antenna, the station will put its radio signals on a one-way avenue and concentrate their strength in a westerly direction, Mr. Harmon explained.

He said that WBZ's problem was to prevent the wasting of waves that would normally be spread out over the Atlantic Ocean. The method adopted will reflect the ocean-bound waves back inland and thus effectively double the station's power for listeners in southern New England. At present WBZ's transmitter is located at Millis, Mass., about 10 miles west of Boston.

"To accomplish this effect", stated Mr. Harmon, "two transmitting antennas in the form of tall towers, have been erected about 250 feet apart along an east and west line at Hull. Radio signals will be sent out from both antennas, but the westernmost one, called the director, will let them go about one four-millionth ($1/4,000,000$) of a second later than its twin, the reflector."

As a result, Mr. Harmon went on to explain, waves from the reflector will reach the director just in time to match, or be "in phase" with the waves travelling westward. The effect will be to send waves of double strength inland.

But in the other direction (toward the ocean) waves from the director will reach the reflector out of phase (unmatched) with the waves going oceanward from the reflector. "In other words, the two sets of waves in this direction will be pushing in opposite directions, since they are one quarter of a wavelength apart, and their power will cancel out, leaving no wave at all."

The effect of the reflecting antenna was explained as the same as when a polished reflector is used behind a lamp to direct all its light in a desired direction.

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The Federal Communications Commission has denied a petition of the Press-Union Publishing Co., licensee of Station WBAB at Atlantic City, N. J., for rehearing of the Commission's action in issuing a construction permit to the Neptune Broadcasting Corp. for a new station at that place to operate on 1420 kilocycles with 100 watts power night and 250 watts until local sunset. Station WBAB operates on 1200 kilocycles with 250 watts power, unlimited time.

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BBC TAKES TO UNDERGROUND COVER

With Britain threatened with invasions, the British Broadcasting Company has announced that radio spokesmen have been moved to bombproof shelters constructed deep in the earth "somewhere in England". The nightly short wave talks have been emanating from these concrete "catacombs" since July 7, according to a BBC announcement.

All precautions have been taken in order to be able to continue the short wave transmissions with some assurance of safety to the broadcasters, it was stated. Anti-aircraft battery crews, supported by men in sand bagged machinegun nests, scan the skies close to the microphone locations.

These wartime studios are protected by thick layers of concrete which it is expected will withstand the heaviest bombs. They are designed to be soundproof. Overhead artillery crashes, it is expected, will not disturb speakers or engineers beneath.

Discussing these "modern catacombs of broadcasting", J. B. Priestley, in a recent talk in the "Britain Speaks" series, said he and his fellow broadcasters in the BBC overseas service had come to take these conditions almost for granted.

"There are different types of accommodation for speakers according to the conditions prevailing at the time", the novelist explained. "But even if cabinet ministers and members of parliament have to put up with inconvenience, the voice of Britain will still be heard. Sometimes an air raid warning sounds just as a scheduled broadcast to America is about to begin. Studios are chosen accordingly."

Besides those given by Mr. Priestly, several talks each week on short-waves for American listeners are presented by Vernon Bartlett, who interprets the three minute summary of the latest news which begins at 7:00 P.M. in the course of a 12 minute talk immediately following.

The "Britain Speaks" series, is now aired at 8:30 P.M. Ministers, including heads of departments, are heard from time to time. Their talks will each last 15 minutes, and be followed by an entertainment period featuring American stage and motion picture stars now in Great Britain. This continues until the beginning of the news summary and commentary.

The programs are heard on both 9.58 and 11.75 megacycles (31 and 25 meters) from GSC and GSD.

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BROADCAST COVERAGE INCREASED THROUGH MUTUAL ARRANGEMENT

Another example of mutual cooperation by widely-separated broadcasting stations to improve public service is reflected in action this week by the Federal Communications Commission in granting construction permits to WCHS, at Charleston, W. Va.; WDBO at Orlando, Fla., and WIBW at Topeka, Kans., to increase night power to 5 kilowatts. The three stations operate on 580 kilocycles. By working out directional antenna systems they are able to greatly increase their respective coverage with a minimum of interference to one another.

WCHS, licensed to the Charleston Broadcasting Company, has heretofore operated with 500 watts night and 5 kilowatts day, while WDBO, Orlando Broadcasting Co., Inc., and WIBW, Topeka Broadcasting Association, Inc., have operated with 1 kilowatt night and 5 kilowatts day.

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:::: TRADE NOTES ::::
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Radio's part in furthering favorable relations among the Americas is being augmented with establishment by the Columbia Broadcasting System of a short-wave studio in Inter-America House at the New York World's Fair. Through arrangements completed between CBS and the Program Committee of Inter-America House, Columbia will have exclusive use of the studio to bring noteworthy events at the Fair to listeners in South America over both WCBX, New York, and the network's Philadelphia short-wave outlet, WCAB. This extensive schedule is to be inaugurated Wednesday, July 24, with a program commemorating "Simon Bolivar Day."

The National Labor Relations Board has announced an order requiring Indianapolis Power & Light Company, Indianapolis, Indiana, owner of Station WFBM, to cease discouraging membership in the CIO's United Utility Workers Organizing Committee and the AFL's Associated Broadcast Technicians' unit of the International Brotherhood of Electrical Workers, or in any other labor union. The company was also required to cease encouraging membership or in any manner supporting or assisting Indianapolis Power & Light Employees' Protective Association.

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I. T. & T. GETS CAA RADIO EQUIPMENT ORDER

The International Telephone Development Company, subsidiary of the International Telephone and Telegraph Corporation, has received an order amounting to \$537,547, from the Civil Aeronautics Authority to manufacture and install airplane instrument landing systems at the airports of six cities in the United States: LaGuardia Field, N.Y.; Municipal Airports at Chicago, Cleveland and Kansas City; Mines Field, Los Angeles and Meacham Field, Fort Worth.

With the exception of experimental installations, these instrument landing systems will be the first ever contracted for by the United States Government for utilization by the commercial airways and will mark a decided advance in the application of ultra-high frequency radio to aerial navigation. They will enhance the safety of flying as well as relieve the congestion caused at busy airports during times when large numbers of airplanes must their turn for landing when weather conditions are unfavorable.

The C.A.A., other government agencies and private companies have spent thousands of dollars and years of experimentation and research to bring about this contribution to the safety of flying. The International Telephone Development Company was the contractor for the final stages of this development work and designed, built and installed for the C.A.A. four instrument landing systems at Indianapolis, Indiana in 1938. With these systems every conceivable test was made under all kinds of weather conditions, so that today, in the installations about to be built, all "bugs" are believed to have been eliminated and certainty of operation assured. This system was reported upon favorably by a special committee of members of the National Academy of Sciences which was requested by President Roosevelt to undertake the study of the problem of standardizing instrument landing equipment for airplanes.

The installation of these equipments will commence early in 1941 and they will be placed in operation about the middle of the year.

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U.S. RADIOS NOT ADAPTED FOR TROPICS, SAYS COOGAN

Exports of radios to South America have grown smaller because American manufacturers do not produce sets especially designed for tropical climates, W. A. Coogan, Foreign Sales Manager of the Hygrade Sylvania Radio Tube Corporation, declared this week following his return from a trip to South and Central America to explore markets.

He said that, although South American countries were finding themselves forced to make their own sets, the parts and accessories business was favorable, according to the business page of the New York Times.

Mr. Coogan said he had observed unfavorable economic conditions throughout South America, due to heavy farm surpluses which were piling up as a result of the war. He pointed out that in Argentina the loss of European markets had meant a loss in exports of 60 percent of their corn crop, 56 percent of their hides, 40 percent of their wool and 25 percent of their meat. Argentina, he continued, has surpluses of 20,000,000 bushels of wheat, 300,000,000 bushels of corn and 500,000,000 million pounds of beef.

"The unfortunate part of the situation", he went on, "is the fact that the United States has surpluses of the same commodities."

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RADIO MAKERS READY FOR F-M BROADCASTING

Radio manufacturers are of the opinion that the advent of frequency modulation, the new system of radio transmission and reception, will be taken in stride by the industry, according to the Chicago Sunday Tribune. Many manufacturers are now in production on F-M receiving sets and others are preparing to start production.

The position of Radio Corporation of America, leading manufacturer in the field, is as yet not clearly defined, but officials indicated that they would have F-M receivers on the market this Fall if the public demand justifies such a step. On the other hand, a majority of the independent manufacturers regard the development as a major advance in the industry and are prepared to exploit it fully.

General Electric Company, Stromberg-Carlson Telephone and Manufacturing Company, and others have started F-M merchandising campaigns to enable them to increase production and reduce prices.

Among those who plan to bring out F-M sets this Summer and Fall are RCA, Zenith Radio Corporation, Stewart-Warner Corporation, and Farnsworth Television & Radio Corporation. Philco Corporation has announced that its 1941 models will be constructed so that they can be converted to F-M.

E. F. McDonald, Jr., President of Zenith, one of the leading experimenters with television, said that the company would have a combination F-M and standard receiving set on the market November 1. The company was prepared to introduce a line last Spring, he said, but withheld it until standards would be set.

"Frequency modulation has none of the economic hurdles of television", he said. "For some time, F-M will be a supplementary system to A-M (amplitude modulation, the standard technique.)"

The high costs encountered for television programs will not arise for F-M broadcasting, he explained. Staging, scenery, costuming, lighting, and more rehearsals to enable actors to memorize their lines are important factors increasing television expenses.

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No. 1252

July 23, 1940

FLY DEFENDS NEW FCC INVESTIGATING DIVISION

Coincident with the appointment of David Lloyd, former Chief Counsel of the Senate Civil Liberties Committee, as head of a newly created investigating unit of the Federal Communications Commission, Chairman James L. Fly explained the reasons for its establishment at a press conference this week.

Chairman Fly said that it will consist of only a half dozen investigators at the beginning but will be able to call upon the Engineering and Accounting Divisions for assistance whenever necessary. It will be under the direction of the Legal Division.

The FCC Chairman said he had considered the investigating unit essential ever since he joined the Commission and had been surprised that it had operated without one in the past.

The FCC must make sure of the credentials of applicants for radio facilities in the future, he said, and not rely merely on affidavits and sworn testimony.

The Communications Act, he said, clearly gives the FCC authority to set up an investigating unit, and Congress has approved the plan by appropriating the necessary funds.

Chairman Fly said he thinks the FCC also needs an expert on labor problems as an aid to the Commission. The labor controversy that arose over the recent wire merger plan, he recalled, illustrated the need for such an advisor.

Chairman Fly announced that he and Lieut. E. K. Jett, FCC Chief Engineer, will go to New York July 31st to confer with the National Television Systems Committee sponsored by the Radio Manufacturers' Association.

Reiterating his approval of the efforts of the radio industry to settle the television controversy, Mr. Fly said he believed the industry is in a good frame of mind to reach an agreement.

From New York the FCC Chairman will go to the Pacific Coast to attend the convention of the National Association of Broadcasters in San Francisco and to confer with leaders in television development in that area. He said he expected to inspect the Don Lee and DeForest television equipment.

Chairman Fly also said he welcomed the opportunity to talk with the nation's broadcasters at this time in an informal and face-to-face fashion.

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BROADCASTERS DISTURBED OVER "NON-POLITICAL" TALKS

Somewhat puzzled over President Roosevelt's announcement that he will conduct no political campaign this year for reelection, the broadcasting industry is awaiting the first "periodic talk" on the state of the nation before deciding whether to label it commercial or sustaining.

Presidential addresses, such as the fireside chats, have been carried as sustaining features up to this time.

The major networks have already spent or lost due to cancellation of commercials more than \$500,000 by covering the Republican and Democratic conventions. The G.O.P. Convention cost the National Broadcasting Company, the Columbia Broadcasting System and the Mutual Broadcasting System \$365,000. The bill on the Chicago meeting has not as yet been tabulated.

While this convention coverage is considered a public service, the broadcasters anticipate getting much more than they have lost by selling time for political addresses between now and November.

In 1936, the Republicans spent about \$850,000 and the Democrats \$600,000 on radio, and this year the Republicans are expected to spend at least \$800,000. The networks alone received nearly \$1,275,000 of this amount, according to Broadcasting Magazine, trade organ.

While the 1936 campaign presented the broadcasters with some difficult problems with regard to the addresses of the President, there were a number of speeches at rallies which were clearly political and could be charged for according to the number of stations in the hookup.

President Roosevelt, in his address of acceptance, which was considered a sustaining feature, stated that he would be unable to conduct a regular campaign because of pressing duties of state.

"I do expect, of course, during the coming months to make my usual periodic reports to the country through the medium of press conferences and radio talks", he said.

The President's "fireside chats" which, incidentally, were given this name by Harry C. Butcher, Vice-President of CBS, have been recognized by all broadcasters as sustaining programs. The question that worries the broadcasters now is whether the "periodic talks" during the campaign can be labeled sustaining or commercial.

Wendell Willkie, because he holds no public office, will have to pay for all his radio time.

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Four years ago the Federal Communications Commission was confronted with a delicate problem when several stations on one of the networks refused to carry one of Mr. Roosevelt's addresses, which the network had considered a sustaining program and the stations insisted was a political talk. The stations were upheld, however, in their refusals.

The self-imposed code of the National Association of Broadcasters prohibits its members from charging for carrying controversial talks, in which both sides must be treated equally, but permits stations to charge for political talks.

"This exception is made", the NAB points out, "because at certain times the contending parties want to use and are entitled to use more time than broadcasters could possibly afford to give away."

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OVERTIME FOR RADIO INSPECTORS PROPOSED IN BILL

An amendment to Section 4(f) of the Communications Act to provide for extra compensation for overtime of inspectors in charge and radio inspectors of the Field Division of the Engineering Division of the Federal Communications Commission has been introduced by Chairman Bland, of the House Committee on Merchant Marine and Fisheries.

The measure authorizes the FCC to fix a reasonable rate of pay for overtime services, which would cover services after 5 P.M. and before 8 A.M. daily or on Sundays or holidays.

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RESUMPTION OF BROWN HEARING EXPECTED THIS WEEK

A fourth hearing on the renomination of Commissioner Thad H. Brown was expected to be scheduled this week by the Senate Interstate Commerce Committee.

Attaches of the Committee said that a time will be set as soon as Senator Tobey (R.), of New Hampshire, makes the request.

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D.C. AND N.Y.C. TELEVISION OUTLETS SPEEDED

New television stations for the National Capital and New York City were speeded by action of the Federal Communications Commission in confirming previous tentative approval of applications by the Allen B. DuMont Laboratories, Inc., for such outlets. The Commission also authorized DuMont and Columbia Broadcasting System to start television broadcasts under the new promotional rules from their Passaic and New York stations respectively.

DuMont's new Washington station will operate on new television channel No. 1 (50,000-56,000 kilocycles) with 1 kilowatt power for aural and visual transmission, and its New York station will use television channel No. 4 (78,000-84,000 kilocycles) with like power.

DuMont's present television station W2XVT, at Passaic, N.J., is enabled to increase power to 5 kilowatts, aural and visual, and transmit on channel No. 4. Columbia Broadcasting System station W2XAB, at New York, can use channel No. 2 (60,000-66,000 kilocycles), $7\frac{1}{2}$ kilowatts power, aural and visual.

These new authorizations closely follow Commission action last week in speeding construction of San Francisco's first television station, to be operated by Don Lee Broadcasting System, and, at the same time, giving the "go" signal for Don Lee station W6XAO, at Los Angeles, and National Broadcasting Co. station W2XBS, New York, to use new television channel No. 1 (50,000-56,000 kilocycles), which the proposed San Francisco station will likewise employ.

Opening additional television facilities throughout the country is made possible by the Commission's new rules encouraging experimental operation to promote the art. Approvals in all cases are contingent upon programs to foster research and development.

The DuMont Washington and New York stations, for example, will inquire into the advantages of various types of film projectors, experiment with mobile pick-up utilizing wire links and radio links, and will seek public cooperation on various types of program material. Coaxial cable will be used in transmitting programs between Washington and New York, and the Washington station will test the practicability of providing satisfactory service to Washington and Baltimore from a single transmitter.

The program of research for DuMont's Passaic station embraces tests of various antenna systems utilizing both vertical and horizontal radiators, experiments with systems other than RMA and DuMont, and investigating the effects of phase-shifts, noise, field patterns, etc.; test of transmitter equipment, including power tubes; ultimate experiments in the possible use of FM (frequency modulation) for television broadcasting on the ultra-high frequencies.

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In seeking to develop uniform transmission standards of acceptable technical quality, CBS station W2XAB proposes to make comparable investigation of all synchronizing pulses for which generating equipment is available, make comparative study of different combinations of lines and frames, investigate the effect on allocations of using different polarizations in certain adjacent areas, and work with the general public in determining reaction to various changes in program technique.

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NAB TO CONSIDER FM AND TELEVISION AT CONVENTION

Two developments which are likely to affect the status of standard broadcasting will be given serious attention at the forthcoming convention of the National Association of Broadcasters at San Francisco, August 5-8. They are frequency modulation and television.

A demonstration of FM has been arranged by John Shepard, III President of FM Broadcasters, Inc., and Paul de Mars, one of the engineers sponsoring the new form of radio transmission, will talk on "Practical FM Broadcasting."

Ted Smith, Manager of Television Transmission Sales for the Radio Corporation of America, will talk on "Apparatus Requirements for Television Stations", while Harry R. Lubcke, Director of Television for the Don Lee Broadcasting System, will speak on "Television Station Operation and Telecast Pickups".

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WCPO PETITION DENIED

The Federal Communications Commission has denied the petition of Scripps-Howard Radio, Inc., licensee of Station WCPO at Cincinnati, for hearing or rehearing on the grant to WCOL, Inc., on June 3, of a license authorizing WCOL, at Columbus, to operate on 1200 kilocycles with 250 watts power, unlimited time, which facilities are also permitted WCPO. On March 29, the Commission denied a similar petition of Scripps-Howard Radio, Inc., in connection with the grant of WCOL's construction permit October 10 of last year.

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FM APPLICATIONS START POURING INTO FCC

With the initial problem of an intricate application blank apparently solved, applications for frequency modulation licenses are pouring into the Federal Communications Commission.

Chairman James L. Fly explained that there was no disposition on the part of the Commission to slow up the applications but that the applications had been made difficult deliberately. The FCC, he said, wanted all the information possible from the applicants because of the newness of the industry.

Meanwhile the FCC sent out a supplemental release defining requirements for contour maps in establishing service areas for high frequency broadcast stations.

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BROADCASTERS AID IN NATIONAL DEFENSE DRIVE

Under the sponsorship of the National Broadcasters' Association, the nation's broadcasters are offering their assistance in rounding up 100,000 skilled civilian workers for the War and Navy Departments and the Civil Aeronautics Authority.

Neville Miller, President of the NAB, in a letter to all members, pledged the industry to help locate these workers by broadcasting announcements as to definite jobs that are open in the section of the country from which the broadcasts will be made.

"The National Defense needs of the United States require the immediate employment of 100,000 skilled civilian workers in the War and Navy Departments", Mr. Miller wrote, "the Civil Aeronautics Authority and in several other departments.

"To locate these men speedily is an urgent and patriotic duty that radio can perform best. It is a duty that the National Association of Broadcasters, on behalf of all broadcasting stations, has accepted.

"Radio can do the job with the vigorous help of every individual broadcaster. The task is not easy; for the highways and byways must be combed for recruits. It is believed that a large number of qualified men will be found working in other capacities.

"These men must be reached and urged to return to their former trades else preparedness plans may bog down. . . .

"Every week NAB will confer with the United States Civil Service Commission about jobs throughout the country. It is expected that needs at certain points will change frequently. As they change, superseding announcements will be sent.

"Therefore, in the interest of efficiency, in this hour of emergency, we shall operate on the assumption that stations will continue to broadcast an announcement until it is killed or modified to meet the changing conditions."

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MONOPOLY BRIEF ISSUE STILL UNDECIDED

The Federal Communications Commission has not yet decided whether it will accept briefs from the networks in response to charges carried in the monopoly report.

The matter was scheduled to have been discussed at the meeting last Friday, but officials said it was not reached because of the vast amount of routine business. It is due to come at a meeting on Wednesday, but an FCC spokesman said there may not be a quorum present.

The Columbia Broadcasting System has asked permission to file a brief, and the Mutual Broadcasting System has submitted proposals to remedy some of the evils of network broadcasting as alleged in the monopoly report.

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MBS AWAITS NAZI DECISION AFTER "BLACKLISTING"

The Mutual Broadcasting System was barred from picking up broadcasts from Berlin or Nazi occupied territory this week at least temporarily after been "blacklisted" because of the action of 31 Pacific Coast stations of the Mutual-Don Lee Network last Friday in cutting off Hitler's address to the Reichstag.

Dr. Otto Dietrich, personal press chief of the German Chancellor, temporarily barred MBS from further broadcasts out of Nazi territory.

Dr. Dietrich notified Siegrid Schultz, Mutual representative in Berlin, that he wanted a complete report and explanation of the incident and pending receipt of the report and its approval as satisfactory he was suspending all Mutual broadcasts from Germany and German-controlled areas in Europe, according to a cablegram received by Arthur Whiteside, Mutual Production Manager, in New York.

Mr. Whiteside cabled back that, to the best of his knowledge, although he had no way of checking, the Hitler speech was carried by the rest of the 140 stations of the network and that it was the prerogative of each station or chain in the network to accept or reject all or any part of any network program, since the individual station and not the network controlled its broadcast.

Executives of the system believed it was the first time that a major radio network had had its broadcasting facilities suspended by a totalitarian country as a counter-move to criticism of that country originating in the United States, according to the New York Times. In radio circles the move was looked upon as an effort by the censors in Berlin to control expressions of opinion by United States citizens over their own radio facilities to audiences within the United States.

The network supplied the Hitler speech in full on a program taking ninety-five minutes. The thirty-one stations cut it off after ten minutes, and Station KHJ in Los Angeles broadcast a statement in explanation that its management did not consider the speech "in the public interest" or "in harmony with the attitude of this government." It also expressed its opinion that Herr Hitler "should not be permitted to use our American facilities to justify his crimes against civilization itself."

On several instances recently Balkan countries coming within the Nazi orbit have been required to carry Herr Hitler's speeches and other broadcasts in the interest of German foreign policy.

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Work on WOR's Frequency Modulation transmitter, W2XOR, at 444 Madison Avenue, New York City, is expected to be completed and the set-up ready for formal dedication by the first week in August, according to J. R. Poppele, Chief Engineer for the station.

The Federal Communications Commission has granted the application of Harold Thomas for a construction permit to erect a new station at Bridgeport, Conn., to operate on the frequency 1420 kilocycles, with power of 250 watts, unlimited time, upon condition that permittee shall file an application for modification of construction permit specifying exact transmitter location within two months after the effective date of the order.

Dr. Henry B. Kranz, of Columbia's short-wave listening station, who daily tunes in on 25 foreign stations which broadcast in five different languages, starts a three-week lecture tour of Summer camps July 28. Dr. Kranz, author, former Viennese journalist and dramatic critic, contributor to many magazines of public opinion, claims he is the first lecturer to choose "Inside Radio War Propaganda" as a subject. His itinerary includes Pine Brook Lodge, Connecticut, week of July 28; Camp Copake, New York, week of Aug. 4, and Camp Tamiment, Pa., week of Aug. 11.

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FM RECEPTION FAR BETTER THAN AM, SAYS G.E.

The area of good broadcast reception area with frequency modulated radio is 33 times greater than with amplitude, or present type, broadcasting, according to a report on tests and calculations announced by General Electric engineers.

These calculations were made by I. R. Weir, G-E radio engineer, using two amplitude and two frequency modulated transmitters operating on the same wave length and placed on level ground 15 miles apart. First the two amplitude transmitters each operating on 1 kilowatt were calculated to operate simultaneously. The area served without interference about either transmitter was limited to a radius of 1-1/2 miles. Next the two frequency transmitters on the same 1 kilowatt of power were calculated. The area covered without interference was 33 times greater.

In the second condition the power was increased to 10 kilowatts on one transmitter and remained at 1 kilowatt on the other. With amplitude, the clear reception area of the 1 kilowatt station was reduced by interference from the stronger station to one-third its size, and the area of the 10-kilowatt station increased to about 3 times. When a switch was made to frequency modulation, under the same conditions, the clear area for the 1-kilowatt station was reduced one-fourth, whereas with the 10-kilowatt station the area was increased about 3 times.

The third and final calculation was made with the power of the transmitter at one point increased to 100 kilowatts with the other transmitter remaining at 1 kilowatt. With amplitude modulation, the clear area of the 1-kilowatt station was reduced to one-eighth area, and the 100-kilowatt station area was increased approximately 3 times. With frequency modulation, the area of the 1-kilowatt station was reduced to about one-tenth its size and the area of the 100-kilowatt station increased about 4-1/2 times.

These calculations, according to Mr. Weir, give added proof that frequency modulation permits more stations to operate on the same channel. The same frequency can be assigned to a large number of stations which do not have to be separated by very great distances, and at the same time the stations can cover a greater area with good reception than is possible by amplitude modulation.

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POLICE HELD TURNING TO FM RADIO EQUIPMENT

Police Departments are turning to FM as a better means of coordinating law enforcement work, according to FM Broadcasters, Inc.

FM's freedom from reception noises, particularly ignition and electrical devices encountered in heavily-populated districts and along highways, makes it highly adaptable for use in patrol

cars for two-way communication, the organization insists. In addition, so-called "dead spots" and reception fade-outs are almost non-existent with FM. Its low level of reception noise gives a much greater area of service.

The State Police of Connecticut are currently installing the first State-wide FM system in the country. Under the guidance of Professor D. E. Noble of the University of Connecticut, who is Consulting Engineer for the Connecticut State Police, the new set-up has been designed and is now being installed. It will comprise 10 fixed location FM transmitters, 250 watts each, at various headquarters stations, and a total of 225 two-way mobile units in patrol cars.

Two fixed transmitters are already in operation and two more will be established by August 1. The 10 stations of the completed system, together with 225 mobile units, will be operating by September 1.

The Chicago Police Department has issued specifications for equipping 200 squad cars with two-way FM installations and establishing 16 fixed location stations. The bids subsequently received were opened in May, but as yet no award of the contract has been made.

Meanwhile other police organizations throughout the nation are contemplating a switch to FM as a greater aid in their work of law enforcement. In addition to its other advantages, FM will eliminate the frequency inter-State and inter-city interference which occurs when a number of police departments all operate their transmitters on the same channel. Distant signals cannot disturb FM reception in its primary area, due to the discriminating properties of FM receivers.

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CBS MAKES NETWORK AVAILABLE TO ARMY

While the Government builds the greatest peacetime Army in United States history, the Columbia Broadcasting System has made its full network facilities available in a new program series to help authorities conducting the recruiting campaign.

The Army itself, through officers, enlisted men and the families of soldiers will have an opportunity to tell the human interest story of the nation's defenders in a series of broadcasts starting Saturday, July 27 (WABC-CBS, 1:30 to 2:00 P.M., EDST). There will be talks with recruits, mess sergeants, army technicians, infantrymen, artillerymen, and fliers.

High-spotting the program from a musical viewpoint will be the famous United States Military Academy band, broadcasting directly from West Point.

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MC DONALD PROPOSES GLIDERS TO TRAIN YOUTH

A simple and inexpensive scheme to train aviators for National Defense has been evolved by Eugene F. McDonald, Jr., President of Zenith Radio Corporation, who is a gliding enthusiast. The plan involves mass production of gliders and financial assistance from the Federal Government to young men wishing to learn to fly them, according to the Chicago Tribune.

"Training pilots is one of the immediate problems of defense", Commander McDonald said. "It will do little good to build 1,000 planes a week if we do not have pilots to fly them. Until now the use of gliders for training purposes has been overlooked here despite the remarkable success Germany had with them", he asserted.

Germany's success is the chief recommendation for adoption of the plan here, he pointed out. Treaty restrictions forced the Nazis to learn to fly in motorless ships, he explained, and as a result the world's best gliders and sailplanes were developed there. All records for distance, altitude, and duration of flight were shattered by the Germans.

The most important result, however, is described in the statement of Ernst Udet, German flying ace, quoted by Mr. McDonald: "Germany's greatest flyers came from the 250,000 to 300,000 youths who were made air conscious and trained in gliders."

Maj. Al Williams, an American aviation authority, also endorses glider training, Commander McDonald asserted. He said that Major Williams had told him a glider trained pilot knows how to conserve energy and use air currents in a manner that most motor trained pilots never learn.

There are fewer than 1,000 gliders and sailplanes in the United States, Mr. McDonald said, and most of the better ones are imported from Germany. Prices range upward from \$700. Negotiations for mass production have already been opened with large manufacturers, Mr. McDonald said, and he has begun a campaign to interest the Federal Government in providing funds for glider training.

The principal advantages of gliders as trainers, listed by Commander McDonald, include low expense, safety, speed, and availability. He said that he had learned to fly a glider in less than an hour. He estimated that 10 hours' instruction would be enough to train a glider pilot to use a motor plane.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY
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No. 1253

BROADCAST TIME SALES INCREASED 10 PER CENT IN 1939

Broadcast time sales for the calendar year 1939 amounted to \$129,468,022, which was an increase of 10.3 percent over the \$117,379,459 reported for 1938, according to figures compiled by the Accounting, Statistical, and Tariff Department of the Federal Communications Commission and announced this week.

These figures are based on reports by the three major networks - Columbia Broadcasting System, Mutual Broadcasting System, and National Broadcasting Company - together with 705 other stations, including affiliated stations whose time sales were being conducted by Columbia and National at the end of the year.

The total broadcast expenses of the industry for 1939 were \$99,789,920, compared with \$92,503,594 for the previous year, an increase of 7.9 percent. While the networks and their affiliated 23 stations had 54.1 percent of the total business last year, their proportion of the net business (after deduction of commission payments and amounts due to independent stations for network broadcasting) was 38.2 percent, and the proportion of the 682 other stations was 61.8 percent. Time sales last year involved commission payments amounting to \$17,405,414 as compared with \$16,487,200 the year previous.

The broadcast-service income (revenue less expenses) of the three major networks was \$5,631,228, or 23.9 percent of the total. That of their 23 stations was \$5,428,924 or 23 percent of the total, and that of the 682 other stations was \$12,531,792, or 53.1 percent of the total.

Aside from sales for the use of Canadian and other extra-territorial stations in major network broadcasts, the sales of major network time were \$61,310,571, and accounted for 47.4 percent of the total time sales in the United States for 1939. Other classes of time sales and their comparison with the same classes for 1938 are included in the following:

Class of Time	1939		1938	
	Amount	Ratio to total %	Amount	Ratio to total %
Major network time (U.S.)	\$ 61,310,571	47.4	\$55,114,258	47.0
National non-network time	30,472,053	23.5	28,109,185	23.9
Local time	36,815,770	28.4	33,402,801	28.5
Regional network time	869,628	0.7	753,215	0.6
Total	\$129,468,022	100.0	\$117,379,459	100.0

The major networks, in addition to their domestic business shown above, had total sales of \$1,311,118 for network broadcasts over Canadian and other extra-territorial stations.

While the foregoing paragraph compares each major class of sales in 1939 with that for 1938, the actual changes within the classes were different, major network total time sales being up \$6,196,313, or 11.2 percent; national non-network up \$2,362,868, or 8.4 percent; and local up \$3,412,969, or 10.2 percent. Receipts from regional networks by stations were about the same for both years.

The 1939 figures include reports from 186 stations which each had revenue for the year in amount less than \$25,000, compared with 175 for the year 1938. The 186 stations had total revenue of \$2,224,807, compared with \$2,520,026 for the 175 in 1938.

The figures released do not include 11 independent stations, reports of which require further correspondence. However, the aggregate amount of revenue involved in these cases is less than \$200,000, which is entirely non-network and consists mostly of local business. Nor do the figures cover 38 non-commercial stations, 11 extra-territorial stations, or 49 stations under construction or otherwise not in operation at the close of the year.

The operating expenses of the nine stations operated by Columbia and National, and designated by them as key stations, are not susceptible of direct allocation to network operations on the one hand or to station operations on the other. Therefore, the division of the expenses as reported by the networks between network operations and key station operations reflect arbitrary determinations in some instances.

All figures included in the tabulations are compiled from responses made for networks and stations in compliance with Section 1.361 of the Rules of Practice and Procedure of the Commission, except in the case of Mutual, which filed a report as information to the Commission in connection with the industry survey.

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S-W BROADCASTERS INCREASE BUDGET \$2,000,000

Short wave broadcasters in the United States have committed themselves to an additional expenditure of \$2,000,000 for new and more powerful transmission equipment, Neville Miller, President of the National Association of Broadcasters, this week advised the State Department in a conference with Thomas Burke, Chief of the Division of International Communications at the State Department, relative to the problem of world wide broadcasting, with particular reference to South American coverage.

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Representatives of the short wave broadcasters have had conferences with officials of the Federal Communications Commission concerning increased power and applications are now pending for construction permits which it is expected will be granted in the near future.

It was revealed that operating costs for the new and more powerful transmitters would be in excess of one million dollars annually.

While the new equipment will insure wider coverage and bring about better reception in South America, the popularity of broadcasts from the United States is already high. Nearly 10,000 letters a month are written by South American listeners to American short wave broadcasters, it was declared. News broadcasts are highest in popularity. Figures compiled by the NAB show that American short wave stations are broadcasting 13 hours and 19 minutes of news to Latin and South America every day. The broadcasts are given chiefly in Spanish, Portuguese and English, though there are two fifteen-minute periods given in German, French and Italian. These are the regularly scheduled periods and do not include special events such as speeches or statements by the President, Secretary of State and other officials of government. When the President speaks, for example, his speech is broadcast in English, later translated into Portuguese, Spanish, French, Italian, Polish and German, and broadcast in these languages.

Other programs which have attracted a wide following of listeners in South America include travelogues, lessons in English, talks on new scientific discoveries and developments, stamp collecting programs, and aviation. The South American woman apparently is as much interested in fashion notes and Hollywood gossip as her North American sister, the program analysis indicated. In addition to specially built programs for the Latin American audience, the cream of network programs are also broadcast, especially important symphonies and vocalists, as a reflection of North American culture. Occasionally exchange programs have been done in the past year where, for example, Brazil furnished a series of programs which were heard over an American network, and the network in turn broadcast programs which were heard over the Brazilian network.

Letters from listeners indicate that Latin Americans prefer news broadcasts from the United States. The same policies governing the broadcasts of news on standard stations in the United States also govern the broadcasting of news by short wave. On regularly scheduled periods, a complete coverage of domestic and world wide events is given. News is presented as it happens. It is not slanted, withheld or distorted for propaganda purposes. As a result, South American listeners have learned to place dependence on news broadcast by United States short wave stations, it was declared.

The total amount of broadcasting done by all American short-wave stations, including news broadcasts, for South American listeners, is 449 hours per week.

Those attending the conference with Mr. Burke, in addition to Mr. Miller, were Harry C. Butcher, E. K. Cohan, Miss Elizabeth Ann Tucker of the Columbia Broadcasting System; Robert L. Gibson, General Electric Company; Frank Mason, Guy C. Hickok, Frank M. Russell of the National Broadcasting Company; Oswald F. Schuette, Radio Corporation of America; J. G. Leitch, Radio Station WCAB; Kenneth W. Stowman, Radio Station WCAU, Philadelphia, Pennsylvania; J. B. Rock, Walter Evans, Westinghouse Electric & Manufacturing Company; R. J. Rockwell, W. C. Koplovitz, Radio Station WLW, Cincinnati, Ohio; Walter Lemmon, World Wide Broadcasting Corporation; Ed Kirby, Paul Peter, National Association of Broadcasters.

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RADIO EXCISE TAXES UP 25% FOR FISCAL YEAR

Total radio excise tax collections for the fiscal year ending June 30 were \$6,079,914.50, an increase of 25.8 percent over the radio taxes collected for the fiscal year ending June 30, 1939, of \$4,834,366.33, it was disclosed this week.

Radio tax collections last June, largely covering industry operations for the previous month of May, total \$617,177.45, according to the June report of the U. S. Bureau of Internal Revenue.

The June collections were 138.8 percent larger than the radio taxes collected in June, 1939, totaling \$258,438.23. June tax collections on mechanical refrigerators were \$1,284,646.70 compared with \$1,074,521.42 in June, 1939.

Radio collections during the six months' period from January through June this year were 39.4 percent larger than in the similar six months of 1939. The radio tax collections during the six months' period from July to December, 1939, were 14.8 percent larger than those of the July-December period of 1938.

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Although the Federal Communications Commission cannot, as a rule, interfere in local interference problems, so many residents of Dennison, Ohio, complained about serious interference to local radio reception that the Commission has asked the Ohio Power Co. to cooperate in remedying the local situation.

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SPECIAL EMERGENCY RADIO SERVICE CLARIFIED BY FCC

To obviate misunderstanding regarding the scope of special emergency radio service and to restrict such service to real emergencies, the Federal Communications Commission has clarified the language of its applying rule to prevent employment of this service for routine business or common carrier for hire, and added a provision which will permit emergency use of such facilities in time of disaster or other emergencies by members of the public.

Accordingly, it changed Section 10.231 of the Rules and Regulations to read:

- (a) Special emergency stations may be used only during an emergency jeopardizing life, public safety, or important property.
 - (1) for essential communications arising from the emergency.
 - (2) for emergency transmission from one point to another between which normal communication facilities do not exist, are not usable, or are temporarily disrupted or inadequate.
- (b) The use of special emergency stations for the handling of routine or non-emergency communications is strictly prohibited.
- (c) Within the scope of service given in subparagraph (a), the licensee of a special emergency station shall make the communication facilities of such station available to any member of the public.
- (d) Special emergency stations, except those of communications common carriers utilized temporarily to restore normal public communication service disrupted by an emergency, shall not operate as common carriers of communications for hire. However, licensees of such stations may accept contributions, to capital and operating expenses from others who, under the Commission's rules, would be eligible to stations of their own, for the cooperative use of the stations on a cost-sharing basis; Provided, that contracts for such cooperative use are submitted to the Commission 30 days prior to the effective date thereof and that said contracts are not disapproved by the Commission.

At the same time the Commission granted 11 applications by four associated companies of the American Telephone and Telegraph Company for special emergency stations. Five of these are construction permits for the Bell Telephone Company of Pennsylvania to set up this type of station at Philadelphia, Pittsburgh, and a site near Aliquippa, Pa., to be determined later, as well as

12 portable-mobile units. Two other construction permits have to do with the Michigan Bell Telephone Company, for a station at Detroit plus 6 portable-mobile units. Two other permits are for a Washington, D. C., station with two portable-mobile units for the Chesapeake & Potomac Telephone Company. The other two authorizations cover licenses for two stations at New York and two portable-mobile units of the New York Telephone Company.

Special emergency stations, under one terminology or another, have been licensed by this Government since before the establishment of the Federal Radio Commission. Several stations were, in fact, operated by the Pennsylvania Power & Light Company before 1927. As recounted in our general information release of January 27th last, these emergency radio stations have proved their value in time of flood, earthquake, and hurricane, when wire circuits have failed. Because frequencies for this purpose are scarce, public utilities are encouraged to make joint use of such facilities.

Besides communication companies, emergency stations are also operated by transportation companies, gas and oil distribution companies, water distribution companies, power distribution companies, the American Red Cross, the American Legion, and remote establishments which cannot be reached by other means of communication.

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NEW RULES ADOPTED ON EDUCATIONAL RADIO STATIONS

The Federal Communications Commission this week repealed Section 4.137 of the rules governing non-commercial educational broadcast stations and adopted the following substitute:

"Section 4.137 Frequencies. (a) The following frequencies are allotted for assignment to non-commercial educational broadcast stations

Kilocycles
42,100
42,300
42,500
42,700
42,900

(b) Stations serving the same area will not be assigned adjacent frequencies.

(c) Frequency modulation shall be employed exclusively unless it is shown that there is a special need for the use of amplitude modulation.

(d) Only one frequency will be assigned to a station."

The effective date of the Rules and Regulations Sec. 3.32(b), which prohibits broadcasting of commercial programs on experimental authorizations, was further extended from August 1 to October 1, 1940, by the Federal Communications Commission.

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KNOWLSON NAMES NEW COMMITTEES OF RMA

J. S. Knowlson, newly-elected President of the Radio Manufacturers' Association, this week announced the appointment of new committees.

Among these was a new Industry Promotion Committee to which H. C. Bonfig, of Camden, N. J., was appointed Chairman, which will handle the national cooperative campaign of RMA and the National Association of Broadcasters, and also other sales promotion and merchandising problems. The committee includes Directors Abrams, Baker, Buckley, Paul V. Galvin of Chicago, Chairman of the RMA Set Division, and Director E. A. Nicholas of Fort Wayne, Indiana. This Committee also will handle merchandising affairs involved in the radio trade practice rules promulgated by the Federal Trade Commission just a year ago, on July 22, 1939, succeeding the former Fair Trade Practice Committee of the Association.

To make the RMA organization more effective, another new Committee, on Federal Wage-Hour Administration matters, with Octave Blake of South Plainfield, N. J., as Chairman, was appointed. This Committee will have charge of affairs in connection with the Walsh-Healey Act and also under the Wage-Hour Administration of the Department of Labor.

The list of Committees and Chairmen follows:

Standing Committees: Credit Committee - J. J. Kahn, Chairman; Engineering Department - W. R. G. Baker, Director; Export Committee - W. A. Coogan, Chairman; Legislative Committee - A. H. Gardner, Chairman; Membership Committee - E. Alschuler, Chairman, Traffic Committee - O. J. Davies, Chairman.

Special Committees: Industry Promotion Committee - H. C. Bonfig, Chairman; Reorganization Committee - Leslie F. Muter, Chairman; Wage-Hour Administration Committee - Octave Blake, Chairman; Service Section - J. K. Rose, Chairman.

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FTC ORDER HITS RADIO SET ATTACHMENT

The Perfect Manufacturing Company, trading as R. E. Engineers, Madison Road, Cincinnati, has been ordered by the Federal Trade Commission to discontinue the dissemination of misleading representations in the sale of an electrical and mechanical device for attachment to radio receiving sets.

Under the order, the respondent is directed to cease representing that its device, "Add-A-Tube," when attached to a radio receiving set, gives to it the effect of an additional tube;

adds life to the tubes; improves reception from foreign and domestic stations; brings the set up to date, or gives to such set additional sharpness, tone and selectivity.

The order further forbids use by the respondent of the term "Add-A-Tube," or any similar term, when the device does not perform the functions of an additional tube in a radio receiving set.

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THREE ADDITIONAL TELEVISION STATIONS AUTHORIZED

Three additional television grants under its promotional experimental rules were announced by the Federal Communications Commission this week. They cover construction permit for a new Philadelphia television station, to be operated by WCAU Broadcasting Co. on television channel No. 5 (84,000-90,000 kilocycles) with 1 kilowatt aural and visual power; construction permit to Purdue University to operate its television station W9XG, at West Lafayette, Ind., on channel No. 3 (66,000-72,000 kilocycles) with 750 watts aural and visual power; and modification of license of the State University of Iowa station W9XUI, at Iowa City, to use channels Nos. 1 and 12 (50,000-56,000 and 210,000-216,000 kilocycles) with 100 watts visual only.

WCAU proposes to experiment with 441 to 729 lines, and 15 to 30 frames; to compare vertical and horizontal polarization as to signal noise ratio, effect of tall buildings, hills, and obstructions, interference from diathermy and ignition systems, and signal strength; to investigate pre-emphasis in the transmitter and de-emphasis in the receiver; and compare FM (frequency modulation) and AM (amplitude modulation) as the sound component of its proposed station.

Purdue University contemplates experimenting with transmission standards, development of new types of pick-up tubes or iconoscopes, research into the design and construction of side-band filters, development of the transmission line or impedance modulation system, research into new methods of background control, and improvements in wide-band amplifiers, plus possible further experimentation with lines and frames, polarization, and new forms of synchronizing signals.

The State University of Iowa station will test different systems of modulation, conduct experiments concerning frequency stability and band width, measure field intensity to determine results of polarization, and otherwise carry on engineering experimentation tending to develop uniform transmission standards of acceptable technical design, plus training of technical personnel.

Neither Purdue nor the State University of Iowa will engage in public program service.

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WISNER, FORMER FCC PRESS CHIEF, DIES

G. Franklin Wisner, 61, veteran newspaperman, who was one of the victims of the New Deal "purge" of the Federal Communications Commission, died yesterday (Thursday) in Garfield Hospital in Washington, D. C., after a long illness.

In the Fall of 1938, Mr. Wisner was discharged on only a few hours' notice from his post as Chief of the Press Section of the FCC under a purge instituted by the former Chairman, Frank B. McNinch. He had lived in retirement since.

Mr. Wisner became Chief of the Press Section of the old Federal Radio Commission in 1927 and served the Communications Commission in the same capacity.

He was a member of the National Press Club, and from 1914 to 1921 served as President of the Baltimore Press Club. His home was at 601 Indian Spring Drive, Silver Springs, Maryland.

In 1921 he came to Washington as correspondent for the American. The following year he became White House correspondent for the New York Herald, and later covered the Senate for the old New York World.

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POWER COMPANY USES RADIO TO PROTECT PLANTS

Radio is playing a part in the precautions being taken in the National Capital to guard against sabotage and malicious tampering with the city's vital plants and buildings.

Latest step to be taken in the program of vigilance and prevention was the launching of a shortwave broadcasting system to link headquarters of the Potomac Electric Power Co. with its hundreds of emergency, trouble shooter and line trucks.

Modeled after the police radio, the Pepco control room is located in the headquarters building at Tenth and E Streets, N.W., and the transmitter is on the grounds of the company's Benning plant.

J. H. Ferry, Vice President, said the radio dispatching system starts out with 27 trucks equipped with receiving sets but that approximately 300 more will be similarly furnished before long.

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: : : TRADE NOTES : : :
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The new 50,000-watt radio transmitter of the Westinghouse Broadcasting Station WBZ, Boston, located at Hull, Mass., will go on the air for the first time, Saturday, July 27. A special NBC network program originating in Radio City, New York, at 9:00 P.M., EDST, will formally open the new Westinghouse plant to serve the Boston market.

Senator Overton, Chairman of the Senate Subcommittee on District Appropriations, this week said he would ask the Commissioners to submit estimates on the equipping of all police scout cars with two-way radio.

Department store advertisers recently made a comprehensive report on their experience with radio, in the form of a panel discussion held at the 1940 annual meeting of the National Retail Dry Goods Association, whose members account for \$4,000,000,000 sales volume a year. CBS has just reprinted the heart of that discussion in a brochure, because of the vast advertising experience of the department store executives.

For the second consecutive year, the World Series will be broadcast exclusively over WOR and the coast-to-coast Mutual network under the sponsorship of the Gillette Safety Razor Company. Judge Kenesaw Mountain Landis this week awarded the broadcasting rights, estimated at \$100,000 to the razor company and the Mutual network. An option also was taken on the 1941 World Series' broadcasting rights.

Station WCBS in Springfield, Ill., an affiliate of the Illinois State Journal, becomes a supplementary outlet to the basic NBC-Blue Network, August 1. Station WAKR, recently constructed in Akron, Ohio, becomes a member of the basic Blue Network, October 1. The addition of these two stations brings the total number of NBC affiliates to 195, a gain of 17 stations since the first of the year.

Matching the Federal Government's zeal in cementing this country's relations with its Latin neighbors, Columbia's "American School of the Air" is drawing heavily on nations south of the Rio Grande for broadcast material slated for programs beginning next Fall. More than 15,000,000 school children will listen to these broadcasts during the next semester, according to Sterling Fisher, Director of Columbia's Department of Education. Among the governments that have already officially signified their intentions of participating are: the Philippines, Hawaii, Alaska, Puerto Rico, Argentina, Brazil, Canada, Colombia, Chile, the Dominican Republic, Honduras, Mexico, Panama and El Salvador.

MINIATURE NETWORKS USED TO DEMONSTRATE FM

Two miniature networks, operating on the same principle as great broadcast stations, are being used in demonstrations by D. Lee Chesnut, General Electric engineer in the Company's Philadelphia Office, to dramatize and simplify frequency modulation for radio station personnel as well as general audiences. Fashioned in his own home workshop, Mr. Chesnut's unique equipment set-up utilizes a Golden Network, consisting of frequency modulated Stations GEFM and KXFM, and a Green Network with Stations GEAM and KXAM airing on amplitude modulation.

The center point of attraction is a completely collapsible midget house with a cut-away front disclosing two radio receiving sets - an FM set on one side and an AM on the other. Illuminated lettering below each receiver indicates which is in operation. On either side of the structure are control panels, one controlling all things relating to FM broadcasting and the other AM. An aerial, made up of two collapsible automobile aerials, towers over the roof.

A few feet away from the house on each side, "broadcast stations" and miniature towers have been set up on tables; on one side GEAM and GEFM, on the other KXFM and KXAM. Transmitting power for each of the four stations is supplied by tiny transmitters housed in G-E wireless record-players. Atop each tower are the station call letters painted black on a frosted glass which forms the front of a small illuminated box with a background of green or golden light, depending on the network to which the station belongs.

In the demonstrations such troublesome interference-makers as the electric razor, the violet-ray machine, and a spark coil operated from a battery have been used to show how FM minimizes interference.

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COUGHLIN PLANS TO RESUME RADIO TALKS IN OCTOBER

The Rev. Charles E. Coughlin is reported from Detroit to be making plans to resume his Sunday afternoon radio broadcasts the second Sunday in October with a series of half-hour programs devoted, "among other things", to a discussion of the principles and personalities involved in the presidential campaign.

His radio agents, Aircrafters, Inc., have written to about twenty-one large stations throughout the country in an effort to reserve the necessary time. The stations have been offered the alternative of granting half-hour periods for a direct broadcast from Royal Oak or a transcription broadcast later in the day. Most of the stations approached have carried the priest's broadcasts in the past. Approached also are a few larger stations not previously included in the Coughlin chain.

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HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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NATIONAL RADIO DAY PROPOSED IN HOUSE BILL

Designation of August 26th of each year as National Radio Day was proposed last week in a joint resolution introduced in the House of Representatives by Representative Dingell (D.), of Michigan.

The resolution provides:

"That the President of the United States is authorized and directed to issue a proclamation designating August 26 of each year as National Radio Day, calling upon officials of the Government to display the flag of the United States on all Government buildings on that day and inviting the people of the United States to observe the day with appropriate ceremonies."

The resolution was referred to the House Judiciary Committee for consideration.

Representative Dingell said that the day was chosen to commemorate the advent of commercial broadcasting 20 years ago and to call attention to the special radio exhibitions planned at the New York and San Francisco World Fairs during August of this year.

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FLY CALLS AT WHITE HOUSE; COMMITTEE IS DELAYED

While the broadcasting industry awaited the appointment of the proposed National Communications Committee, Chairman James L. Fly called on President Roosevelt at the White House on Saturday. He had no comment to make on the visit, however.

Chairman Fly was asked for comment at his Monday press conference on the story that broadcasters were disturbed over the prospect that President Roosevelt will make no political speeches over the air this campaign but will make periodic radio talks to the nation.

He declined to comment but did express the opinion that the usual "fireside chat" of the President is not a political talk

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CBS ATTACKS ASCAP AS ELLIOTT ROOSEVELT SIGNS

The current scrap between the broadcasting industry and the American Society of Authors, Composers, and Publishers grew hotter along with the weather last week as Paul W. Keston, Vice-President of CBS, called upon advertisers and agencies to help thwart "ASCAP's \$4,400,000 squeeze play against radio", and Elliott Roosevelt became the first broadcaster to sign the new 5-year ASCAP contract.

Elliott Roosevelt, who is President of the Texas State Network, pledged nine stations of his hook-up to the terms of the copyright pool for the right to use its music on the air. He promised that the remaining ten outlets of the network would subscribe to the contract, which becomes effective January 1, 1941.

Mr. Roosevelt said he was accepting the contract, contrary to the stand of the National Association of Broadcasters, which charges that the Composer group is a monopoly and that its new demands are exorbitant, because the impending ASCAP agreement "places the burden of the cost of licensing where it belongs, with the networks". Under the present method, he explained, the networks take the "lion's share", 50 percent of advertising revenue and pay nothing for the use of the music, while the affiliated stations must pay all music fees. He pointed out that none of the Texas Network stations are NAB members.

Broadcast Music, Inc., formed by the radio men to develop other sources of music to make them independent of the copyright pool, he said was "started and fathered" by the National and Columbia broadcasting systems to extend their monopolistic control to other fields, as they have, in talent, the phonograph, transcription and related industries. He maintained that if the networks are successful with Broadcast Music in their fight against ASCAP, they would control the amusement field.

Mr. Keston traced the fight which the broadcasting industry has been waging with ASCAP for the last six months and declared it "is going well".

"During the next six months", he wrote, "the Columbia network asks that its clients, acting in their own behalf as radio advertisers, take one step which only they can take -- to break the strangle-hold which ASCAP has hitherto had upon radio broadcasting, and to win not only this fight against a \$4,400,000 increase in broadcasting costs, but to free radio permanently from the certainty of future intolerable demands.

"While broadcasters have always been willing to pay a fair amount on a reasonable basis for the privilege of broadcasting music, we are convinced that it is utterly impossible to find any ground for negotiation with an organization which has promulgated these demands as a final ultimatum.

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"Columbia has therefore decided, for its network and for its owned and operated stations, that it will not and cannot submit to these demands.

"The gun ASCAP is pointing at our heads will be fired January 1, 1941, after which no ASCAP music will be available for CBS programs. But by that time, with the work that has been done and which can be done by our advertisers and ourselves between now and then, there should be nothing but a blank cartridge in the breech."

After describing the accomplishments of the industry in the organization of Broadcast Music, Inc., Mr. Keston said:

"Reduced to its plainest terms, only one thing is needed between now and January 1st to free radio broadcasting from ASCAP's \$4,400,000 squeeze-play. This thing is the determination of radio advertisers that they will popularize only the music which will continue to be available to them after December 31, 1940. And that can be accomplished very simply -- just by playing this music on the air on commercial programs. If the transition to non-ASCAP music is begun at once, virtually every hit tune in America should lie outside of ASCAP's clutch before January 1.

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AP NEGOTIATING ON "SPONSORED NEWS"

The Associated Press and a number of radio stations currently are negotiating for the commercial news service now offered by the AP with talks reported "progressing satisfactorily", according to Editor & Publisher. O. S. Gramling, AP Executive Assistant in Charge of Membership, with W. J. McCambridge, AP Assistant General Manager, are conducting the talks. However, no contracts have been signed since that with WNEW, New York, last month.

Major consideration of the AP executive charged with reaching satisfactory agreement with radio stations is directed toward the formulation of a method whereby AP news may be made available to the nationwide networks under commercial sponsorship.

No such method can be announced at this time, but an announcement may be made sometime in the Fall, it was said.

The nationwide plan, the AP said, is still "in the correspondence stage with no definite plan set for the AP for pushing and working on it."

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FCC WILL RECEIVE BRIEFS ON MONOPOLY REPORT

The Federal Communications Commission has announced that in connection with its investigation of chain broadcasting it would receive briefs filed by interested parties on or before September 15, 1940.

A committee of the Commission composed of Commissioners Brown, Walker and Thompson, submitted their report to the Commission on June 12, 1940, and recommended the promulgation of regulations to eliminate certain practices in chain broadcasting. Copies of the Committee's report, with its Memorandum of Submittal containing the recommendations of the Committee, are being sent to the licensees of all broadcast stations. The Commission invites the submission of their views on the issues raised by the report. Copies will also be supplied upon request to any other interested party desiring to consider submission of a brief or statement.

It was also announced that the Mutual Broadcasting System, Inc., has recently filed a motion with the Commission requesting the adoption of temporary regulation directed toward maintaining the status quo in chain broadcasting pending the promulgation of permanent regulations by the Commission.

Briefs should be directed solely to the accuracy of factual statements contained in the report of the Committee, to the recommendations contained in the Committee's Memorandum of Submittal, and to the advisability of the adoption of the temporary regulation requested by the Mutual Broadcasting System, Inc., the FCC stated.

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PORTER QUILTS FCC; TO ENTER PRIVATE PRACTICE

George B. Porter, Assistant General Counsel of the Federal Communications Commission, has resigned to practice law. He has been in charge of radio broadcast litigation for the FCC since it was established.

Mr. Porter recently completed a series of investigations of Texas radio station cases, in which it was alleged that the licensees were not the real owners of the stations. These cases are still pending.

He was the principal investigator in the case of Station WSAL at Salisbury, Md., which was put off the air because of alleged misrepresentations as to its ownership. Some angles of this case still are pending before the Commission.

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Mr. Porter, a son of Interstate Commerce Commissioner Claude B. Porter, was appointed an attorney in the Legal Division of the Federal Radio Commission, predecessor of the present body, in 1931. Later that year he was made Assistant General Counsel and in 1933 he became Acting General Counsel, serving in this capacity until July 1, 1934, when the FCC came into being. Mr. Porter then was succeeded by Paul O. P. Spearman as General Counsel. On October 5, 1934, he was made Assistant General Counsel in charge of broadcast litigation.

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FLORIDA RADIO LIBEL LAW HELD UNCONSTITUTIONAL

Florida's radio libel law, through which station operators, in an enactment by the State Legislature in 1939, sought to protect themselves against damage suits, has been declared unconstitutional by Judge Bayard B. Shields of the Duval County Circuit Court, Jacksonville.

The law provides: "The owner, lessee, licensee or operator of a radio broadcasting station and the agents or employees of any such owner, lessee, licensee or operator, shall not be liable for any damages for any defamatory or libelous statements published or uttered in or as a part of a radio broadcast by one other than such owner, lessee, licensee, or operator or agent or employee thereof, unless the said owner, lessee, licensee, and operator or agent or employee affirmatively declares that such statements are made for and in behalf of such owner, lessee, licensee or operator of such radio station or its agent or employee."

Judge Shields said that "the act clearly violates the spirit and the letter of Sections 1, 4, 12 and 13 of the Declaration of Rights of the Constitution of Florida."

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NILES TRAMMEL INTRODUCED TO CAPITAL PRESS

Washington newspaper men and radio figures met Niles Trammel, newly-elected President of the National Broadcasting Company, last Friday afternoon at a cocktail party held at the Willard Hotel.

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SHIP RADIOTELEGRAPH RULES ARE MODIFIED

The Federal Communications Commission has modified certain of its Rules Governing Ship, Coastal and Marine Relay Services in order that ship radiotelegraph stations licensed to operate within the high frequency bands (between 4,000 and 23,000 kilocycles) may make more effective use of their transmitting equipment by incorporating crystal control at reasonable cost. The changes effect Sections 7.58, 8.81(a), 8.96, and Part 1 of Appendix B of the General Rules.

Outstanding licenses of approximately 536 non-Government ship radio telegraph stations of the United States uniformly authorize transmission on 48 standardized frequencies distributed throughout the high frequency spectrum within the following bands recognized for this service by the General Radio Regulations of Cairo, 1938, annexed to the International Telecommunication Convention, Madrid, 1932:

4,115 to 4,165 kc.; 5,500 to 5,550 kc.; 6,200 to 6,250 kc;
8,230 to 8,330 kc.; 11,000 to 11,100 kc.; 12,340 to 12,500 kc.;
16,460 to 16,660 kc. and 22,000 to 22,200 kc.

By reason of the Commission's action it will be possible, through the requirement of more stringent frequency tolerances on certain frequencies, to increase the number of these licensed frequencies from 48 to 62. In addition, the harmonic relationship of the frequencies in each ship station band to those in the other bands will be substantially improved. The "harmonic relationship" between the frequencies is the factor which provides for use by a ship station of a large number of transmitting frequencies with a minimum number of Piezo-electric crystals employed for accurately controlling the frequencies which reduces equipment costs. The use of crystal-controlled equipment of this type tends to promote flexibility in the use of frequencies, as well as adherence to the assigned frequencies. As the number of high frequency bands available to a ship station increases, the ability of the vessel to carry on communication over various distances up to several thousand miles and at any desired time of day or night also increases.

The Commission's action in modifying these rules was effected through the cooperation of other interested Government departments, and in some respects is said to be advantageous to the radio communication services carried on by these departments.

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MCDONALD AND McCORMICK CO-HOSTS AT NEWSPAPER PARTY

Correspondents returning to Washington are still talking about the memorable party given to the newspaper men at the Democratic National Convention by Commander E. F. McDonald, Jr., and Col. Robert R. McCormick, editor and publisher of the Chicago Tribune. It took place aboard Commander McDonald's famous yacht the "Mizpah", one of the largest and most beautiful yachts on the Great Lakes. The affair was a highlight of enjoyment in what the newspaper men otherwise said was one of the dullest and most somber political conventions in years.

The guest list read almost like that of a Gridiron Dinner. It included Roy W. Howard, Chairman of Board, Scripps-Howard Newspapers, New York City; Henry L. Mencken, Baltimore Sun, Baltimore, Md.; Eugene Meyer, publisher, Washington Post, Washington, D. C.; Amon G. Carter, publisher, Fort Worth Star-Telegram, Fort Worth, Texas; Melville Ferguson, editor-in-chief, Philadelphia Evening Bulletin, Philadelphia, Pa.; Clark Howell, publisher, Atlanta Constitution, Atlanta, Ga.; Frank Kent, Baltimore Sun, Baltimore, Md.; James G. Stahlman, publisher, Nashville Banner, Nashville, Tenn.; Paul Block, Jr., New York City; Roy C. Flannagan, Richmond News-Leader, Richmond, Va.; Richard Forster, Columbus correspondent, Cincinnati Times-Star, Columbus, Ohio; Harry J. Grant, Chairman of the Board, Milwaukee Journal, Milwaukee, Wis.; Robert C. Harris, News Editor, Cincinnati Times-Star, Cincinnati, O.; Walter M. Harrison, Managing Editor, Oklahoma City Oklahoman & Times, Oklahoma City, Okla.; J. R. Knowland, publisher, Oakland Tribune, Oakland, Calif.; W. J. Conners, Jr., publisher, Buffalo Courier-Express, Buffalo, N. Y.; Kyle D. Palmer, political editor, Los Angeles Times, Los Angeles, Calif.; Elzey Roberts, publisher, St. Louis Star-Times, St. Louis, Mo.; James L. Wright, correspondent, Buffalo Evening News, Washington, D. C.; and Earle Behrens, San Francisco Chronicle, San Francisco, Calif.

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FLY WILL BE AWAY FROM CAPITAL FOR TWO WEEKS

James L. Fly, Chairman of the Federal Communications Commission, left Washington late Tuesday for New York City in company with Lieut. E. K. Jett, FCC Chief Engineer, to attend the conference on television Wednesday.

Following the New York conference with the National Television Systems Committee, he will go to San Francisco to address the National Association of Broadcasters and to participate in the coast-to-coast broadcast linking the two World Fairs.

Chairman Fly also will inspect television developments on the Pacific Coast before returning to Washington. He is expected to be away from the Capital for at least two weeks.

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 ::: TRADE NOTES :::
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Crosley Corporation and subsidiaries reports for six months to June 30: Net profit, \$96,661, equal to 18 cents each on 545,800 capital shares, against \$402,057, or 73 cents a share last year.

"The Death of Lord Haw Haw", the Nazi radio commentator who is reputed to be an Oxfordian Britisher, is the title of a new detective story by Brett Rutledge. The advertisement asks: "Was Lord Haw Haw murdered in New York?"

The amount of newspaper advertising used to promote Pillsbury's flour and cereals will be increased more than 100 percent in the current fiscal year, Howard W. Files, Vice President in Charge of Advertising and Sales for the Pillsbury Flour Mills Company, announced this week. Pillsbury spends about \$1,000,000 a year in advertising, more than half of which goes to radio.

On its own motion, the Federal Communications Commission, by a Board consisting of Commissioners Fly, Chairman, Walker and Thompson, last week reconsidered its action of July 16 in granting the application of the Riverside Broadcasting Co. to construct a new station at Riverside, Calif., to operate on 1420 kilocycles, 250 watts power, unlimited time, and set the application down for simultaneous hearing with three conflicting applications. The other applications are Broadcasting Corporation of America and Mollin Investment Co., to construct new stations at Riverside to operate on 1390 kilocycles, 1 kilowatt power, unlimited time, and 1390 kilocycles, 500 watts power, daytime only, respectively; and Merced Broadcasting Co., to change frequency and increase power of its existing station at Merced, Calif., to 1390 kilocycles, 1 kilowatt power day, 500 watts power night, unlimited time. These three applications were designated for hearing at the July 16 meeting

Steve Early, secretary to President Roosevelt, shot a one over par 73 at the exclusive Burning Tree Country Club golf course, using only one of his irons, last week.

Among other members of Mr. Early's foursome was Harry C. Butcher, Vice President of the Columbia Broadcasting System in Washington, whose score was not reported but whose golf is said to be usually very good.

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MARINE RADIO EQUIPMENT APPROVED BY JETT

Lieut. E. K. Jett, Chief Engineer of the Federal Communications Commission, has approved the following types of marine radiotelegraph transmitters as capable of meeting the requirements of the applicable sections of the Rules Governing Ship Service:

Main radiotelegraph transmitters approved as capable of meeting the requirements of Section 8.142 of the Rules Governing Ship Service of October 1, 1939, as amended:

<u>Manufacturer</u>	<u>Type No.</u>
Federal Telegraph Company Radiomarine Corp. of America	155-B ET-8010-C and D

Main and emergency radiotelegraph transmitters approved as capable of meeting the requirements of Section 8.142 and 8.144 of the Rules Governing Ship Service of October 1, 1939, as amended:

<u>Manufacturer</u>	<u>Type No.</u>
Federal Telegraph Company Radiomarine Corp. of America	155-B101-A ET-8010-CA and-DA

Lieutenant Jett has also approved a list of designated spare parts to be associated with each of the approved marine radiotelegraph transmitters listed hereinabove in accordance with the provisions of Section 8.234 of the Rules Governing Ship Service. Lists of spare parts required for specific types of equipment approved by the Commission are furnished to its inspectors in charge at principal ports and are available to others upon request.

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SPECIAL FM STATION TO BE SET BY FOR NAB MEETING

A complete FM station operating on a 16-hour daily schedule will be set up in San Francisco next month when members of the broadcasting industry come from all parts of the country for the 17th annual convention of the National Association of Broadcasters. It will be the first occasion that an FM station has been on the air on the West Coast, offering FM-quality programs.

The special demonstration FM transmitter, shipped from New York to San Francisco for the occasion, will employ a power of 1000 watts with the call letters W 10 XLV. High-fidelity programs are to include special transcriptions as well as originations by Station KSFO in San Francisco. W 10 XLV will be in operation from August 3 to 7 on a channel of 43.4 megacycles under a temporary license issued by the Federal Communications Commission.

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POPPELE SEES 50,000 FM SETS IN N.Y. IN YEAR

Preparing for the inauguration of the WOR frequency modulation transmitter Thursday night, John R. Poppele, Chief Engineer, discussed the future of FM in an interview published on the radio page of the New York Times last Sunday.

While he has great expectations for FM, he does not bandy about phrases such as "will revolutionize the industry", the Times said. He predicts there will be 50,000 FM receivers in the metropolitan area within a year.

"Up to the present", said Mr. Poppele, "FM's development has been confined chiefly to the laboratories, and a handful of listeners always interested in scientific progress. That FM will grow there is no doubt, but its growth must be rational and controlled, and at all times in keeping with the needs and requirements of nation-wide communication systems. FM comes into the field with a sound and substantial foundation in research, experimentation and careful programming, without the booms and speculations which so often bring disaster to new industries."

One of the most important problems immediately confronting FM, according to Mr. Poppele, is programming. For the most part existing FM stations have been rebroadcasting the programs of regular broadcast band stations, or using recordings. The new FCC regulations, however, stipulate that all FM stations must originate two hours of high fidelity programs daily - one hour during the day and one hour during the evening. Since it may be some while before any sizable commercial income is developed, it is not likely that FM stations will be able to expend large sums on program talent, according to Mr. Poppele.

There are some programs originating in New York which WOR cannot carry because of other local commitments. In addition, many of WOR's important musical programs will be broadcast by W2XOR simultaneously with broadcast on WOR's regular 710 kilocycle channel.

Optimistic as he is about the new system, Mr. Poppele does not foresee any general and immediate public rush to buy FM sets. Instead, he visualizes a gradual development, much like that of the radio industry in recent years.

"Unquestionably we shall find FM adapters being used in years to come on the present radio receivers which have not yet reached a stage of obsolescence in the average home", he continued. "Finally, when FM has been firmly established, the mass of listeners will take advantage of the combination sets then offered by manufacturers. FM still has a great deal of experimentation ahead of it, particularly in production techniques. While engineers have been studying and working with FM for years, program builders, producers, directors, conductors, musicians, actors and sound effects men have still to become acquainted with it. They will have to explore the medium and learn its assets and liabilities."

NATION TO JOIN IN HOUR'S TRIBUTE TO RADIO

Representatives of government, religion, education, labor, civil liberties groups, women's organizations and the press, as well as world-famous entertainers, will join the World's Fair of 1940 in New York and the Golden Gate International Exposition at San Francisco in a gigantic tribute to radio broadcasting on Saturday, August 3rd. The climax is to be a nationwide broadcast, titled "This Is Radio", over more than 500 stations from 9:00 to 10:00 P.M., EST.

Networks of the National Broadcasting Company, Mutual Broadcasting System and Columbia Broadcasting System will be combined and scores of independent stations linked to the networks for the occasion. Major portion of the broadcast will come from the Court of Peace at the New York World's Fair but important contributions will be made from the San Francisco Fair and studios in Hollywood, Chicago and other cities. Dr. John S. Young, Director of Radio and Television for the New York World's Fair, and R. C. Coleson, Radio Director of the San Francisco Exposition, are to be masters of ceremonies.

The broadcast will open at the New York Fair with an ode to radio, written by John La Touche, author of the stirring "Ballad for Americans." From New York, the show will include the NBC Symphony orchestra, Paul Whiteman, Frank Black, Howard Barlow, Morton Gould, Frank Munn, Virginia Rea, Parker Fennelly, Arthur Allen, Clifton Fadiman, Ted Husing, Graham McNamee, John S. Young, Conrad Thibault, Dorothy Gordon, Major Edward Bowes, Raymond Gram Swing, Tommy Riggs, James Melton and Richard Crooks.

San Francisco and Hollywood will contribute the San Francisco Symphony, Amos 'n' Andy, Joe Penner, Orson Welles, Frances Langford, Fannie Brice, Morton Downey and many others.

Following the radio ode, a special dramatic presentation by Norman Corwin will be broadcast from California. This, in turn, will be followed by a symposium of distinguished speakers on "Freedom of Radio". Among those taking part will be Rabbi Johah B. Wise, Walter W. Van Kirk, Executive Secretary of the Federal Council of Churches; Roger Baldwin of the American Civil Liberties Union; James L. Fly, Chairman of the Federal Communications Commission; Mrs. Harold V. Milligan, President of the National Council of Women, and John W. Studebaker, United States Commissioner of Education. Speakers yet to be named will represent Labor, the Press and the Catholic faith.

Harvey D. Gibson, Chairman of the Board of Directors of the World's Fair of 1940 in New York, and Marshall Dill, President of the Golden Gate International Exposition, will pay a brief tribute to broadcasting. Following their talks, plaques expressing the ideal of Freedom of Radio will be unveiled simultaneously at both Fairs.

A new tone poem written especially for the occasion by Carl Haverlin and Paul Nordoff will be read at the conclusion of the broadcast. Conrad Thibault, baritone, will be assisted by the NBC Symphony and a chorus. The grand finale of the program is to be the singing of "The Star Spangled Banner" by artists and spectators at the ceremonies on both sides of the continent.