



# MILESTONES of COMMERCIAL RADIO

*A compilation of significant events, including historical developments leading up to the establishment of the American system of broadcasting.*

By EDWARD P. SHURICK, executive v.p., Blair-TV, author of "The First Quarter-Century of American Broadcasting"

## 1909

School of radio instruction opens in the United States as the Marconi Institute—later incorporated as a part of the Radio Corporation of America—giving courses in every branch of radio.

## 1915

Arthur B. Church, who later is founder of KMBC of Kansas City, uses "wireless" in a commercial way—merchandising radio parts to fellow ham operators on his own amateur station in Iowa.

## 1920

As secretary of Frank Seaman Advertising Agency, New York, Frank A. Arnold addresses trade, civic, and business groups all over United States on broadcasting as an advertising medium.

Jersey Review leases WAAT, Newark, and regular programs are given twice a week consisting of news and music for two hours with a commercial rate of \$35 per week for the time.

**August 2:** Daily broadcast begins on WWJ, Detroit (then SMK).

**November 2:** KDKA, Pittsburgh (Westinghouse Company), begins regular schedule of broadcasting with Harding-Cox presidential returns.

## 1921

Printed copies of speeches sent out by KDKA, Pittsburgh with costs defrayed by selling space on the printed booklets.

## 1922

**January 1:** New Year's Greetings purchased by Jersey Journal for one hour from midnight to 1:00 a.m. for \$50 on WAAT, Newark.

**March 31:** Commercial station owned and operated by an educational institution—WWL, New Orleans.

**April 11:** Cash give-away to check listener strength offered over WWL, New Orleans.

**July 25:** "Commercial station," WBAY, New York, opened for public experimentally by American Telephone and Telegraph Company.

**August 28:** Commercially sponsored program of the Queensborough Corporation, a real estate organization, on WEA, New York.

**October:** The "Farmer's Noon Hour," a participating program, on KFBB, Great Falls, Montana.

**Fall:** Broadcast talent paid by WOAI, San Antonio.

## 1923

**January 4:** Network experiment broadcast from WEA, New York, to WNAC, Boston.

**March:** Gimbel Brothers installs studio on the upper floor of its store to originate by wire sponsored entertainment to WEA, New York control room.

**April 25:** Browning King and Company sponsors Anna C. Byrnes and her orchestra in studio program on WEA, New York.

**October 14:** Commercial radio network formed between WEA, New York and WJAR, Providence.

## 1924

Station time between 8 p.m. and 10 p.m. given each evening to an advertiser in the *Los Angeles Times* provided the sponsor contributes an amount of \$150 or more, to be paid to the talent, on KHJ, Los Angeles.

The right of discrimination in advertising is exercised by KQV, Pittsburgh in cancelling the account of the Pittsburgh Theronoid Company.

**February 12:** Commercial radio program sponsored by the National Carbon Company fed to a network of WCAP, Washington (and later WJAR, Providence) from WEA, New York.

**March:** The "Invisible Theatre," an attempt to defray broadcasting expense, established by WHB, Kansas City.

**October 9:** A metropolitan symphony orchestra, the Los Angeles Philharmonic, appears on a commercial program, sponsored by the White King Soap Company, over KHJ, Los Angeles.

## 1925

Commercial station, not operated by firm engaged in other business activities is WAMD, St. Paul (forerunner of KSTP).

Commercial time sold to a city for advertising purposes by WQAM, Miami.

**May 7:** Personal appearance of radio stars before the *Static Club* by WJZ, New York.

## 1926

Kiddies Hour program starts on



WKBH, La Crosse, Wisconsin, still sponsored on broadcasting's first quarter-century.

**September 18:** Columbia Broadcasting System, headed by Major J. Andrew White, goes on the air with a basic network of 16 stations.

**October 11:** Quiz show sponsored by Winslow B. Felix Chevrolet Agency on KMTR, Hollywood.

#### 1928

**January 4:** "The Dodge Victory Hour," costing \$67,600, becomes a national hook-up of major entertainment importance.

**December 23:** The National Broadcasting Company establishes a permanent coast-to-coast network.

#### 1929

**July 1:** "Happy Hollow" starts on KMBC of Kansas City—a program of music and drama in which commercials are integrated.

#### 1930

Market data book on listener surveys by WKY, Oklahoma City.

**October:** Official audit of station popularity conducted by Price, Waterhouse and Company for the Columbia Broadcasting System.

**October 1:** Direct sample offer and radio contest on WEAF, New York.

#### 1931

**February:** Announcers "farmed out" to smaller stations by WCAU, Philadelphia.

**November 1:** Research department established by KMBC of Kansas City.

#### 1932

"Rhythm" transcribed announcements using spoken verse with a rhythmic background introduced by Kasper-Gordon, Inc. Transcribed spots, both dramatic with sound effects and music, of 15-second duration, introduced by Kasper-Gordon, Inc.

**June:** Walter Mann and Staff makes an intensive survey of "Simultaneous Listening" for WNAC, Boston and WEAN, Providence.

**June 27:** Price quotations for commercials made by the National Broadcasting Company.

**November 1:** National dealer meeting by radio held by Columbia Broadcasting System.

#### 1933

Musical jingles introduced as transcribed announcements by Kasper-Gordon, Inc.

Transcribed spot announcements introduced by Kasper-Gordon, Inc.

#### 1934

**September 30:** Mutual Broadcasting System starts as a cooperative four-station hookup.

#### 1935

Cecil Widdifield of Schwimmer and Scott Advertising Agency sells advertiser to make national use of spot announcements.

**June:** Audiometer survey with meters installed in radio homes in cooperation with the Massachusetts Institute of Technology conducted by the Yankee Network.

#### 1936

**September-October:** Radio is used extensively in Roosevelt-Landon political campaign with estimated \$2,000,000 or more spent for network and station time.

**November:** Wheeling Steel Corporation starts an employee broadcast over WWVA, Wheeling later fed to the Mutual and NBC-Blue networks.

**December 29:** Mutual Broadcasting System, after operation as limited network for two years, expands transcontinentally by adding Don Lee Broadcasting System of California and other stations.

#### 1937

**March 15:** Trend toward originations of movie talent programs from Hollywood as major factor in network operation is launched as General Mills, Inc., Minneapolis (Bisquick) starts "Hollywood in Person" series on the National Broadcasting Company, followed later by Metro-Goldwyn-Mayer and Warner Brothers tieups on networks for major national advertisers.

#### 1938

**October 17:** Comprehensive merchandising service by WLW, Cincinnati.

#### 1940

**April:** Dr. Frank Stanton and Dr. Paul Lazarsfeld unveil their new *Program Analyzer*, a mechanical device to record listener reactions to radio programs, first put in regular use by the Columbia Broadcasting System the following year.

**October 12:** Commercial short-wave programs broadcast to South America by an individual station, WLW, Cincinnati.

**December 23:** CBS President Paley announces plans for a radio network to link Americas, following a visit to the countries of Central and South America.

#### 1942

**January 9:** Blue Network Company, Inc. is incorporated as an independent organization.

**May 19:** Regularly operating network dedicated by CBS to provide a two-way service between the Americas. Affiliated with CBS in this inter-

continental hookup on broadcasting's 25th anniversary are 114 stations.

**July 30:** Census Bureau county-by-county breakdowns show 82.2% of all occupied dwellings in the United States are equipped with radios when 1940 census was taken.

**August 28:** Average given for some 20,000 fulltime employees in broadcasting stations and networks was \$45.15 in 1941.

**December 25:** Coca-Cola breaks sponsorship records with 12-hour Christmas program on 142 Blue stations, featuring "Victory Parade's Christmas Party of Spotlight Bands."

#### 1943

Policy adopted providing for sale of time for controversial discussion by WMCA, New York.

**May 6:** Home radios reported by 91.9% of the nation's families, although 4.2% reported sets out of order, according to survey made by *Life* magazine.

**October 14:** A network is sold—the Blue Network Company, Inc. to the American Broadcasting System, Inc. owned by Edward J. Noble.

**December 22:** Analysis of radio employment and compensation prepared by F.C.C. shows average weekly compensation (October 17, 1943) to 24,515 full-time employees of \$52.32.

#### 1944

**January 3:** Largest number of radio homes in history (32,500,000) estimated for 1944 despite wartime freezes plus tube and parts shortages.

**March 28:** Singing commercials banned on WQXR, New York.

**July 13:** Ban on middle commercials for sponsored news broadcasts invoked by WJR, Detroit, effective September 1.

**August 29:** Standard plan of station measurement—later named Broadcast Measurement Bureau—is supported by N.A.B. Executives War Conference. Project later approved by American Association of Advertising Agencies and Association of National Advertisers. Plan entails one million postcard survey biannually at estimated cost of \$1 each.

**October 9:** "Welcome Home Auditions," providing opportunities in the acting, musical, announcing and technical phases of radio to all returning service men and women interested in a radio career by the National Broadcasting Company.

**December 30:** Blue Network Company, Inc. merged into its parent, American Broadcasting Company, Inc.

#### 1945

**January 30:** Radio's weekly payroll averages \$60.52 per full-time employee according to F.C.C. Analysis.

**February 1:** Transcribed announcements and singing commercials banned by WWJ, Detroit.

**March 11:** Chamber music recitals

from Town Hall sponsored by the *Book-of-the-Month Club* on WQXR, New York.

**June 4:** Radio's biggest customer, Procter & Gamble, Cincinnati, spends \$11,000,000 a year for time alone with talent expenditures of an equal amount according to first published study of premier radio account.

**September 17:** Major steel company, Jones and Laughlin, buys 45 minutes across the board, Monday through Saturday, on KQV, Pittsburgh. Presents "Jal-Time," a radio program to replace the "house organ" publication of a major industrial corporation.

**November:** "Blimp," filled with helium gas, used by WCAO, Baltimore as an advertising promotion stunt.

#### 1946

**January:** F.C.C. denies petitions of General Electric and Zenith and rules FM stay at 88-108 me.

**January:** John H. DeWitt Army Signal Corps officer and later chief engineer of WSM, Nashville, bounced a radar signal off the moon and got an echo back on the earth.

**February:** General Mills announces plans to spend \$5 million in radio advertising this year.

**March:** N.A.B. states it feels the freedoms of radio are at stake as the F.C.C. issues its "Blue Book" (Public Service Responsibility of Broadcast Licensees).

**April:** The Associated Press agrees to admit stations as non-voting members calling radio "a great medium for the dissemination of news."

**April:** CBS offers plan for 200 station FM network costing \$10,800,000 plus operating costs.

**May:** 90.4% of U.S. homes had radios in 1945 says Census Bureau. 76.2% of U.S. farms have radios.

#### 1947

**February:** MBS signs 400th affiliate. **July:** Government drops ban on new construction—broadcasters start new building plans.

**July:** Congress approves \$6.2 million for F.C.C. in 1948.

**August:** N.A.B. says average commercial time on member stations is 66%—34% sustaining

**September:** National Association of Station Representatives is formed to promote spot radio.

#### 1948

Net revenues from the sale of broadcast time reached an estimated \$402 million in 1948.

Total U. S. radio sets 74 million. Homes with radio sets 40 million. 343 AM and 326 FM stations began commercial broadcasting during the year. Daily listening increased 30 min. (5.1 hours). Average sponsored network program reached 13% more homes in 1948 than comparable pe-

riod in 1946. C. E. Hooper reported highest sets in use percentage since Pearl Harbor. In January, February, March 1948, the sets-in-use figure is at a peacetime high. Changes in program types (evening): Concert music up 153.8%. Mysteries down 35.3%; news & commentators remained constant with 15.9% of total evening sponsored time. Audience participation up 30.9%; situation comedy up 37.3%; plays up 3.7%; radio columnists, up 38.7%; popular music up 3.3%.

Presidential candidates used radio extensively in 1948 campaign. Kenneth Fry, radio director of Democratic party credited radio with a big assist in turning of the tide to Harry S. Truman. Democrats used disc shows, jingles & major network programs.

#### 1949

**January:** 700 FM stations on the air. U. S. broadcasters' operating expenses rose to 79¢ out of every dollar of total revenue in 1947 according to NAB.

Radio net revenues \$402,826,000.

Affirming FCC's denial of application of Bay State Beacon Inc. for Brocton, Massachusetts, station which would offer 95% of its time for sale, Court of Appeals of District of Columbia rules Commission has right to examine percentages of commercial and sustaining time proposed by an applicant.

**February:** NBC rescinds rule against use of transcriptions on its network. Survey by Elmo Roper for Fortune magazine shows radio is nation's No. 1 pastime.

**May:** Arthur Godfrey top CBS wage earner in 1948 with pay of \$258,450 not including \$123,624 paid by CBS to Arthur Godfrey Productions for "Program Services" nor the \$58,441 AGP got from Columbia Records. Lowell Thomas top "independent contractor" on network getting \$402,300 for program services.

Arkansas Supreme Court upholds Little Rock's city tax on radio stations.

**June 6:** FCC sanctions editorializing by broadcast stations within undefined limits of "fairness" and "balance" by 4 to 1 vote overriding 8 yr. old Mayflower decision; Comr. Frieda B. Henneck, dissenting, contends majority's standard of fairness is "virtually impossible of enforcement." CBS announces "it will editorialize from time to time."

FCC repeals Aveo rule which for four years has required stations up for sale to be advertised for competing bids; admits rule has failed its purpose and often inflicted "severe economic and other hardships" on buyers and sellers.

**July:** CBS, having said that it would broadcast editorials over its own

name, announces it will sell air time "for expression of opinion on public issues."

NAB Board streamlines association organization, establishes an audio division comprising both AM and FM and a Video division.

**August:** FCC bans giveaways as violation of criminal lottery laws.

**September:** ABC, CBS, NBC seek injunctions to prevent FCC from putting its anti-giveaway ruling into effect.

FCC suspends ban on giveaway programs until court tests decided.

Schenley Distillers, after stirring up broadcasters by proposing to buy time for its hard liquor products, decides to maintain its "no radio" policy; reports more than 200 stations were ready to accept hard liquor commercials.

**November:** Mutual & Gillette Safety Razor Co. sign 7-year, \$1 million contract for radio rights to World Series and All-Star baseball games.

U. S. Supreme Court upholds Little Rock city taxes of \$250 a year on generation of radio waves and \$50 on solicitors of local advertisers.

#### 1950

**March:** New Mexico appellate court rules all KOB Albuquerque broadcasts are interstate commerce and therefore not taxable by state; Virginia General Assembly passes bill forbidding cities, towns or counties in state from levying license or privilege taxes on broadcasting stations.

Forbidden by the FCC from censoring political broadcasts, broadcasters are not liable for defamatory remarks in such broadcasts. Federal District Court Judge Kirkpatrick rules in suit of David H. H. Felix against five Philadelphia stations.

WFIL Philadelphia cuts night rates, increases daytime rates, as move to adjust radio price scale to growing audience for television.

**April:** FCC, interpreting its decision on editorializing, says stations have "an affirmative duty to seek out, aid and encourage the broadcast of opposing views on controversial questions of public importance."

**July:** National Assn. of Radio Station Representatives names committee to explore feasibility of setting up spot option time plan similar to network option time.

Following outbreak of hostilities in Korea, White House calls for formation of all-inclusive Broadcasters' Defense Council to organize radio-television for instant availability for government.

FCC upholds right of networks to act as advertising representatives for their affiliates after two-year investigation of complaint of NARSR.

Association of National Advertisers

(Continued on page 123)





(Continued from page 9)

starts drive for lower radio rates, citing inroads of television on radio audience.

**September:** General Foods drops Jean Muir from Aldrich Family after protests against her appearance from "a number of groups"; Joint Committee Against Communism claims credit for her removal, announcing a drive "to cleanse" radio and television of Pro-communist actors, directors, writers. Miss Muir denies any communist affiliation or sympathies. Schenley International Corp. buys time on Hawaiian and Alaskan radio station to advertise whiskies.

**October:** Liberty Broadcasting System starts operating as fifth national network, feeding more than 10 hours of programs a day to 240 station affiliates.

NBC presents four-part radio plan to affiliates: Operation Tandem, rotating participation by six sponsors in five separate hour-long programs on different nights; Night and Day, three-advertiser participation in two

daytime and one nighttime period on rotating three-week schedule; Sight and Sound, three advertiser rotating participation on a half-hour radio and half-hour television program; "This Is Television," radio show made up of excerpts from six television shows to be sold to the television sponsors.

1951

**January:** NBC shelves proposed nighttime rate cut for its radio network after majority of affiliates register opposition.

AFM sets 50% increase in base pay plus employment quotas; seen as tripling music costs as price for signing new contracts at radio-television network key stations in New York, Chicago and Hollywood.

**February:** NAB board revises by-laws to provide a board chairmanship and television participation; changes name of organization to National Assn. of Radio & Television Broadcasters; grants active membership privileges to radio and television stations and networks; creates autonomous 25-member radio and 13-member television boards of directors.

**March:** Special Test Survey Committee, founded at proposal of Stanley G. Breyer of KJBS San Francisco. This committee will try to determine whose ratings are best, and conduct

field tests to show why different survey techniques agree or disagree.

Renewing drive for lower radio rates, ANA asserts that inroad of television on full networks now amounts to 19.2% for NBC, 19.4% for CBS—compared to 14.9% for both networks in summer of 1950.

ABC offers sponsors of afternoon programs on NBC 45% discounts on one-fourth of full hour rate, plus \$1,000 a week toward program costs, to switch these shows to ABC.

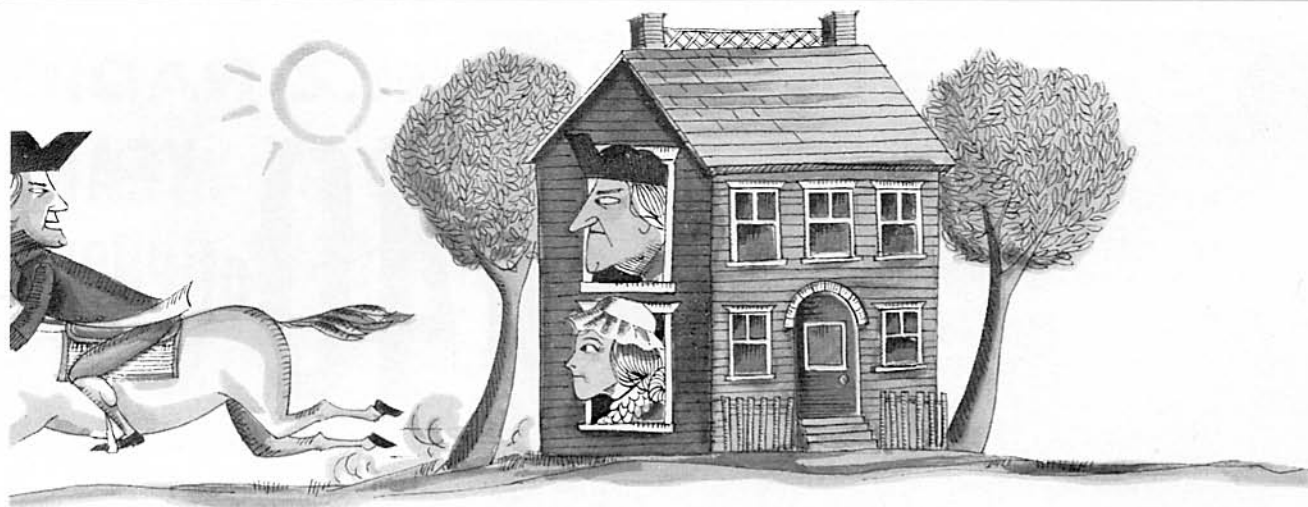
**April:** CBS cuts radio rates 10-15% as of July 1; ABC says it will match this reduction.

**May:** NBC announces 10-15% cut in radio rates, comparable to that of CBS; ABC and MBS plan similar reductions.

**June:** U. S. Court of Appeals for District of Columbia orders WWDC-FM Washington and Capitol Transit Co. to cease commercial announcements in street cars and buses as depriving "objecting passengers of liberty without due process of law." Appeal planned.

**July:** Failing in its attempt to raid NBC, ABC introduces its own set of daytime serials.

**September:** Sen. Wm. Benton (D-Conn.) proposes that a limited amount of radio and television time be given free to responsible candidates for federal office as a means of reducing campaign costs.



**Bostonians don't  
need a Paul Revere  
to arouse them to  
good radio listen-  
ing...They've been  
awake to it for 40\*  
years on 50,000 watt  
WNAC Radio-  
680 in Boston...**

**October:** Revamping its policies, NBC Radio eliminates "must buys" to let advertiser pick the stations he wants; changes in network rates of affiliates, some up, some down. Major league baseball teams drop "territorial" rules cramping radio-television rights; Department of Justice starts court effort to break down professional football's bans on broadcasting.

**November:** Federal District Court orders KSFO San Francisco to make time available for campaign broadcast for communist candidate as refusal would constitute censorship beyond authority of licensee.

NBC Radio offers to guarantee to deliver 5.3 million messages a week at cost of \$2.75 per thousand for three-program deal; rebate to be made to advertisers if Nielsen audit shows total listener-impressions is below guarantee at end of 13 weeks.

**December:** NBC affiliates reject its "guaranteed advertising attention plan"; ask network to delay its new rate formula until new research determines present radio values; approves establishment of an NBC merchandising department but turns down its "market basket plan" of merchandised advertising.

Upholding lower court, U. S. Supreme Court holds that Lorain Journal violated antitrust laws when it refused to sell advertising to local

advertisers who bought time on WEOL, Elyria, Ohio.

Westinghouse Electric Corp. buys \$3 million campaign package on CBS Radio & CBS Television, including conventions, 13-weeks-get-out-the-vote campaign and election night coverage.

#### 1952

**January:** Phileo Corp. buys for \$3.8 million NBC radio-television coverage of political conventions and election night.

Admiral Corp. buys convention and election coverage on ABC radio and television networks for reported \$2 million; DuMont announces its coverage, in cooperation with LIFE magazine, will be available for local sale by affiliates on co-op basis (offer later withdrawn and Westinghouse buys DuMont as well as CBS coverage).

**February:** Liberty Broadcasting System sues 13 of the 16 major league ball teams for \$12 million, triple damages allegedly suffered through loss of Game of the Day broadcasts; MBS announces that nine teams have contracted for participations in its Game of the Day broadcasts.

**April:** Wallace A. White, Jr., former Republican senator from Maine, co-author of the Radio Act of 1927 and active in communications during his 32 years in House and Senate, dies at 74.

**May:** Liberty Broadcasting System, unable to break broadcasting restrictions of major baseball leagues, suspends operations.

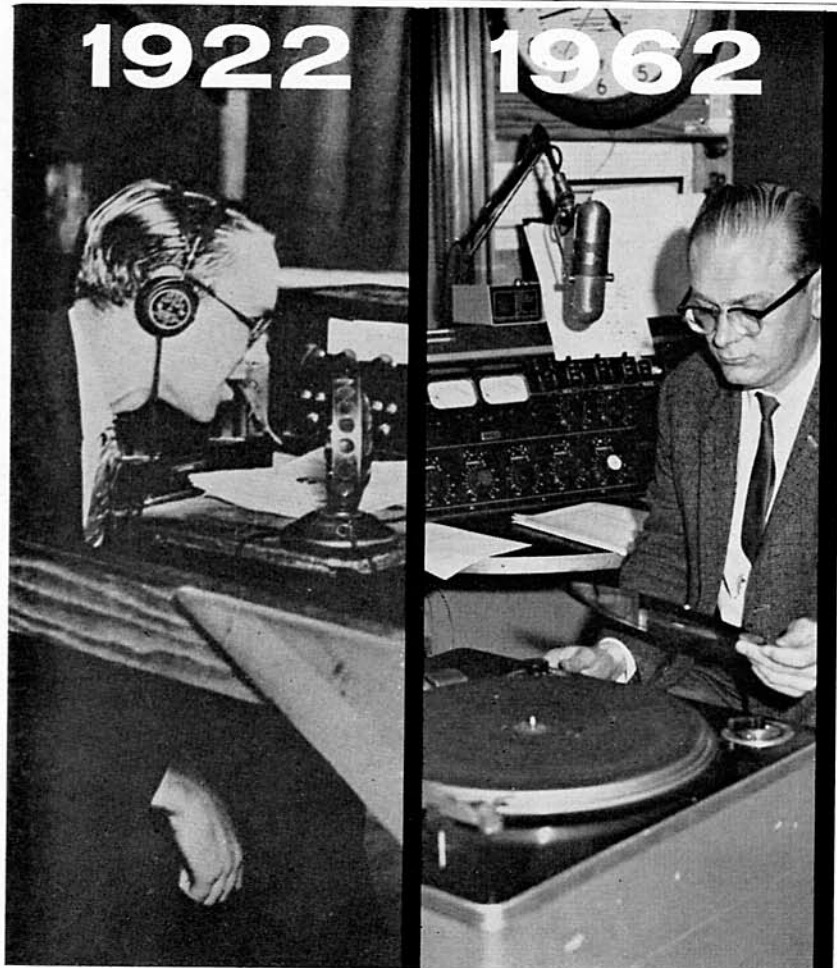
**June:** Overruling Court of Appeals finding that transit broadcasts deprived riders of their liberty without due process of law, U. S. Supreme Court holds that D. C. Public Utilities Commission was within its rights in permitting radio programming for street cars and buses in the nation's capital.

NBC launches promotion drive for combined use of radio and television as most effective advertising buy.

**July:** Radio Writers Guild calls strike against ABC, NBC, CBS over issue of extra pay for writers on commercial programs.

President Harry S. Truman signs McFarland Bill, first major overhaul of Communications Act of 1934, permitting FCC to issue cease and desist orders in addition to revoking license prohibiting broadcasters from charging more for political advertising than for normal ads; deletes permission to FCC to revoke license of those found guilty in federal court of anti-trust violations among other specifications.

**August:** CBS Radio affiliates approve discounts tantamount to a 25% reduction in nighttime rates and accepts a 15% cut in network compensation, but win a restoration of the



1922

1962

## KLZ RADIO 40 YEARS of PUBLIC SERVICE

March 10, 1922, KLZ Radio received a commercial broadcasting license, starting a cycle of achievement unparalleled in the West. Indicative of the type of pioneer spirit that still pervades at KLZ is the constant search for the new idea . . . for the means to better serve the Rocky Mountain Area. That's the reason why each passing year means more than just a birthday . . . at KLZ, it means meeting the ever present challenge of excellence in presenting . . . BETTER THAN EVER RADIO!!!!

560 First On The Dial

**KLZ radio**  
CBS IN DENVER



1951 10% cut for daytime serials and an increase of 5.5% in their pay for carrying these shows; network also gives affiliates assurance that its card rates won't be cut for at least a year and that "deals" are out for good.

**September:** NBC cuts rates through new discounts, an average of 25% at night, with affiliates taking a straight 14% cut in compensation; raises daytime rate 11.1% to restore 10% cut of 1951, but revises discounts so increase to advertisers will be only 4% in morning and none in afternoon. ABC Radio revises discounts to lower evening rates an average of 25%; raises morning rates by 5%.

Max Ule of Kenyon & Eckhardt is named head of committee to set up ideal standards for broadcast rating measurements, subcommittee of Advertising Research Foundation committee on radio and television ratings methods whose chairman is Dr. E. L. Deckinger of the Biow Co.

**October:** MBS reduces nighttime time costs 30% in television areas, 10% in areas not yet served by television.

**December:** Don Lee Broadcasting System announces single rate, 7 a.m. to 1 p.m.

1953

**January:** BBDO had broadcast billings of \$40 million in 1952, making it top agency customer of radio-television for that year.

**February:** Federal Court in New York, in two-to-one decision, says FCC's giveaway rules misconstrue the lottery law and represent "censorship" of sort forbidden by First Amendment to the constitution.

Merger of American Broadcasting Co. & United Paramount Theatres is approved by FCC in 5 to 2 decision.

**March:** Station Representatives Assn. launches Crusade for Spot Radio; asks stations to underwrite national promotional campaign with fees of one-half one-time one-minute rate per month.

**May:** Ending years-old argument, ASCAP accepts broadcasters' position on network co-op programs; agrees on payment at local instead of national rate.

Listener protests of bait-switch advertising on air draw attention of both FCC & FTC.

**June:** WWDC FM Washington and Capitol Transit Co. discontinue 4-year-old service.

**July:** Mutual presents plan to affiliates, cutting option time from nine to five hours a day, to stop paying them for network commercial programs in option time in money but to give them 14 hours a week of "highest calibre" programs for local or national spot sale; majority of MBS affiliates must approve deal by August 1 for it to become effective in October.

**September:** Broadcasters protest action of International Boxing Club in restricting blow-by-blow coverage of Marciano-LaStarza fight to newspapers and wire services, prohibiting radio-television recreations or simulations, exclusive video rights having been sold to Theatre Network Television.

N. Y. State Supreme Court denies International Boxing Club an injunction to stop WOV New York from broadcasting a summary of action at end of each round of Marciano-LaStarza fight, but forbids broadcasting of present tense re-creations.

**November:** MBS executives agree to drop plan of paying for time in programs rather than dollars at end of year.

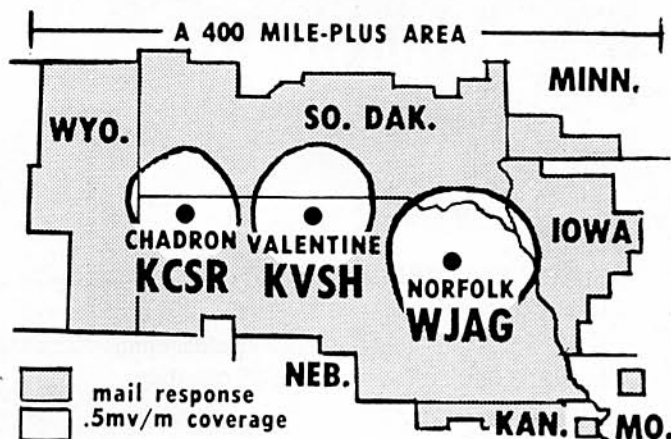
Bureau of Budget orders FCC and other licensing agencies to draw up schedules of fees which broadcasters and others should pay for privilege of holding government licenses.

Federal Court Judge Allan K. Grim rules a professional football team may ban telecasts of other teams playing in its area when it is playing at home, but not when it is away; ban on radio broadcasts is held completely illegal.

FCC sets five television, seven AM and seven FM as maximum number of stations which any one entity can own.

# HOW TO GET 3-WAY PENETRATION OF THE \$780 MILLION EMPIRE MARKET!

## Use the three Beef Empire Stations ...



**The Beef Empire Stations saturate Northern Nebraska's 628,000 consumers!**

- \$1.2 billion income
- \$780 million sales
- \$161 million feed sales
- \$132 million automotive sales

**WJAG** Norfolk, Nebr.

Best in Midwest  
Farm Radio Since 1922

Represented by / PAUL RAYMER CO.  
HAROLD SODERLUND-OMAHA



**December:** BBDO and Y&R are 1953's biggest agency spenders for television and radio advertising.

#### 1954

**March:** Sen. McCarthy demands equal time of CBS and NBC to answer Adlai Stevenson's March 6 speech, which was carried without charge. The two networks resist Sen. McCarthy and win Pres. Eisenhower's blessing in the face of the senator's condemnation and threat "to teach them the law."

The "equal time" issue continues to plague networks in the wake of tempest stirred up by Sen. McCarthy. Having carried a 15-minute talk by Pres. Eisenhower, the networks which failed to give equivalent time to the Democratic National Committee for reply are accused by Democratic National Chairman Stephen A. Mitchell of giving the minority party the "dimout" treatment.

**April:** By an 8-0 ruling, the U. S. Supreme Court turns down an FCC appeal from 1953 three-judge special N. Y. court decision holding that one of the Commissions key provisions in its lottery regulations is invalid; court finds the FCC exceeded its authority in attempting to define listening to a radio program or watching a television show as a "consideration" in the meaning of the lottery statute.

**May:** CBS Radio reduces nighttime rates about 20% effective in fall, in

effect establishing a single day-night rate for the network; give affiliates 70 second station breaks in evening hours; agrees not to follow NBC Radio plan to sell spots on the network; affiliates accept proposal.

Mutual proposes to affiliates plan for network to sell spots within a half-hour morning and half-hour afternoon program. Affiliates to carry first spot in each period without pay but to be paid for others.

**July:** The Pulse reports new instantaneous radio-television rating service.

ABC Radio backs music-news formula to bolster radio.

**August:** Quality Radio Group (high power radio stations) is organized to produce, sell night radio shows.

House Commerce Committee issues report rebuking broadcasters for beer-wine ads, calls for industry data, report on remedial actions.

**December:** Top radio-television agencies bill a total of \$699.2 million for 1954.

FCC reports 1953 radio-tv gross was \$908 million—\$475.3 million radio, \$432.7 million television.

Advertising Research Foundation study represents first move to standardize radio-television ratings among various rating services.

#### 1955

**March:** FCC authorizes functional music or other secondary programming via multiplex for FM stations.

**April:** NBC announces "Monitor" programing for weekends with time to be sold under magazine concept; beginning of major revision in radio selling, schedule.

Woolworth signs with CBS for its first use of network radio.

**June:** Musicians' 1954 income from radio-television reaches \$24.7 million, with radio leading television in employment of musicians.

FCC forbids stations in one city from entering into network affiliation pacts which prevent stations in nearby cities from carrying the same programs.

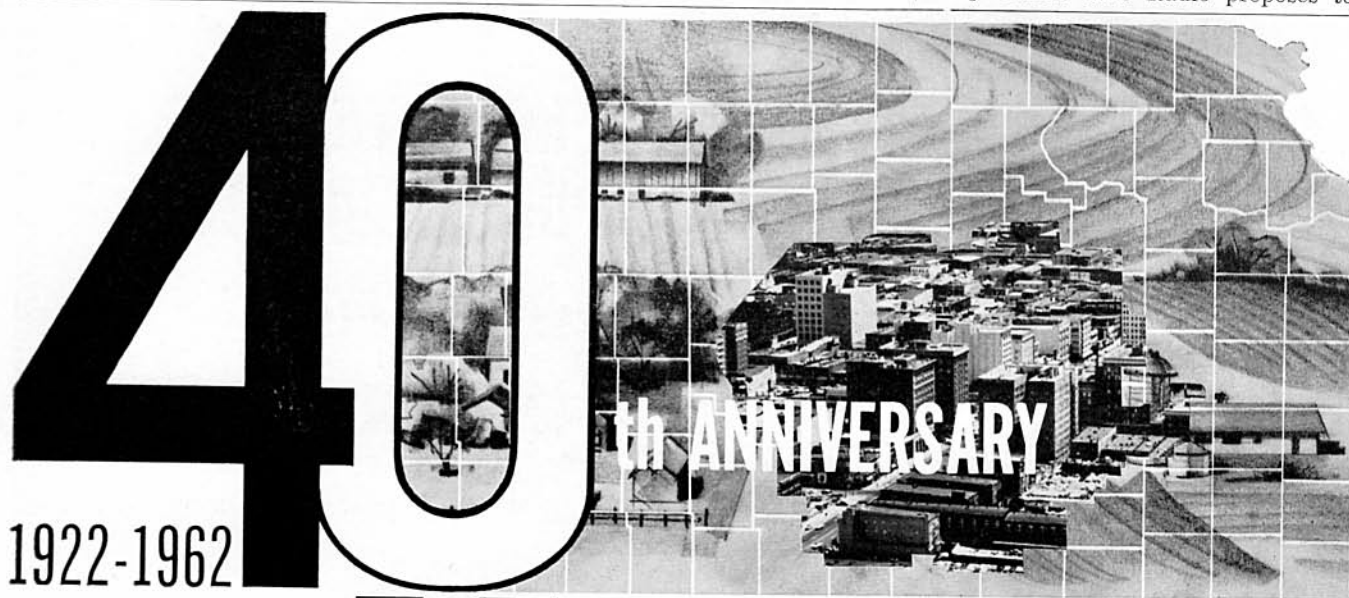
Mutual fixes single rate for day, evening; establishes single discount table. Network also revises program format to "Companionate Radio" plan.

**July:** CBS reaches agreement with radio affiliates for a single day-night network rate, affiliates to take a 20% cut in compensation; deal must still be negotiated individually with affiliates.

**August:** Westinghouse Electric Co. will sponsor 1956 Presidential campaigns from conventions to election on CBS Radio and CBS TV at \$5 million cost.

Combination diary-recorder method of Audience measurement comes close to meeting "ideal" established by Advertising Research Foundation's Radio-Television Ratings Review Committee.

**September:** NBC Radio proposes to



**FORTY YEARS OF PUBLIC SERVICE** devoted to building listener loyalty through quality programing.

Wichita and the Great Southwest's oldest radio station with more than 306,000 radio families in 38 counties.

24-hour operation.

The most listened to, persuasive farm and urban voice in Kansas.

AWARD WINNING EDITORIALS

5000 Watts... CBS... 1330 KC • AM

**A  
BLAIR  
GROUP PLAN  
STATION**

extend "Monitor" to weekdays reduce station compensation by 25% and open up additional evening programs for network sale of participations.

Radio, recovering from the impact of television competition, announced "on the way up in audience and sales."

**October:** MBS cuts personnel 25% in "belt-tightening" program reportedly designed to free more money for programming.

U. S. Supreme Court refuses to review decision of New Mexico Supreme Court that state school tax of 2% on gross incomes is legal on local revenues of broadcast stations; KOB Albuquerque has fought tax for 10 years on basis that broadcasting is interstate commerce and so exempt from state and local taxes.

ABC Radio affiliates praise network's plan for evening programming based on personalized listening concept; plan calls for 2½ hours to be programed and sold in five-minute segments.

Jack Wrather, John L. Loeb and Richard Buckley buy WNEW N. Y. for \$4 million, top price to date for a radio station.

**December:** 1954 was first year that broadcasting revenues passed billion-dollar mark, FCC reports, with radio-television total of \$1,042.5 million; also first year that television passed radio, with \$595 million for video to \$449.5 million for audio broadcasting. Young & Rubicam is top agency user of broadcast media in 1955, spending \$72 million for radio-television advertising in behalf of its clients.

FCC tabulation for fiscal 1955 (ended June 30) shows 2,840 AM stations, 582 Television stations and 552 FM stations authorized.

## 1956

**January:** Broadcasters face probe by Senate Commerce (Magnuson) Committee on tv networks and allocations, radio-tv coverage of presidential election year activities and demands for free political air time.

**February:** Radio sales in 1955 at estimated \$455.6 million, up from 1954 slump.

MBS guarantees circulation to advertisers, based on Nielsen ratings. Senate and House Commerce Committees hear usual pro-con testimony on bills to ban alcohol ads.

**March:** Pres. Eisenhower uses radio-television to announce intention to run. Democrats ask for equal time. Colorado Supreme Court favors radio-tv court coverage in historic recommendation.

**June:** CBS Radio announces 6¼% boost in rates to affiliates.

**July:** SRA reports national radio spot sales well ahead of 1955. Westinghouse Broadcasting Corp. radio stations drop NBC Radio affiliation, to sell its time in an overall spot basis.

**October:** Announcers & disc jockeys get requests to broadcast free messages on behalf of Democratic candidates. Republicans call move "time stealing."

**November:** NARTB's Radio Research Committee names subcommittee to study past and present radio research methods and to outline procedure which may be used as all-industry standard.

At RAB's second annual National Radio Advertising Clinic, Joseph Stone of J. W. Thompson says singing commercials are "no longer flighty little jingles," but "fine works of art."

All radio and tv networks give Gov. Stevenson time to answer Eisenhower simulcast as FCC balks on Equal Time ruling. FCC says question is too involved and complicated for immediate answer.

NBC Radio affiliates get boost. Compensation rate to stations goes up 7.5% as of January 1, 1957, partially restores reductions which affiliates have taken since impact of television began to be felt 5 yrs. ago.

Pulse reports gain of 1.6% in out-of-home radio listening in past summer over similar period in 1955 accounted for "largest out-of-home radio audience in history."

**December:** Cumulative billings of top 40 ad agencies for radio and television amounted to \$963.8 million in 1956.

Production of broadcast receivers for 1956 is running for radio about 20% ahead of 1955; for television about 9% behind last year.

RAB to spend \$820,000 in 1957 for cumulative audience reports and listening habit studies to increase radio sales.

SRA figures show spot radio time sales estimated at \$150 million for 1956.

Rising demand for home portable & clock radios is shown by RETMA reports of set shipments for first 10 months with 1956 running 20% ahead of 1955.

FCC reports total 1955 radio revenues come to \$453.4 million.

FCC reports purchase and sale of radio and television stations in 1956 reached new high with 1,085 applications for station transfers with more than \$75 million involved.

## 1957

**January:** NBC Radio all set to go into operation with their revitalized program schedule including controversial 5 minute newscasts on the hour.

**February:** All records broken in 1956 as retail sales rise to 8.3 million radio receivers.

Network radio's first major rate adjustment in two years was initiated by CBS Radio proposal to raise daytime rates 5% and cut nighttime prices by a third.

**April:** Highest billing record in radio history registered in 1956 topping \$485 million with national spot & local classifications accounting for principal share—over 86% of all new cars sold in 1956, radio equipped.

Agency and advertiser opinion feels stations should cut down on number of commercials slotted in 7-9 a.m. & 4-6 p.m. time periods.

**May:** 130,498,400 radio receivers in use around the world, not counting the 91,000,000 home sets in the United States and the five million plus in Canada—represents increase of about 20% since July 1954. Radio has 1.9 listeners per listening home in aver. day minute—about 1.4 billion man-hours per week.

**June:** CBS radio says its daytime hours are 90% sold. NBC reports it now has more different companies as advertisers—49 of them—than at any other point in the network's history.

**July:** Spot radio billings for first quarter of 1957 hit \$48,827,000—a 40.5% leap over same quarter in 1956.

**October:** WNEW, N. Y.—daddy of the straight "music and news" radio stations, will switch to more flexible policy saying that playing the most popular hits exclusively "almost eliminates the creative programming urge, the ingenuity and imagination upon which the future of radio will depend."

Number of radio stations at all time high of 3,626.

**November:** FCC issued new blast against stations which engage in merchandising arrangements and grocery chains and advertisers who buy time on such stations.

**December:** Radio is entering the subliminal area in at least two mks—WCCO, Minneapolis & KLTI, Longview, Texas—using what they call "Phantom Spots" and "Radio Active Iso-Spots" to sneak messages to the subconscious. WCCO is using Phantom Spots only for program promotion and public service while KLTI's Radio Active Iso-Spots are being sold. Network spokesmen disclaimed plans to use subliminal methods at this stage. Both NBC and CBS have directed a hands-off policy on any material prepared for subliminal perception.

## 1958

**April:** Total radio set sales in 1957 amounted to 15.2 million.

Radio's first two-hour "color" extravaganza announced for May 4 by CBS. The show will attempt to translate color into the radio medium through music, sound and sketches. According to the network, it has been proven that certain words, sounds or pieces of music carry, psychologically very strong color connotations.

**July:** National spot revenue set all-time high of \$46,171,000 during first quarter of '58.



**September:** Caught between rising expenses and a stable income level, the typical radio station suffered a profit decline of one cent on the sales dollar in 1957 according to NAB survey.

#### 1959

**February:** CBS-NBC rivalry became more pronounced as CBS Radio activated its "Program Consolidation" plan claiming 85% affiliate acceptance and \$4.5 million in new business. NBC Radio counterclaimed \$7.24 million in new and renewed business and proceeded to pick up several stations which disaffiliated from CBS.

The industry began acting on alleged "discriminatory double rates." Several stations began charging uniform rate for both local and national advertisers, urged other stations to do same.

Network and station reps joined All-Industry Radio Music License Committee seeking court action against ASCAP for "reasonable rates." In the meantime, the networks and O&O stations accepted one year extension of ASCAP contracts. Networks and American Federation of Musicians signed new 5 year pact providing for wage increases and pension plan.

**May:** A growing number of sources are beginning to criticize prevailing rating and audience measurement techniques.

RAB reports more than 3,650,000 new automobiles with radios sold last year bringing current automobile audience up to more than 38 million ears.

ABC Radio continues to expand—now has 346 affiliates.

**September:** Over 70% of the nation's boats have radios aboard—an audience of 37 million.

**October:** Second quarter billing (national spot) up 10% over last year.

**November:** NBC Radio will expand its news & information services and put entertainment shows on a pay-as-you-go basis.

#### 1960

**January:** Reports show spot billings for 1959 rose 7% while network billings dropped 13%.

**May:** Kenyon & Eckhardt reports summer time spent with radio goes up 9%—out-of-home listening 25%. People spend average of 14 hours and 29 minutes per week with radio in winter, 15 hours and 32 minutes in the summer.

**July:** NBC Radio, after eight years of operating in the red, says it now shows a profit; CBS Radio claims profit in final quarter of 1959 and first quarter of 1960. Mutual almost breaking even. ABC still in the red.

**August:** RAB reports almost 156.4 million working radio sets in U. S., set ownership growth of 98% since 1949; 7% gain in radio's daily reach. U. S. sales of Japanese transistors from 641,000 in 1957 to 4 million in 1959.

SRA reports national spot radio business for first quarter of 1960 \$40.08 million. Number of AM & FM stations on air, end of May: 4,206—3,479 am, 727 fm.

**October:** CBS Radio announces termination of all daytime serials—the last of the "soap operas" which reigned for 20 years.

FCC reports at end of August there were 752 FM stations on the air, 190 approved but not operational and 85 new station requests pending.

**December:** Top 50 broadcast agencies placed approximately \$48 million in network radio in 1960. N. W. Ayer top spender with \$17 million.

#### 1961

**February:** FM boasts 70% increase in additional circulation in 1960 over 1959. Number of FM only and FM-AM radio sets produced by U.S. has doubled in past two years. Approx. 1.7 million fm-tuning units put on U.S. retail market in 1960.

**August:** Radio Press International news service, with only 14 station clients and deeply in debt a year and a half ago, now has 80 station subscribers and is doing volume of approximately half million.

RAB questions U.S. Census figures for 1960 showing radio homes saturation dropped from 95.7% in 1950 to 91.3% in 1960. NAB requests re-check.

**September:** According to survey of its members, National Community Television Assn. reports over \$1 million a year is spent on local radio stations by community antenna systems.

**October:** FCC Commissioner, Fred W. Ford questions if government should do something about the over population of radio stations because of an "economy of saturation."

**November:** Some station representatives defended agencies against charges buyers are no longer interested in hearing spot radio presentations but representatives feel stronger selling is needed.

Mixed reactions to FCC proposal for drastic changes in rules governing FM allocations and operations. NAB expressed general approval. Assn. of Federal Communications Consulting Engineers say its "uneconomical" & "unrealistic." Multiplex says it's "undemocratic."

**December:** RAB presented its plan to boost national radio advertising volume by \$30 million yearly. Says it will solicit radio buys from top 100 advertisers, offering in-depth studies & tailor-made presentations—calls for use of radio as major part of advertising program rather than supplement. Bureau will continue in supervising role including selection of markets, stations and time periods and commercials. RAB will conduct periodic research. Stations will be asked to pay 10% of billing RAB brings them.

Station Representatives claim stations accepting time-barter campaigns at rates as low as 10¢ on the dollar are hurting the whole industry.

NAB radio code stuck to its code structure despite strong complaints from subscriber stations. Number of subscribers now at 1,460 AM and FM stations.

FCC figures show first half of 1961 total revenues were up on 49% of the country's radio stations, local revenues higher on 58%, spot sales higher on 36%. Second half total revenues ahead of last year on 63%, local on 62%, spot up on 40%.

#### 1962

**January:** Robt. Pauley reports Dec. '61 was ABC Radio's highest in gross billing since same period in mid 1950's—a total of \$4.7 million in new and renewed business. SRA shows national Spot radio up 7.9% in 3rd quarter 1961 over same time in 1960. House Subcommittee on Regulatory Agencies will investigate the rating surveys and station promotions planned to coincide with rating surveys.

**February:** RAB has drawn up a new plan for revitalizing radio. Plan involves simplified buying and ideas for stimulating new interest.

**March:** The Psychological Corp. study of radio listeners for WMCA shows the typical listener to be loyal, tolerant, patient and inquisitive in his listening habits.

**April:** U. S. Census Bureau released figures showing radio penetration at 89.9%—a drop from 1960's 91.3% and considerably lower than the 95.7% penetration of 1950.

At the NAB convention in Chicago, NAB president, LeRoy Collins suggested a committee to investigate the overpopulation of radio and the resulting economic problems.

A report at the NAB convention shows the U. S. with 1,976 radio stations in 1950 with a total revenue of \$340,891,476 as opposed to 3,300 stations in 1960 with revenue of \$560,315,348. Income, however, remained almost the same in the 10 year period—\$55,113,872 (before taxes) in 1950, \$55,200,977 in 1960.

RAB questioned U. S. Census figures on radio penetration—says there are only minor changes in 1950 and 1960 figures. Says radio is being sold short.

**May:** The FCC, in an attempt to cut down the number of AM stations, announced it would accept no applications for new or changed facilities unless station would bring primary service to a minimum of 25% of proposed coverage area, would not cause interference with existing stations, would be on one of the 13 clear channels, and would increase power up to 1KW for existing Class IV stations. Radio celebrates its 40th anniversary.