The Man Who Broke the Bank at 1440

The tale of a WOR success that opened a sponsor's eyes and left his competitors... well, breathless.

We took him to our bank of success stories and leafed them rather proudly.

"Very interesting," he said. "But, look here—I've not only got their problems, but another one besides. I've got to reduce my newspaper and magazine costs. I'm dropping them entirely. Putting the load on WOR. Let's see what you can do."

"Well," we said hesitantly... .

There was nothing unusual about the WOR show. Just a cowboy, really; with a Texas drawl and a hot guitar. The time? Morning. Early. Between 8 and 9 o'clock.

In a little less than 6 months the story bulged to be released.

Had this ingenious citizen reduced his previous magazine and newspaper cost 30—maybe 40%? He had, dear Edgar, but the figure was 10% greater than he had hoped. 50%, to be exact.

Had he upped sales? He had, by 10%—in the face of a business recession, and in a field where competition was stronger than the whiff of a Lahayan cigar.

This man broke our bank of proud successes. But in doing so he may have set a precedent that will be cracked by WOR's handling of your particular problem. May we try?

Our address is 1440 Broadway, in New York.
Farmers wrote, “We listen while we work”

One of many farm service features on WLS is “Bulletin Board,” broadcast daily at 6:30 A.M. It includes weather information, livestock estimates, crop news and items of value and importance to farm listeners.

Many listeners wrote WLS they had radios in their barns and listened to “Bulletin Board,” for its helpful information, as they did their chores. So the WLS “Radio in the Barn Club” was founded, with certificates of membership offered to those using WLS in this way.

Almost 2,000 farmers in 14 states responded—2,000 farm listeners in Pennsylvania, Tennessee, Ohio, Colorado, California, Minnesota, Mississippi, Missouri, Texas, Iowa, Illinois, Indiana, Michigan and Wisconsin—using WLS as a part of their business.

The American farmer, particularly, has learned to depend on radio for its business value. Farm people over a wide area—far beyond the Mid-West alone—have learned especially to depend upon WLS, Chicago. They have confidence in WLS . . . in what we tell them to do and in what we tell them to buy. They’ve proved this time after time. Write and ask us . . . or ask any John Blair man.
Invest in
HOMETOWN PREFERRED

The Colonial Network, with 19 local “branches” has stock you can buy that returns profitable interest on your investment.

This stock has high goodwill value because it is “preferred” — has a friendly as well as financial interest, a sound background of prosperous production and a payment record of regular, substantial dividends over a long period of years.

The business it finances is located in New England, one of America’s most populous and responsive markets — a market where employment, income and buying power are at high peaks.

Stock is priced to fit thrifty budgets — 13, 26 or 52 time payments arranged.

INCREASE IN SUMMER VACATIONISTS
Mid-season reports from various points throughout New England show substantial increases over the customary 3,000,000 visitors from all over America. Keep in touch with these buyers of your products, and make new friends through The Colonial Network.

The Colonial Network
21 BROOKLINE AVENUE • BOSTON

Yes, one station is the stand-out choice when "farm hands" in Nebraska reach for the radio dial.

KFAB is specifically programmed for rural listeners. Everything these listeners like... they get, on KFAB!

That's why KFAB is the most powerful selling influence you can use, for Nebraska and her neighbors. That's why KFAB can give you the biggest helping hand, when you point your efforts toward this prosperous rural market!
In response to a request from the Editor of Editor and Publisher for a statement of the position of The Detroit News with respect to the proposed Federal Communications Commission investigation of newspaper ownership of broadcasting stations, we submit the following:

It seems to The Detroit News that the Federal Communications Commission has an obligation to the public to see that radio stations are operated in the public interest, and that naturally entails its seeking assurance of the responsibility of those seeking licenses to operate. As the founder of the first commercial broadcasting station WWJ which we have operated daily since August twentieth, nineteen twenty, we ask for nothing more than a dispassionate examination of our record of service for twenty-one years including our pioneer efforts toward the development of broadcasting in ultra high frequency, and more recently in the frequency modulation fields. The traditions of ethical journalism are wholly harmonious with the commission's purpose to see that radio operates in the public interest, convenience and necessity. We could ask no better witness than the competitive stations in our own area and the public we have sought so diligently to serve. The original intent of The Detroit News in entering the radio field was to further reliable methods of communication as a natural step in the advancement of journalism, and increase our service to the public. To this end we operated our station for five years without accepting any revenue of any kind from any source. It is now, as always, our aim to maintain those standards of integrity in advertising which characterize not only good stations but good newspapers, and to put the public welfare and interest ahead of profit at all times. It would seem to us fundamentally unjust to judge any application for a new license or the continuance of an old one on any other basis than the good character, fitness and responsibility of the individual applicant.

The Detroit News

Licensee Stations WWJ and W-15D
Having been in this business of radio station representation as long as the idea itself, we of F&P know that it takes a lot of digging to build a successful radio campaign.

Where are the best potential markets for your products? What are the listening habits, the program preferences, the favorite stations within those markets? What sort of merchandising assistance can be obtained from the available stations? What is the situation in a dozen other factors that influence radio results?

If you're in doubt about any of these factors in any of your territories, Free & Peters can probably help you. We believe we do more digging for right answers than any other single group in the radio business.

So—if you want facts that lead to wise decisions, give us a call. Our spadework costs you nothing!
House Group Revives 10 Million Tax Levy

Radio Would Be Assessed 5 to 15% on Net Time Sales; Hope Is Voiced for Dropping of Plan in the Senate

EXPECTED to nick the radio broadcasting industry for perhaps as much as $10,000,000 in additional Federal income taxes, the House Ways & Means Committee last Friday reported out and introduced to the House the $3,500,000 defense tax bill.

Despite previous indications that no specific levy on broadcast incomes would be included in the new measure, the committee at the 11th hour wrote into the bill a provision calling for rates ranging from 5 to 15% on net annual time sales of $100,000 and over.

Debate on the measure, the product of three months of work by the committee, is scheduled to start Tuesday. House passage is expected by next Friday, Aug. 1, and the Senate Finance Committee probably will start public hearings within a week of House approval. The Senate hearings will last about two weeks, it was indicated.

The bill, premised largely on Treasury Department recommendations, is designed to bring in an additional $3,500,000,000 in taxes for the defense program.

A Heavy Burden

Although there was some disagreement between Treasury and industry estimates on the amount of revenue that would result from the levy on radio's net time sales, there was little doubt the tax would make a substantial dent in the economic returns of virtually all the larger stations, as well as national and regional networks. According to Treasury and committee estimates, the tax yield would range between $4,500,000 and $5,000,000,000 for all the industry, but independent estimates, based on FCC income figures for the industry, indicated the yield might reach $10,000,000.

Since the exact language of the bill was not available Friday, there was uncertainty over the actual amount of the tax increase for the industry. Apparently the Treasury estimates were predicated on the deduction of the net time sales tax from the taxable income for corporate surtax and excess profits tax purposes, which in effect would mean an actual increase of about $5,000,000. However, in view of the uncertainty, industry observers cautioned that present consideration should look to a possible $10,000,000 increase.

As the full import of the "surprise" provision in the bill struck, station and network officials made plans to fight the levy, charging it was discriminatory against radio. Since it was indicated the bill probably would go to the House under a rule barring amendments from the floor except by committee members, small hope was seen for successfully opposing the provision in the House. However, some indications were seen for a successful fight against the levy in the Senate, particularly in view of its "discriminatory" characteristics.

NAB President Neville Doughton last Thursday, in letters to Chairman Doughton and all members of the Ways & Means Committee, charged that the proposed tax was discriminatory and asked for reconsideration by the committee. Declaring that "the broadcasting industry does not and will not seek to evade its just and proportionate share of the tax burdens which of necessity must be increased because of the present emergency", Mr. Miller called the levy an "un warranted penalty" on broadcasting.

Doughton May Delete

Possibility of voluntary action by the House committee to knock out the radio tax provision was foreseen Friday following a conference of broad casters with Mr. Doughton, of the Ways & Means Committee. NAB President Miller, F. M. Russell, NBC Washington vice-president, and Harry C. Butcher, CBS Washington vice-president, conferred with the legislator and left with him Mr. Miller's letter of protest.

The FCC last Saturday released a special tabulation grouping stations with net time sales aggregating $100,000 annually and over [see below]. The tabulation did not cover networks, which roughly

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### Income Factors of Broadcast Stations Whose Time Sales Exceeded $100,000 in 1940

(As reported by the licensees to the FCC)

<table>
<thead>
<tr>
<th>Time Sales Group</th>
<th>Income Factors</th>
<th>Expenses</th>
<th>Broadcast Service Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000 to $150,000</td>
<td>$150,000 to $200,000</td>
<td>$200,000 to $250,000</td>
<td>$250,000 to $500,000</td>
</tr>
<tr>
<td>1 Number of stations each with time sales within the amounts shown for the group</td>
<td>49</td>
<td>45</td>
<td>25</td>
</tr>
<tr>
<td>2 Sale of time to networks</td>
<td>$81,100</td>
<td>$90,957</td>
<td>$1,085,187</td>
</tr>
<tr>
<td>2a Sale of time to others</td>
<td>$5,200,758</td>
<td>$6,271,749</td>
<td>$4,019,069</td>
</tr>
<tr>
<td>4 Total sale of time</td>
<td>$6,254,806</td>
<td>$7,932,697</td>
<td>$6,877,074</td>
</tr>
<tr>
<td>5 Deduct: Commissions and charges (borne by stations on time paid</td>
<td>$419,156</td>
<td>$762,749</td>
<td>$609,780</td>
</tr>
<tr>
<td>6 Balance, net time sales retained</td>
<td>$5,835,650</td>
<td>$7,169,949</td>
<td>$5,203,293</td>
</tr>
<tr>
<td>7 Add: Incidental revenue</td>
<td>$51,252</td>
<td>$423,769</td>
<td>$384,314</td>
</tr>
<tr>
<td>8 Total broadcast revenues</td>
<td>$6,086,907</td>
<td>$7,592,658</td>
<td>$5,490,777</td>
</tr>
<tr>
<td>9 Total broadcast expenses, including all items of direct and indirect expense but not including Federal Income Tax</td>
<td>$5,795,378</td>
<td>$6,375,048</td>
<td>$5,819,409</td>
</tr>
<tr>
<td>10 Broadcast Service Income</td>
<td>$1,291,529</td>
<td>$1,377,610</td>
<td>$1,715,068</td>
</tr>
</tbody>
</table>

1 Includes 1 stations whose reported broadcast expenses exceeded reported broadcast revenues by the aggregate amount of $9,100.
2 Includes 8 stations whose reported broadcast expenses exceeded reported broadcast revenues by the aggregate amount of $514,882.
3 Includes 1 station whose reported broadcast expenses exceeded reported broadcast revenues by the aggregate amount of $157,516.
4 Includes 2 stations whose reported broadcast expenses exceeded reported broadcast revenues by the aggregate amount of $40,882.

Editor's Note—The 188 stations covered in first four column would fall in 5% tax bracket under proposed Defense Tax Bill; the 42 in fifth column would fall in 10% bracket; the 8 in the sixth column would fall in the 15% bracket. Network earnings, also to be taxed in the 15% bracket, are not covered in this table.
Radio Slumbers: Presto! $10,000,000 Super-Taxes—An Editorial

SO RADIO, again victimized by the lobbyists, is going to be taken for another little buggy-ride to the tune of about $10,000,000 in super-income taxes on net time sales of more than $100,000.

The House Ways & Means Committee, without even as much as a word of industry testimony on the provision, has saddled the new graduated tax on broadcasting. It isn’t a franchise tax—that was killed during the hearings. But it is a discriminatory tax against radio advertising, spirited into the committee draft at the eleventh hour, after the confectionery, cutlery, metal-sign and other folk had been successful in rescinding about $25,000,000, which apparently had to be made up in some way.

Radio evidently has proved itself an easy mark in the eyes of both the legislative and the regulatory establishments in Washington. There had been ample warning that radio was being singled out for special treatment. Early this year, the Allied Printing Trades Ass’n, representing unions identified with the printed page, announced a colossal lobby to shake the radio with a special franchise tax, designed to yield about $12,000,000 and thus (heaven only knows how) to help the printing industry. After a preliminary foray from the industry, through the NAB, little was heard of this move. But the under-cover work went on.

are calculated to contribute between $5,000,000 and $4,000,000 of the aggregate super-tax. The FCC listed 238 stations with time sales of $100,000 or over, although it was explained that 13 of these reported expenses exceeding broadcast revenues, leaving 22 stations clearly subject to the proposed tax.

Network spokesmen were quick to deny any reported acceptance of the drastic levy without a murmur. They declared the tax proposal would not be accepted calmly, and that the networks would stand on Mr. Miller’s statement. Mr. Miller also announced that the NAB has retained Ellsworth C. Alvod, Washington tax counsel, to represent it at the hearings before the Senate Finance Committee.

Outlining industry opposition, Mr. Miller said the “special penalty on radio advertising” would drive advertisers to newspapers, magazines and other media. He declared that although the tax appears to be in the nature of an excise, it really is a tax on gross income of radio stations. The broadcasting industry, under general corporate levies, is paying its share of Federal taxes and will continue to do so, but the new levy would reduce net income of many stations by as much as 50%, he commented. Alluding to early proposals for a punitive tax on broadcasting, Mr. Miller stated that the American Federation of Labor had advised him that “it does not favor a special tax on broadcasting which would have the effect of penalizing certain of their members for the dubious advantage of other members employed by competing industries”.

Study aided by FCC

If opposition forces were unable to remove the provision from the bill, it was believed a move would be made to lighten the burden on broadcasters by extending the levy to cover newspapers and magazines. The “discriminatory” nature of the levy was borne out further, in the minds of some industry observers, by the fact that the bill also includes a tax on billboard renters, ranging from $5 for billboards up to 200 square feet in area, to $8 from 300 to 600 square feet, and $11 over 600 square feet. Inclusion of the levy in the new bill climaxed efforts along this line by the Treasury and others. Representatives of the Treasury and the Ways & Means Committee have conferred on several occasions during the last several months with the FCC Accounting Department in an effort to determine the possible effects of such a tax. However, the FCC has indicated its activities in the matter have been of a completely objective nature, in response to requests from the department and the committee.

Indications of the possibility of a radio tax came early during committee hearings, with John B. Haggerty, president of the International Allied Printing Trades Ass’n, strongly advocating a Federal franchise tax on the gross receipts of radio stations.

Under the Haggerty proposal, a 10% levy would have been placed on gross sales between $25,000 and $100,000, 15% between $100,000 and $500,000, 20% above $500,000. The same day Mr. Haggerty appeared before the committee, May 26, Rep. Connery (D-Mass.) introduced a bill calling for a graduated gross income tax on station earnings, ranging from 10% to 20% on annual earnings of $100,000 and above. The Connery bill is still pending in the House. Early in July Rep. Sauthoff (Prog.-Wis.) also appeared before the committee in an effort to have a franchise tax for radio facilities included in the bill, but the committee failed to accept his proposal [BROADCASTING, Feb. 24, March 24, May 26, June 2, June 9, July 7].

Set Tax Raised

Although no official draft of the new bill was available Friday, it was understood the measure provided for a graduated tax on net time sales, as follows: No tax on

(Continued on page 58)
Newspaper Inquiry Off to a Wobbly Start

Inaccurate Data, Vulnerable Testimony, Stifling of Counsel Mark Probe

OBVIOUSLY unprepared and working under forced draft, the FCC's widely publicized inquiry into newspaper ownership of broadcast stations got off to a shaky start for two days last week and then quit until Wednesday of this week.

Though every effort apparently is being made by Chairman J. William Fly to keep the inquiry moving smoothly through the balance of the summer, all signs pointed to an adjournment this week, or possibly next, until mid-September. Several other members of the Commission, including the Craven-Case minority which has opposed the inquiry from the start, are not disposed to sit through the summer. And the Commission's legal staff, confused during the first hours of the hearing by the inadequacy of exhibits and testimony, probably is yearning for time.

Hanson Stifled

A half-dozen witnesses, four of them subpoenaed by the Commission as experts, and two members of the FCC staff, were heard during the Wednesday and Thursday sessions last week. They appeared as Commission witnesses, presumably to lay the foundation for the case that might justify divestiture of newspaper ownership by the Commission, either through regulation or recommended legislation to Congress. That Chairman Fly, with or without consent of his colleagues, proposed to have the Commission take testimony before the question of jurisdiction is determined, was made clear before the hearing was five minutes old. He announced deletion of the petition of the American Newspaper Publishers Assn., challenging the FCC's jurisdiction, and, it appears, his counsel, Elisha Hanson, when he attempted to argue the issue.

Mr. Hanson then revealed he had suggested to four witnesses subpoenaed by the Commission they cease to appear in what he described as "illegal proceedings." He identified them as James G. Stahlman, former president of the ANPA and publisher of the Nashville Banner, now on active duty as a lieutenant commander in the Navy; Edwin S. Friendly, business manager of the New York Sun; Arthur Robb, editor of Editor & Publisher, and William A. Thompson, director of the ANPA Bureau of Advertising.

Whether the FCC will attempt to force appearance of these witnesses by court action was the hot question. Though Chairman Fly, who spark-plugged the proceedings as he has in the past, said the matter should be "taken up in due course," extreme doubt was expressed that the Commission would allow the jurisdictional question to go off on a side issue.

Chairman Fly likewise refused to entertain a motion from former Judge Thomas D. Thacher, of New York, chief counsel for the Newspaper-Radio Committee, that the jurisdictional question be argued in advance of the taking of testimony. But he treated the former Solicitor General of the United States with extreme courtesy in contrast to the sharp tongue-lashing given Mr. Hanson.

Despite the lean-over-backward stance taken by Chairman Fly in his opening statement [see page 52] which expressed an open mind by the FCC on the question of newspaper-ownership, his interrogation of witnesses indicated he was seeking to build a case against the propriety of joint newspaper-ownership and operation of broadcast stations. The whole trend of questioning by Commission counsel was in that direction.

The preponderant view was that thus far the expert witnesses called by the FCC had boomeranged. Direct testimony that appeared to support the contention of undersirability of joint operation (which was scant) promptly was exploded in questions largely from Commissioner T. A. M. Craven, or from Judge Thacher or Louis G. Caldwell, counsel for WGN, owned by the Chicago Tribune.

In the audience were some 50 or 60 publishers or editors of newspaper-owned stations, rallied largely by the Newspaper-Radio Committee, representing 120 stations, headed by Harold V. Hough, of WSB-PXGKO, and the Fort Worth Star-Telegram. The dominant view was that the FCC, or at least Chairman Fly, had already made up its mind to recommend that the inquiry be used to force divestiture of newspapers from stations, and that, on the long haul, the Administration, or at least the radical New Deal Free-Radio Committee, would have its way.

The view also was freely expressed on the sidelines that the expert testimony of witnesses, subpoenaed by the FCC at government expense, is not of paramount importance but that the "between-the-lines" interpretations will count. In this regard, greatest importance thus far has been attached to the presentation of a batch of exhibits prepared by the FCC's Accounting Department showing the economic position of newspaper-affiliated stations as compared to non-newspaper stations and the 31 stations owned or managed by the networks.

Sutton Supplies Data

DeQuincy V. Sutton, head broadcast accountant of the FCC, had just begun his explanation of these documents when the inquiry was recessed until Wednesday. He was the Commission's key witness during the chain-monopoly inquiry of 1938, which resulted in the eight punitive regulations now being enforced after reverberations that ran from the White House to the Capitol. In the newspaper-divestiture case he probably will assay to show by figures that there is a concentration of earnings in such jointly-owned ventures, and that competitive advantages result.

The star witness, called by the FCC as an expert, proved to be 72-year-old Marco Morrow, veteran of the Capper Publications in Topeka and board chairman of WBW. He described radio as "inherently a part of journalism" and favored newspaper ownership of stations without qualification. He favored, too, ownership of the only station in a community by the only newspaper, contending that this does not increase the danger of monopoly but would make for better public service.

Examination of witnesses for the FCC was handled by Thomas E. Harris, senior assistant general counsel, and Abe Herman, associate counsel, both of the Inquiry Division, who is supervising the FCC's "field work" in the newspaper inquiry, with investigators rummaging through station press association and network files for ammunition. This activity, indulged in for the first time by the FCC, has won the recently posed petition unit, a cry for innovation, the sobriquet "Super-Swoopers!

Hough Disappointed

Mr. Hough, following the first day's proceedings, expressed "keen disappointment with the Commission's denial of "fair hearing" on an issue which he said should have commanded immediate and impartial attention. Alluding to Chairman Fly's refusal to allow Mr. Thacher on his plea that the Commission had no power to make any classification of newspaper stations against them, Mr. Hough said this "departed from normal and customary procedure" and "just does not seem on the square to me."

Pointed out that the Commission now is refusing to act on pending applications for licenses by newspapermen "contrary to the duties imposed" as any other granting agency he mentioned, Mr. Hough said that regardless of any conclusions on the merits, "we were here with counsel after having petitioned for the right to be heard and after having been granted an opportunity to present the legal considerations involved."

No Conclusions Formed, Fly Says at Opening

Fireworks developed at the hearing almost with the opening gong. Chairman Fly first read into the record his opening statement in which he contended the joint control over newspapers and stations has been a topic of interest, "both in Congress and elsewhere."

After he had stressed the Commission's purpose as a "fact-finding" mission, he said no conclusions had been formulated and the facts developed at the hearings "may lead us to the conclusion that no rules or policies whatever need to be developed." Other alternatives, he said, were that the FCC could conclude recommendations be made to Congress, or that it "should lay down certain rules and policies within the jurisdiction already given it by Congress." [See text of statement on page 52].

Even before opposing counsel

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Table of stations identified by FCC with newspaper ownership and story analyzing FCC exhibits at Newspaper-Radio hearings will be found on pages 16-17.

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July 28, 1941 • Page 9
Hanson, Fly in Controversy
As ANPA's Plea Is Refused

CLEAR-CUT indication by the FCC that it intends to pursue its inquiry into the propriety of newspaper ownership of broadcast stations by court action, was given last Wednesday before the actual taking of testimony at the hearing.

The Commission announced its decision and order denying the motion of American Newspaper Publishers Assn. that the proceedings be vacated [BROADCASTING, July 21], and the Commission refused to permit Elwood Hanson, general counsel of ANPA, to argue his motion.

Mr. Hanson, in a rough-and-tumble colloquy with the chairman, finally served notice that he intended to litigate the issue if, and when the Commission sought to subpoena any of his clients. He told the Commission it would refuse the subpoena, indicating that in that manner the question would be brought before a properly constituted tribunal.

Later On, Perhaps
Chairman Fly likewise refused to be cowed, saying from Judge Thomas D. Thacher, chief counsel for the Newspaper-Radio Committee, on the whole question of the propriety of the proceedings, Judge Thacher was having second thoughts on the contention that the Commission was powerless to do anything about newspaper ownership of stations under the existing law.

The position taken by Chairman Fly, presumably after consultation with the Commission before the hearings got under way, was that there would be ample time to dispose of the whole question, if an issue is raised, as and when the Commission decided to issue regulations.

Finding it necessary to dispose of the Hansons motion before the proceedings actually were open, the Commission issued a 2½-page decision just before the proceedings started. It pointed out that the ANPA petition was filed July 15—eight days before the hearing—and requested the Commission to vacate its Orders 79 and 79-A, on the ground that it had legal authority to conduct such proceedings.

"Our jurisdiction to issue Order 79 and 79-A was considered prior to the promulgation of those orders," said the opinion. "It seems inconceivable to us that an argument could be seriously advanced against the inherent power of the Commission, as endowed by statute with power to hold hearings, issue subpoenas, etc., to conduct general hearings of the type involved here."

Electrically, it was construed as the Congressional intent, as reflected in the Communications Act, the Commission pointed out that within the purview of the FM, the question of newspaper ownership took on increased importance. It pointed out that of 116 applications for FM licenses, 45 filed by newspaper interests confronted the Commission with the necessity of determining whether granting of FM licenses to such interests would serve the public interest, convenience and necessity.

Can Study Anything
The Commission held that its authority under the Act to institute the proceedings on newspaper ownership is not limited, but that an inquiry may be authorized as to "any matter" concerning which "any question" may arise under "any of the provisions of this Act". Even if the questions arising under Orders 79 and 79-A were not clearly matters arising under Section 309, the opinion stated, the Commission could conduct "such a general inquiry preliminary to determining whether to make recommendations to Congress for additional legislation".

In denying the petition, the Commission concluded: "The instant petition appears to be less concerned with Order No. 79 and Order No. 79-A than with some possible regulations, the precise nature of which is uncertain, but which state, which it fears the Commission may promulgate at some future date. It would certainly not be conducive to the public's interest to permit petitioners to take any action at this time to argue the validity of purely suppositional regulations which may or may not be promulgated after the hearings are closed."

"If at the close of the hearings we do determine that the public interest makes regulation necessary or advisable, we will proceed to allow ample opportunity to argue the validity or invalidity of such regulations at that time."

Hanson Draws Wrath
Of Chairman Fly

Following a sharp interchange, Chairman Fly refused to permit Mr. Hanson to continue his preliminary argument, insisting he would have ample time later. Refusing to be silenced, Mr. Hanson said that witnesses of ANPA already subpoenaed by the Commission had refused to appear, and Chairman Fly snapped back that their failure to answer the subpoenas "will be taken up in future proceedings."

While there was no clarification, attorneys assumed the Chairman meant that the individuals might be cited in Federal court. But it was thought the FCC would not let the question of its right to conduct the proceedings undergo court test on the issue of the right to subpoena witnesses.

When Mr. Hanson persisted in his effort to challenge the Commission's jurisdiction, Chairman Fly sternly cracked back that he would not condone further interruptions and that the hearing would proceed. Mr. Hanson then placed in the record the argument he had prepared on the jurisdictional question.

After Mr. Hanson had stalked out of the room, he told newspaper-station attorneys what he had been advised not to appear in answer to subpoenas were James G. Stalhain, former ANPA president, and W. A. Vaikus, secretary-treasurer, now on active duty as a Lieutenant Commander in the Navy; Edwin S. Friendly, business manager of the Publishers Assn.; Arthur Robb, editor of Editor & Publisher, and William A. Thomas, director of the ANPA Bureau of Advertising. He said the FCC promised to make "illegal" and that it had no power to force appearance of witnesses by subpoena.

Thacher Also Denied
Right of Argument

Judge Thacher appeared to impress the Commission with his arguments, but Chairman Fly nevertheless, in the light of the ruling on the Hansons' motion, denied him the privilege of presenting his detailed statement. Mr. Thacher argued that the Commission, in a legislative proceeding under law hold up applications from newspapers, now in its files, whether standard or FM, since its conclusions must be in the nature of legislative recommendations to Congress.

Unless the present law is amended, Judge Thacher argued, the Commission cannot make a distinction between newspaper and non-newspaper applicants. He conceded the FCC's right to make the study, but said that whatever may be true of newspapers, the true fact is that the Commission lacks authority to act unless there is a change in statute.

When Judge Thacher suggested that the FCC first obtain from its counsel an opinion as to whether it has the legal right to distinguish between different classes of applicants or licensees, General Counsel Taylor interposed that he would not venture to render such an opinion "until the facts are in the record" and added the knew of no reason why the Commission should not postpone its ruling on jurisdiction.

Exhibits Introduced
By FCC's Witnesses

Only two witnesses were heard on the first day—Allen W. Saylor, supervising investigator of the FCC, who identified and explained series of records prepared under his direction and Elmo Roper, survey expert, whose public opinion studies appear in Fortune. All others were subpoenaed by the FCC as to its expert witnesses, and analyzed the results of studies bearing on both radio and newspaper public opinion, conducted by General Counsel Taylor.

Interrogated by David Lloyd, chief of the FCC Inquiry Division,
who directed the field investigation work that precipitated an industry furor, Mr. Sayler identified and placed on the record a series of exhibits dealing with newspaper ownership of broadcast stations, relationship of set ownership to newspaper circulation, and other comparisons bearing on the two media.

He was frequently interrupted by members of the Commission, who questioned the manner in which certain of the exhibits were prepared and what they tended to prove. Because of inaccuracies which were detected, permission was given the Commission staff to correct the exhibits and to change titles, headings and footnotes [See story on page 17].

The initial exhibit embodied a list of 298 stations which the FCC contended were associated with newspapers. Competent observers declared it was full of errors, and although described as being reasonably correct as of June 30, it failed to take into account a substantial number of changes authorized by the FCC itself prior to that date.

**Chairman Fly**

**Critical of Exhibits**

Chairman Fly led most of the questioning and apparently took to task FCC counsel because of the "lack of clarity" of the exhibits.

One of the exhibits introduced disclosed that there was newspaper circulation in the United States increased from approximately 29,000,000 in 1922 to more than 41,000,000 in 1940, though the number of daily newspapers decreased from 2,038 to 1,877 during the same period. The number of radio stations during this period increased from an estimated 30 to 822, with the number of receiving sets jumping from 400,000 to 50,000,000.

Judge Thacher questioned the accuracy of the sets-in-use figure, pointing out that the newspaper circulation was cumulative and that no accounting had been made of replacements.

The next witness was to have been L. D. H. Weld, director of research of McCann-Erickson, and research economist for Printers' Ink. Mr. Weld was absent due to illness, so the Commission received an identified exhibit tending to show estimated advertising expenditures in the five major media from 1928 through 1940, prepared by Mr. Weld.

**Roper Describes Habits of Public**

The data, published in past issues of Printers' Ink, showed that in 1940, of total advertising expenditures of $970,000,000, newspapers received $545,000,000; radio, $320,000,000; magazines, $160,000,000; outdoor, $50,000,000; farm papers, $15,000,000. This compared to $760,000,000 returned to newspapers in 1928 out of a total of $1,115,000,000 expended. In that year, radio was credited with $25,000,000.

Prof. Roper, subpoenaed by the Commission as its third expert witness, described in detail the results of several surveys made for Fortune, covering "the press and the people". He explained these surveys were conducted by the personal interview method. Analyzing the results of these surveys [previously published in Broadcasting], Prof. Roper said they indicated that people in the prosperous class devote more attention to newspapers than to radio, but those in the middle and poor classes listen more and more for their news.

He said he did not think there was any documentary proof that radio is faster as a new disseminating medium than newspapers, but that the public "feels it is faster".

Responding to Judge Thacher, Prof. Roper agreed that the general tempo of war events since the Munich crisis has increased both the volume of newscasts and of radio listening. Things are happening more quickly, he said.

In answer to Commissioner Crewen, Prof. Roper said he did not believe the results of his surveys indicated any lack of confidence by the public in newspapers, but indicated that radio as a source of news has increased in importance with the acceleration of world events. While this increase has taken place, he said newspapers had not retrogressed, accounting for the increase in newspaper circulation.

He said that to compare radio with the press is to compare an infant industry with an old established medium. The press has entered what he described as probably the "cool down" period, while radio is still in the mushroom growth era".

**Prof. Charnley Tells Of Script Problems**

Prof. Roper said his latest survey, made for a private client, showed that the tendency in the lower income level groups is to listen to the radio for news to an even greater extent, whereas for the prosperous group the newspaper remains the primary news source.

When the second Jay's session opened Thursday, Gov. Case was absent, due to illness. The Commission called as its first witness Mitchell V. Charnley, journalism professor at the U of Minnesota. In addition to teaching journalism, he has also specialized in radio script writing and explained that he was generally conversant with processing of news for radio as well as newspaper handling.

Examined by Assistant General Counsel Harris, who alternated with FCC Attorney Lloyd, he said there is a substantial difference in writing for the two media, since radio technique requires the "ear" appeal while the newspaper is geared toward eye appeal. Moreover, he explained the radio audience is likely to be a group, whereas the newspaper is prepared for reading by one person at a time.

Defining other variations in writing for the two media, Prof. Charnley said that the long story on the radio is very much different from the long story published in the newspaper, since radio offers news in capsule form. He cited a number of taboos on the air, which are used in newspapers regularly. Among these were the words "rape", "blood" and even "snake".

Prof. Charnley agreed that if two persons handled the processing of news for radio, their judgments would be different, primarily on the smaller items, but that surveys have revealed that selection of important news is relatively uniform.

**Finds Similarity In News Selection**

It would be desirable in the case of joint newspaper-radio ownership to have separate staffs select the news, he said, but in either event the selection would be relatively the same. Whereas the newspaper story uses a "hard lead", he said, in radio a "soft lead" is desirable, with shorter sentences and "second total story".

Chairman Fly pursued the examination to ascertain how much of a news budget coming from the press association or associations into a station actually gets on the air. Prof. Charnley said this would vary with the number of news services taken by the station and the amount of time devoted to newscasts, but would be only a fraction of that actually transmitted.

He agreed with Chairman Fly that people listen to important speeches on the air, whereas they probably do not read entirely through the same speeches when published in full text in the newspapers.

Chairman Fly said his effort was to ascertain who controlled the selection of news broadcast.

Cross-examined by Judge Thacher, Prof. Charnley said he had no information on the number of newspapers operating radio stations which used the same news staff. He declared his previous testimony was based on his own observations, but he had made no research on his own. As far as he was aware, he said, there was no basic difference between the news service provided stations and that supplied newspapers.

He said he was not in a position to express an opinion on comparative merits of newspaper affiliated stations and unaffiliated stations.

Quizzed by WGN Counsel Caldwell, Prof. Charnley said the chances were very great that any story heard on a newscast would

(Continued on page 32)
New York Keys of Networks
And AFM Sign New Contract

Three-Year Arrangement Provides Two Sets of Wage Increases, Adjustment to Living Costs

CONCLUDING six months of conferences between network and union contract writers, a contract was signed last week by NBC, CBS and WOR, New York MBS key station, and the New York local (802) of the American Federation of Musicians, covering musical network broadcasts until Feb. 1, 1944.

Contracts are retroactive to Jan. 20, 1941, when the broadcasters and union exchanged letters agreeing to continue the previous contracts except for certain provisions to be worked out in conference.

Wage Increases

Chief changes from the previous agreement include two sets of wage increases, one covering the year from Jan. 20, 1941 to Feb. 1, 1942, and the other covering the ensuing two years of the contracts; guarantees of ASCAP last week, and provision for adjustment of the salary scales if the cost of living should increase radically.

The three contracts are identical except for the minimum employment requirements, under which CBS agrees to maintain a minimum of 65 musicians, WOR 40 and NBC 25 for 24 hours and WOR 130 for nine months of the year and 115 for the remaining three months. NBC’s contract also contains a clause that should either of its New York stations be disposed of, its minimum would be reduced to that of CBS, or C.B.

New contracts allow for in full detail the matter of “delayed broadcasts” for individual stations unable to carry network programs at the time of the network broadcasts and for the regional groups which cannot advantageously carry the programs at the time of the network broadcasts.

Limit on Delay

No extra charge is made by the musicians for these delayed broadcasts, provided the regional recorded broadcast is made within 12 hours of the original program and the single station delayed broadcast made within 24 hours of the program. It is recorded in New York or 48 hours if it is recorded elsewhere.

For instrumentalists employed a full 25-hour five-day week on commercial programs (the weekly wage of $150 continues unchanged). Those employed for a 25-hour week on sustaining programs have been raised from $110 to $115 per week for the year and for the two years beginning Feb. 1, 1942, will receive $120 weekly.

Instrumentalists employed for a 20-hour week on either sustaining or sustaining programs will be raised this year from $115 to $120 weekly and next February will receive another $5 increase for the duration of the contract.

Per diem rates for instrumentalists have been boosted from $32.50 to $36.75 and for instrumentalists for commercials $25 to $30.50. Straight overtime charges have been increased from $1.25 an hour to $1.50.

Arrangers working on sustaining programs were raised from $110 to $115. For the remaining two years covered by the contract, commercial scale for arrangers remains at $160. Scale for arrangers working a 20-hour week on commercials remains at $125 a week until Feb. 1, 1942, when it becomes $130.

POLLY TELLS THE ARMY three mornings on KDON, Monterey, Cal., about social events, athletics and military news. Her participating program, called Private Polly, is built around talent from nearby Army posts, including radio folk. Here is she with Howard Nelson, formerly of WHN, New York (Left) and Paul Jones, formerly of NBC, Hollywood. The station has posted 1,500 placards on every bulletin board at the post. Program is heard 8-7 a.m. Private Polly is Polly Connell. Only soldiers’ requests are honored on the program.

Despite the rejection by the ASCAP board of NBC’s counter proposal for return of ASCAP music to its networks, conversations between the two organizations were resumed and it is expected that in due time an agreement will be reached.

The more pressing problems of the broadcasting industry, which have kept Niles Trammell, NBC president, and other key executives almost continuously in Washington, have tended to interrupt discussions and the vacation season, has produced further interruptions, so that no contract is expected before fall. It is generally believed, however, that if ASCAP and NBC come to terms, CBS will accept a similar ASCAP contract.

No official statements of progress have been forthcoming, but it is understood that when ASCAP turned down NBC’s proffered 2 1/2% of net time sales for a blanket license, and when NBC in turn refused to consider the 3% basis of the MBS contract, ASCAP officials sounded out Mr. Trammell on splitting and settling on 2 1/2% which they said they might be able to persuade the ASCAP board to accept.

ASCAP also suggested, it is understood, that the discussions be confined to network contracts only, leaving consideration of individual station licenses for NBC’s M&O stations to a later time, when they could be included in a general industry discussion. It would not be desirable, it was pointed out, for NBC and ASCAP together to set up a pattern for the entire industry, as part of a network contract.

Prosecution of ASCAP’s suit against NBC, CBS, NAB, BMI and their officers is largely dependent upon the outcome of the NBC-ASCAP negotiations, it is learned, and the likelihood of the suit being filed unless and until a complete breakdown occurs.

Meanwhile, ASCAP has secured further extensions from the July 26 deadline for its answer to the BMI-Marks suit on the question of whether performance rights are owned by the composer or the publisher.

The court has given ASCAP an additional 10 days in which to move for dismissal of the suit and 20 days after that in which to file an answer if dismissal is not requested, which in effect postpones the deadline a month.

Nominating committees of ASCAP last week presented to the board of directors their list of candidates for the 12 vacancies in the board and ballots are now being mailed to ASCAP members. Results will be announced at the general membership meeting in August. Three board members are to be elected from each class of candidates.


Bayuk Expanding

BAYUK CIGARS Inc., Philadelphia, on Aug. 4 is expanding its MBS schedule for Phillies with a new half-hour program titled Cal Tinsley Sticks Up the West on Monday and Wednesday, 8:15 p.m., on 74 stations with West Coast repeat at 7:15 p.m. (PST). On Aug. 5 Sam Balter’s Inside Sports program will shift from 70 to 74 stations, Tuesday, Thursday, Saturday, 1:30-3:30 with a repeat for the West Coast at 7:15 p.m. (PST). In New England the program will shift from Yankee Network, Monday, Wednesday, Friday, to Colonial Network, Monday, Wednesday, Thursday, Saturday, effective Aug. 4. The Inside Sports program will originate from WFIL, Philadelphia, instead of the West Coast, as here before, and will be heard on WENZ, WENR, and WENR, New York, the agency, will be announced early this week.

Spots for ‘Sergeant York’

WARNER BROS., New York, has appropriated $500,000 for the country-wide promotion of the picture, ‘Sergeant York’, which includes spots on radio stations in cities where the picture is to be shown. Details, being worked out between Warner and Reine-Thompson, New York, the agency, will be announced early this week.

MacMillan Oil Spots

MACMILLAN PETROLEUM Corp., Los Angeles (MacMillan Ring-Free Motor Oil), plans to continue its advertising with two early morning programs, Good Morning, six days a week, on KNX and KFWG, Chicago, and Newsreel Theatre of the Air, daily on WHN, New York. Agency is Roy S. Durstine Inc., New York.
Mr. Carleton Covany
John Blair & Company
Chamber of Commerce Building
Los Angeles, California

July 9th 1941

Mr. Wilkinson of Lord & Thomas has told me of your fine cooperation in connection with our spot broadcasting activities. Thank you, and please convey my appreciation to your stations which are carrying our business.

While our campaign employs all basic media, we are mindful and appreciative of the opportunity which spot radio affords in supplementing and augmenting the coverage of other media on short notice when conditions in this quickly changing business make such effort advisable.

It is of value to us in our campaign, for example, to remind the public of the value of hot lemonade in centers affected by flu epidemics. We also find it productive in bolstering distribution in particular areas, to put pressure behind especially competitive markets and to fill in the gaps not covered by our network program. Spot broadcasting enables us to adjust our advertising to local situations effectively — and quickly.

Again, please accept my thanks for your cooperation.

Russell Z. Eller

Sincerely yours,

[Signature]

Mr. Carleton Covany

“SPOT BROADCASTING enables us to adjust our advertising to local situations effectively—and quickly”

... says Mr. Russell Z. Eller for Sunkist

In the fast moving produce business, local problems frequently arise—seasonal, competitive or market-wise—which "national" advertising is too inflexible, too slow acting to deal with. That is why Sunkist and many another large network advertiser turns to Spot Radio for local action where and when the action is needed. It's a way to bring advertising and sales management a long step closer together...to the boundless benefit of both!

- Spot Broadcasting assures maximum effectiveness because you have unrestricted choice of stations and of spots with known audience.

Ask a John Blair man.
New NBC Station
To Pick Up Foreign Programs Opened

Network Listening Post Now Ready for Another Crisis

NBC's new listening post located at Belmore, Long Island, 40 miles from the interfering influences of Manhattan's steel buildings and electrical circuits, was formally dedicated last Wednesday in the presence of some 150 newspaper and radio men.

Participating in the brief ceremony, which was broadcast on NBC's Blue Network, were Joseph V. Connolly, president of International News Service; Harry Flory, foreign news editor of United Press; Byron Price, executive news editor of Associated Press; Niles Trammell, NBC president; Jules Van Item, chief of the listening post; George Torel, station manager at the post, and H. V. Kaltenborn, news commentator.

Moscow Like a Local

The program also included pick-ups of shortwave broadcasts from Rome, Moscow, Berlin and London as received at the new location, featuring the transmitter of WEAF, New York key station of the Red Network.

At this location, described by Mr. Van Item as one of the most favorable along the Atlantic Coast, a battery of eight of the most sensitive shortwave receivers which bring in stations as far away as Moscow with the clarity of local stations, was installed. A crew of 24, 12 engineers and 12 monitors, operate the post. Minimum qualifications for the position of monitor, Mr. Van Item explained, include familiarity with at least four languages in addition to English. Altogether the staff can understand and translate 22 different foreign languages, he added.

The post is linked to NBC's newswroom at Radio City by typewritercircuit, private telephonenonline, a microphone circuit and a program transmission line. Foreign broadcasts monitored at the post are simultaneously recorded for playback and translation and then translated and the address, communicenewspaper or news report is immediately relayed to Radio City.

Raymond F. Guy, radio facilities engineer, said a series of rhombic receiving antennas will be installed at the post within the next ten days, diamond in shape and mounted on poles 60 feet high, the new antennas will be 25 feet long and pointed in the direction of the overseas stations to be covered.

One antenna will be directed towards Europe, another towards the Orient once a third for listennhg to a single station, the Free French transmitter at Brazzaville, French Equatorial Africa. Antennas for monitoring Latin American stations will be added after completion of the first three, Mr. Guy said.

Preparing for another period of crisis, such as those at the time of the Nazi occupation of Czechoslovakia, the Munich days and the time immediately preceding the beginning of hostilities in 1939, NBC has equipped the post with sleeping quarters so the post's staff may be available at any moment.

Radio Is Ready

Explaining the importance of the post's operations, Mr. Trammell stated: "Radio waves, unless they are harnessed, as in our democracy, for the entertainment and public service of its people, can be as deadly to morale as bullets are to bodies. Britain, in the early days of the war, watched as her friends and allies weakened, became confused and were split by the barrage of radio propaganda from Berlin. We can profit by those mistakes."

"American radio is ready and trained for this barrage, if it should ever be directed at us. Careful planning, long study, has taught us to differentiate between news and propaganda, to judge fact and fancy. In many languages—French, German, Spanish, Norwegian, Italian, Dutch and English—NBC's monitors listen to these broadcasts. Broadcasts are translated, summarized, evaluated and then broadcast and given to our free press. They are available to all in order that we in a democracy can hear all sides, and with our free and undistorted minds, decide what we believe to be the truth."

Ted Church Quits
GOP's Radio Post
Cites Inactivity and Lack of Funds for Resignation

WELLS (Ted) CHURCH, for three years director of radio for the Republican National Committee, has announced his resignation from that post effective Aug. 1. Lack of committee funds and inactivity, Mr. Church said, brought about the decision. He said he had definite plans for the future, but they were small and of a confidential nature.

Mr. Church

Mr. Church took over the radio activities of the GOP in July, 1938, handling the 1938 bi-election campaign, the 1940 convention and the 1940 election. He estimates that when he took over the Republican speakers were in a 3-to-1 minority on the air, subsequently swinging this situation on to an even keel.

Mr. Church paid high tribute to the fairness of the radio industry as to politics.

"I was given every assistance," he told BROADCASTING, "the pleasant incidents far outweighing the regretful ones. My only regret is that there are still a few station managers in the nation who fail to see that a black ledger is inextricably linked with public service operation.

"For a simple case in point, but last week a GOP member of Congress received a letter from a station executive refusing to carry monthly 15-minute talks by the Congressmen on the ground that the broadcasting of your programs would place them in the vulnerable position of having to grant equal time on the air for the opposition to any point of your discussion, and, frankly, this we cannot afford to do. As long as such fallacious thinking exists in high places, the radio industry will have trouble."

Biggest Spot Campaign
Is Projected for Vicks

VICK CHEMICAL Co., New York, on Sept. 29 will inaugurate the most extensive spot campaign in its history, according to Morse International, New York, agency in charge. More than $400,000 has been appropriated and over 200 stations will be under contract during the 26-week period.

All Vicks products will be promoted—Vaporub, Vatronol, Vick Cough Drops, Vick Inhaler and Vick AQ Nose Drops, with the first two emphasized during the entire campaign while the others are to be plugged for shorter periods of 13-16 weeks. The schedules will vary in different markets.

Mrs. Roosevelt Program
Is Booked for 32 Weeks

PAN AMERICAN COFFEE BUREAU, New York, on Oct. 5 will start a quarter-hour period of news comment by Mrs. Franklin D. Roosevelt, Sundays 6:45-7 p.m., on 111 NBC-Blue stations with possibly more stations to be added.

The program will stress the good neighbor policy and further cultural relations between the Americas while plugging greater consumption of coffee with the theme, "Get more out of life with coffee—the Americas' favorite drink". The contract is to run for 32 weeks with options, while spot radio tests may be made later. The bureau is composed of representatives of seven South American countries. Agency is Buchanan & Co., New York.

All-Night for WAAT

ANOTHER station in the metropolitan New York area goes on a round-the-clock schedule when WATT, Jersey City, begins 24-hour operation daily except Sunday, starting at midnight July 28. L. E. Gross, known on the air as "Bob Elliot", recently with WHT, will m.c. the midnight-to-7 a.m. show.
As far back as radio goes, as far back as the first attempts at radio surveys go, WKY has enjoyed a decisive leadership in Oklahoma among listeners, among dealers, among advertisers. This leadership has been maintained continuously, year after year, under permanent, unwavering policies of sound management, skillful programming and endless exploitation. WKY's record of past leadership accurately mirrors its future.

More complete details of the surveys capsuled at the right are available upon request.

**WKY • OKLAHOMA CITY**  
**NBC-RED NETWORK • 930 KC.**

**TELEPHONE COINCIDENTAL SURVEY**
Where: Oklahoma City  
Period: Daily morning, daily afternoon  
Made by: Large department store  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>51%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second station</td>
<td>16%</td>
</tr>
<tr>
<td>Third station</td>
<td>14%</td>
</tr>
<tr>
<td>Fourth station</td>
<td>11%</td>
</tr>
</tbody>
</table>

**TELEPHONE COINCIDENTAL SURVEY**
Where: Oklahoma City  
Period: Daily morning, daily afternoon  
Made by: Large department store  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>66%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second station</td>
<td>16%</td>
</tr>
<tr>
<td>Third station</td>
<td>11%</td>
</tr>
<tr>
<td>Fourth station</td>
<td>6%</td>
</tr>
</tbody>
</table>

**MAIL QUESTIONNAIRE TO FARMERS**
Where: Statewide  
Date: May 1939  
Question: To whom do you listen to most frequently?  
Made by: Radio service organizations  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>48%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Another Oklahoma City station</td>
<td>15%</td>
</tr>
<tr>
<td>Another Oklahoma City station</td>
<td>5%</td>
</tr>
</tbody>
</table>

**TELEPHONE COINCIDENTAL SURVEY**
Where: Oklahoma City  
Period: Daily morning, daily afternoon  
Made by: Local advertising agency  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>57%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second station</td>
<td>16%</td>
</tr>
<tr>
<td>Third station</td>
<td>6%</td>
</tr>
<tr>
<td>Fourth station</td>
<td>6%</td>
</tr>
</tbody>
</table>

**SURVEY BY PERSONAL INTERVIEWS**
Where: Oklahoma City  
Date: Spring 1939  
Question: "What station do you listen to most frequently?"  
Made by: Nationally known organization  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>71%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third station</td>
<td>9%</td>
</tr>
<tr>
<td>Fourth station</td>
<td>7%</td>
</tr>
</tbody>
</table>

**SURVEY BY TELEGRAPHIC QUESTIONNAIRE**
Where: Statewide  
Date: October 1937  
Question: "What radio station do you listen to most frequently?"  
Made by: Electric service organization  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>51%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Another Oklahoma City station</td>
<td>10%</td>
</tr>
<tr>
<td>Another Oklahoma City station</td>
<td>8%</td>
</tr>
</tbody>
</table>

**SURVEY BY MAIL QUESTIONNAIRE**
Where: Oklahoma City  
Date: February 1937  
Question: "What radio station do you listen to most frequently?"  
Made by: Radio service organization  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>53%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second station</td>
<td>5%</td>
</tr>
<tr>
<td>Third station</td>
<td>1%</td>
</tr>
<tr>
<td>Fourth station</td>
<td>5%</td>
</tr>
</tbody>
</table>

**SURVEY BY MAIL QUESTIONNAIRE**
Where: Oklahoma City  
Date: May 1936  
Question: "What radio station do you listen to most frequently?"  
Made by: Radio service organization  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>79%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figures for other stations not included</td>
<td></td>
</tr>
</tbody>
</table>

**TELEPHONE COINCIDENTAL SURVEY**
Where: Oklahoma City  
Period: Daily  
Made by: Local advertising agency  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>46%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Dallas station</td>
<td>5%</td>
</tr>
<tr>
<td>Another Oklahoma City station</td>
<td>3%</td>
</tr>
</tbody>
</table>

**SURVEY BY PERSONAL INTERVIEWS**
Where: Oklahoma City  
Date: November 1935  
Question: "What radio station do you listen to most frequently?"  
Made by: Local advertising agency  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>77%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second station</td>
<td>3%</td>
</tr>
<tr>
<td>Third station</td>
<td>2%</td>
</tr>
</tbody>
</table>

**SURVEY BY PERSONAL INTERVIEWS**
Where: Oklahoma City  
Date: December 1935  
Question: "What radio station do you listen to most frequently?"  
Made by: Local advertising agency  
Result:

<table>
<thead>
<tr>
<th>WKY</th>
<th>81%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Cincinnati station</td>
<td>3%</td>
</tr>
<tr>
<td>A Dallas station</td>
<td>2%</td>
</tr>
</tbody>
</table>
Stations Identified by the FCC With Newspaper Ownership

FCC Hearing Exhibit II Purporting to Show 'Degree of Ownership'

(As of June 30, 1941)

A-I: Licensee—Newspaper

KBLX, Muskogee, Okla.
KBBN, Bond, Ore.
KDKT, Dubuque, IA.
KEX, Portland, Ore.
KFAM, St. Cloud, Minn.
KFFZ, Food du lac, Wis.
KGFF, Coffeyville, Kan.
KGO, Mason City, IA.
KGW, Portland, Ore.
KHMN, Hannibal, Mo.
KHUB, Waterville, Cal.
KHOW, Omaha, Neb.
KDPN, Tampa, Tex.
KPRC, Houston, Tex.
KRVJ, Missoula, Mont.
KRRB, Roseburg, Ore.
KSCI, Sioux City, Ia.
KSD, St. Louis, Mo.
KTMS, Santa Barbara, Calif.
KVSO, Ardmore, Okla.
KWSJ, Jefferson City, Mo.
KXOK, St. Louis, Mo.
WAAP, Chicago, Ill.
WAIM, Anderson, S. C.
WALB, Albany, Ga.
WAOU, Vincennes, Ind.
WABG, Atlantic City, N. J.
WABW, Fort Worth, Tex.
WBRY, Waterbury, Conn.
WCAX, Burlington, Vt.
WCAI, Columbus, Miss.
WCLO, Janesville, Wis.
WDAE, Tampa, Fla.
WDAF, Kansas City, Mo.
WDAN, Danville, Ill.
WDJB, Roanoke, Va.
WDWS, Champaign, Ill.
WELI, Battle Creek, Mich.
WEND, Elmiria, N. Y.
WFAR, Dallas, Tex.
WHGC, Greenock, S. C.
WFIA, Tampa, Fla.
WHAS, Louisville, Ky.
WHBL, Sheboygan, Wis.
WHIS, Bluefield, W. Va.
WHLD, Niagara Falls, N. Y.
WJAG, Norfolk, Neb.
WJMC, Riche Lake, Wis.
WKAT, Miami Beach, Fla.
WKRC, Cincinnati, Ohio
WMC, Memphis, Tenn.
WWMJ, Cordelle, Ga.
WNBH, New Bedford, Mass.
WQAN, Scranton, Pa.
WSB, Atlanta, Ga.
WSBT, South Bend, Ind.
WSGN, Birmingham, Ala.
WJS, Winston-Salem, N. C.
WTAG, Wochester, Mass.
WITT, Hartford, Conn.
WTJX, Jackson, Tenn.
WTMJ, Milwaukee, Wis.
WTRC, Elkhart, Ind.
WWJD, Detroit, Mich.
WWNC, Asheville, N. C.
WWNY, Watertown, N. Y.

A-II: More than 50% of stock of licensee owned by newspaper.

KAST, Astoria, Ore.
KEVE, Carlsbad, N. M.
KCKN, Kansas City, Kan.
KCMC, Terreka, Tex.
KERN, Bakersfield, Cal.
KFRB, Lincoln, Neb.
KFBQ, Cheyenne, Wyo.
KFBK, Sacramento, Cal.
KFOR, Lincoln, Neb.
KFRU, Columbus, Mo.
KF GG, Shawnee, Okla.
KGNC, Amargila, Tex.
KUIN, Peon, Tex.
KJMJ, Fresno, Cal.
KMJJ, Grand Island, Neb.
KOH, Reno, Nev.
KOIL, Omaha, Neb.
KRLD, Dallas, Tex.
KNTV, Des Moines, Ia.
KQEO, Des Moines, Ia.
KTAB, Phoenix, Ariz.
KTBS, Shreveport, La.
KTHI, Houston, Tex.
KWKG, Stockton, Cal.
KWKH, Shreveport, La.
KXAY, San Francisco, Cal.
WBEN, Buffalo, N. Y.
WCAE, Pittsburgh, Pa.
WGSH, New York, Va.
WGN, Chicago, Ill.
WBRC, Canton, O.
WHDL, Olea, N. Y.
WHIO, Dayton, O.
WHK, Cleveland, O.
WHKC, Columbus, O.
WHP, Harrisburg, Pa.
WIBA, Madison, Wisc.
WBW, Topkea, Kan.
WINS, New York City, N. Y.
WIOD, Miami, Fla.
WIRE, Indianapolis, Ind.
WISN, Milwaukee, Wis.
WJAC, Johnstown, Pa.
WKY, Oklahoma City, Oklahoma
WLB, Chicago, Ill.
WMBH, Joplin, Mo.
WMBO, Auburn, N. Y.
WMPA, Memphis, Tenn.
WMSP, Memphis, Tenn.
WMT, Cedar Rapids, Ia.
WOWI, Owensboro, Ky.
WPD, Petersburg, Va.
WRAK, Williamsport, Pa.
WRK, Rockford, Ill.
WSAN, Allentown, Pa.
WBCE, Allentown, Pa.
WCLE, Cleveland, O.
WCUA, Pensacola, Fla.
WDAF, Kansas City, Mo.
WDYK, Panama City, Fla.
WDMJ, Marquette, Mich.
WDNC, Durham, N. C.
WEFR, Buffalo, N. Y.
WGAU, Athens, Ga.
WGAN, Portland, Me.
WMIQ, Quincy, Ill.
WNNX, Yankton, S. D.
WQBC, Victoria, B.C.
WJRJ, Racine, Wis.
WRL, Richmond, Va.
WSTP, St. Petersburg, Fla.
WAZ, Huntington, W. Va.
WSYL, Decatur, Ill.
WTOA, Norfolk, Va.
WTCN, Minneapolis, Minn.
WTMA, Charleston, S. C.
WTCM, Ocala, Fla.
WWW, Pittsburgh, Pa.

A-III: More than 50% of stock of licensee held by a combination of the interests of the newspaper and of executives, stockholders, or employees of the same newspaper.

WCFQ, St. Joseph, Mo.
KGKOS, Fort Worth, Tex.
KMYC, Marysville, Cal.
KTKC, Vicksburg, Miss.
KUAU, Eau Claire, Wis.
KUSS, St. Louis, Mo.

A-V: More than 50% of stock of licensee held by executives, stockholders, or employees of a newspaper.

KARK, Little Rock, Ark.
KBST, Big Spring, Tex.
KCOG, Eclisp, Okla.
KDFD, El Dorado, Ark.
KFDA, Amarillo, Tex.
KFH, Wichita, Kan.
KFKQ, Kettle Creek, O.
KFGW, Lubbock, Tex.
KGAL, San Angelo, Tex.
KGN, Dodge City, Kan.
KHAS, Hastings, Neb.
KHSL, Chico, Cal.
KLBM, La Grande, Ore.
KLOG, Ogden, Utah.
KLX, Oakland, Calif.
KLZ, Denver, Colo.
KOB, Albuquerque, N. M.
KOME, Tulsa, Okla.
KOGS, Marshfield, Ore.
KFOS, Phoenix, Ariz.
KKBG, Abilene, Tex.
KRGV, Weslaco, Tex.
KRIC, Beaumont, Tex.
KROD, El Paso, Tex.
KZAL, Salina, Kan.
KZRO, Santa Rosa, Ariz.
KTEM, Temple, Tex.
KTOK, Oklahoma City, Okla.
KRTS, San Angelo, Texas
KTVV, Redding, Calif.
KUOA, Tucson, Ariz.
KYOR, Colorado Springs, Colo.
KWIL, Albany, Ore.
KWKX, Longview, Wash.
KWNQ, Winona, Minn.
KYGS, Merced, Cal.
WAFR, Morgantown, W. Va.
WAY, Waynesboro, Va.
WAZL, Hazleton, Pa.
WBAL, Baltimore, Md.
WBML, Clarkstown, W. Va.

A-IV: Exactly 50% of stock of licensee held by newspaper.

KTRI, Sioux City, Ia.
KXOL, Lafayette, La.

A-VI: Exactly 50% of stock of licensee held by person or persons having newspaper interest

KNOW, Austin, Tex.
KXUI, Granite Pass, Ore.
KXAN, Vanderburg, Wash.
KXOU, Sweetwater, Tex.
KXAN, Yankton, S. D.

B-I: Less than 50% of stock of licensee owned by newspaper.

KALE, Portland, Ore.
KFBB, Great Falls, Mont.
KFDM, Beaumont, Tex.
KGBC, Springfield, Mo.
KCHI, Little Rock, Ark.
KJFM, Eureka, Cal.
KLRA, Little Rock, Ark.
KOKI, Portland, Ore.

B-II: Less than 50% of stock of licensee held by executives, stockholders, or employees of a newspaper. (This excludes those stations where though less than 50% of stock in licensee is held by executives, stockholders, or employees of a newspaper, combination of such interests with that owned by a newspaper places the station in A-III.)

KATE, Albert Lea, Minn.
KBWD, Brownwood, Tex.
KCSO, Kansas City, Mo.
KCRJ, Jerome, Ariz.
KCFN, Sheenobah, Ia.
KPLC, Lake Charles, La.
KPLT, Paris, Tex.
KRIS, Corpus Christi, Tex.
KSBV, Sherman, Tex.
KTCU, Tusca, Ariz.
KYCW, Vernon, Tex.
KWOC, Poplar Bluff, Mo.
KYCA, Prescott, Ariz.
KHC, Mountain View, Calif.
KAK, Colorado Springs, Colo.
KLAW, Lawrence, Mass.
WABY, Albany, N. Y.
WLAB, Ogdensburg, N. Y.

FCC Newspaper Data Draw Criticism

Careless Tabulations in Exhibits Lead to Laughter

A VERITABLE hodge-podge of tabulations and statistics, the accuracy and pertinence of which were frequently challenged and criticized by members of the FCC itself, was introduced at the opening session of the newspaper-radio hearings last Wednesday as the Commission placed its first witness on the stand. He was Allen W. Sayler, supervising investigator of the staff headed by David Lloyd, who handled the questioning of Mr. Sayler and who identified the exhibits for the record.

Indicating that the tables were not acceptable even to the Commissioners in their present form, was the ruling by Chairman Fly that they be simply marked for identification subject to revisions and corrections as the errors are called to attention. Chairman Fly also requested at various times that table headings be changed and, as he put it at one juncture, made "more lucid and self-explanatory." Even the identification marks labelled by Mr. Sayler were changed by order of the chairman.

The Audience Laughed

Frequent chuckles were heard in the audience as counsel for and principals in the stations identified as to their newspaper affiliations perused the mass of mimeographed releases and noted how they were identified and how the statistical tables were arranged.

The first table purporting to list the standard broadcast stations identified with the newspapers, was identified as to their newspaper affiliations perused the mass of mimeographed releases and noted how they were identified and how the statistical tables were arranged.

FCC EXHIBIT IX

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Broadcast Stations</th>
<th>Total Number of Newspapers</th>
<th>Number of Daily Newspapers</th>
<th>Total Circulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1922*</td>
<td>52</td>
<td>400,000</td>
<td>2,005</td>
<td>25,860,288</td>
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<tr>
<td>1923*</td>
<td>556</td>
<td>1,500,000</td>
<td>2,055</td>
<td>51,453,583</td>
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<tr>
<td>1924*</td>
<td>571</td>
<td>4,000,000</td>
<td>2,056</td>
<td>32,999,437</td>
</tr>
<tr>
<td>1925*</td>
<td>552</td>
<td>4,000,000</td>
<td>2,051</td>
<td>33,709,369</td>
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<tr>
<td>1926*</td>
<td>733</td>
<td>8,500,000</td>
<td>1,949</td>
<td>37,966,766</td>
</tr>
<tr>
<td>1927*</td>
<td>677</td>
<td>8,500,000</td>
<td>1,939</td>
<td>37,972,592</td>
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<tr>
<td>1928*</td>
<td>618</td>
<td>15,000,000</td>
<td>1,942</td>
<td>39,385,172</td>
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<tr>
<td>1929*</td>
<td>612</td>
<td>20,000,000</td>
<td>1,923</td>
<td>38,761,187</td>
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<td>1930*</td>
<td>606</td>
<td>20,000,000</td>
<td>1,913</td>
<td>36,407,297</td>
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<td>1931*</td>
<td>610</td>
<td>22,000,000</td>
<td>1,911</td>
<td>35,176,238</td>
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<td>1932*</td>
<td>591</td>
<td>28,000,000</td>
<td>1,929</td>
<td>35,679,010</td>
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<td>1933*</td>
<td>605</td>
<td>29,000,000</td>
<td>1,986</td>
<td>35,158,440</td>
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<td>1934*</td>
<td>632</td>
<td>13,000,000</td>
<td>1,889</td>
<td>40,292,266</td>
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<td>1935*</td>
<td>685</td>
<td>37,600,000</td>
<td>1,983</td>
<td>41,418,730</td>
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<tr>
<td>1936*</td>
<td>721</td>
<td>40,500,000</td>
<td>1,936</td>
<td>39,871,839</td>
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<td>1937*</td>
<td>764</td>
<td>45,200,000</td>
<td>1,888</td>
<td>36,670,882</td>
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<tr>
<td>1940*</td>
<td>814</td>
<td>50,100,000</td>
<td>1,877</td>
<td>41,009,268</td>
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<tr>
<td>1941*</td>
<td>889</td>
<td>58,600,000</td>
<td>1,840</td>
<td>40,784,228</td>
</tr>
</tbody>
</table>

FIRST WITNESS at the newspaper hearings, destined to run for months (with anticipated recesses), was Allen W. Sayler, supervising investigator of the Commission's Inquiry Section, who identified a series of exhibits prepared under his supervision.

The Glaring Mistakes

Among the glaring errors in the master list (Exhibit I), purport to set forth "standard broadcast stations affiliated with newspapers interests as at June 30, 1941," a preliminary perusal disclosed the following:

1. The three California stations—KHSU, Chico; KYOS, Merced; KVCV, Redding—are listed despite the fact that the McClung family, former publishers of the Merced Sun-Star and still the owners of those stations, sold the newspaper in latter March [BROADCASTING, April 7] and are no longer identified with the publishing business in any way.

2. The three West Virginia stations—WCHS, Charleston; WLRK, Clarksburg; WPAR, Parkersburg—are identified with the Clarksburg Telegram and Exponent, despite the fact that John A. Kennedy, owner of the stations, sold his family's interest in the newspapers some months ago, and is now engaged solely in operating radio stations.

3. The radio stations WCBA and WSAN, in Allentown, Pa., are listed as separate stations despite the fact that early this year these stations were combined into one under the call letters WSAN by the FCC itself.

4. WHAT, Philadelphia, is properly identified with the Philadelphian Record and the Camden Courier-Post, but also listed as a New York Post which was sold last year by the Stern family to other interests.

The table purporting to list the special broadcast stations saw the following glaring errors:

5. WKIP, Poughkeepsie, is listed as identified with the Poughkeepsie Journal, but is also listed with the Scripps-Howard group of stations, apparently because Mr. Pepperday in an independent capacity represents the Rocky Mountain Division of that chain; newspaper publishers of no interest whatsoever in KOB.

6. The list omits entirely the four stations in Hawaii—KGBM, Honolulu; KGU, Honolulu; KHBC, Kailua; KBH, Lahaina—all of which have definite newspaper affiliations, and the one in Alaska—KFAK, Fairbanks. This omission is inexplicable, in view of the fact that these six territorial stations are licensed by the FCC and in practically all respects are treated like continental United States stations, operating under exactly the same regulations.

Breakdown of Ownership

Exhibit II broke down the Exhibit I list of stations in which newspapers were directly the licensees; 11 in which more than 50% of the stock of the licensee company is owned by newspapers; 10 in which less than 50% of the stock is held by a combination of interests of the newspaper and of executives, stockholders or employees of the same newspaper; 3 in which exactly 50% of the stock is held by newspaper interests; 84 in which more than 50% of the stock is held by executives, stockholders or employees of a newspaper; 9 in which 50% of the stock is held by persons or having newspaper interests; 16 in which less than 50% of the stock is owned by newspapers; 89 in which less than 50% of the stock is held by executives, stockholders or employees of a newspaper.

Sources of the information were said by Mr. Sayler to be not only the FCC records but the 1941 Yearbook of the Poughkeepsie Star & Enterprise, Eagle News & Sun Courier, although these newspapers were not held to the Speidel chain some months ago, and the station is independently owned by Richard E. Coon, former editor of the newspapers.

6. WLW and WSAL, Cincinnati, are identified along with WING, Dayton, and WIZE, Springfield, as having newspaper interests identified with the newspapers by mere reason of the fact that Charles Sawyer, counsel for the Crosley Corp. and director of that company, owns the WSAI stations; owns the Lancaster (O.) Eagle Gazette in addition to WING and WIZE.

7. The Minneapolis Star-Journal and Columbus Citizen are identified with WTSP, St. Petersburg, along with the St. Petersburg Times, although there is no interlocking interest whatever among these newspapers. WTSP is personally owned by Nelson P. Poynter, a member of the Newspaper Committee's steering committee, while editor of the St. Petersburg Times and who once was employed by the Minneapolis Star-Journal and Columbus Citizen.

8. KOI, Albuquerque, is identified not only with the Albuquerque Journal, of which T. M. Pepperday is publisher, but it is also identified with the Scripps-Howard group of stations, apparently because Mr. Pepperday in an independent capacity represents the Rocky Mountain Division of that chain; newspaper publishers of no interest whatsoever in KOB.

(Continued on page 50)
 Fly Relents, Giving Nets Breathing Spell

‘Orderly’ Sale of Property Basis Of Delay

A BREATTHING SPELL until Sept. 16 on the network-monopoly rules was authorized last Tuesday by the FCC following a series of conferences of top network officials with FCC Chairman James Lawrence Fly.

Indicating a sudden change of attitude, Chairman Fly last Monday (July 21) announced that NBC and CBS, without opposition from MBS, had petitioned the Commission for postponement of the rules, scheduled to become effective Aug. 2 (the FCC mentioned the effective date as July 30) until Sept. 16.

‘Orderly’ Sale

The following day the Commission announced approval of the petition, with the further proviso that those rules which would force sale by NBC of its Blue Network, as well as sale by both NBC and CBS of stations owned in other than key markets, would be extended from time to time to permit “orderly disposition of properties.”

Under the agreement, all networks will maintain the status quo in their relationship with affiliates and in their over-all operations until the rules are changed and contracts are revised accordingly. In effect, the networks have a 45-day extension.

At the time of the postponement, which Chairman Fly previously had indicated would not be authorized on all of the rules, it was disclosed that Telford Taylor, FCC general counsel, would carry forward intensive conversations with the network executives toward revision of the regulations. These got under way promptly on Tuesday and were continued Thursday and Friday.

The objective, it is understood, is to procure an agreement on revised rules at least 30 days in advance of the new effective date, to give the networks ample time to revise affiliate contracts in accordance with the rules as agreed upon. Meanwhile, the matter of possible court test of the Commission’s jurisdiction to issue the regulations, as well as the question of new legislation, have not been overlooked, it was reported.

Chairman Fly’s conciliatory attitude developed over the weekend after the major networks had all but despaired of hope.

Last Monday when the NBC and CBS contingents entered the conference room, without opposition by MBS, accompanied by their chief counsel, they were prepared to announce they immediately would litigate the whole question because there appeared little likelihood of obtaining changes in the rules. Mr. Fly, however, reopened the question of postponement of the regulations and the agreement on the petition ensued. What transpired over the weekend was not clear, though it was thought there had been intercession from other quarters.

Wheeler Informed

Chairman Wheeler (D-Mont.) of the Senate Interstate Commerce Committee, who originally suggested the conference method, was in town. Whether he interceded was not known, though it has been apparent he has kept abreast of virtually all aspects of the conferences. He had previously urged that ample time be given to compromise differences, and Chairman Fly, during his testimony before the committee last month on the White Resolution, had committed himself to an effort to work out the rules in amicable fashion.

Following the Monday session, at which time it was agreed that conferences should be continued with General Counsel Taylor toward revision of the rules, the Commission issued a joint statement on behalf of Chairman Fly and representatives of the three networks. Conferences at the all-day session, in addition to Chairman Fly and General Counsel Taylor, included Niles Trammell, Frank E. Mullen and F. M. Russell for NBC; William S. Paley, Edward Klauber and Harry C. Butcher for CBS; and Fred Weber and Louis G. Caldwell for MBS. They had been the conferences during the preceding week.

Text of Statement

The text of this announcement follows:

At the close of a conference today between James Lawrence Fly, chairman of the FCC, and representatives of NBC, CBS and MBS, the following joint statement was issued by the three networks:

"On petition from National and Columbia, without opposition by Mutual, the Commission is being requested to postpone the effective date of the Order of May 2, 1941, from July 30 to Sept. 16, 1941. This postponement is being requested by National and Columbia in order to permit more time for the discussions that have been going on during the past ten days in which the various problems that confront the Commission and the networks are being explored.

The officials of the networks are hopeful that the additional time will permit of a satisfactory solution of the various problems involved."

Chairman Fly agreed with the networks to present the motion to the Commission at its meeting tomorrow morning (July 22) and expressed appreciation for the cooperative attitude of the network officials and for their willingness to devote themselves continuously to a discussion of the problems.

Time Options

At the Tuesday session Mr. Taylor and Seymour Krieger, FCC attorney identified with the monopoly proceedings, met with Messrs. Trammell and William S. Hedges, the last-named NBC vice-president in charge of station operations, for NBC; Paley and Klauber for CBS, and Weber and Caldwell for MBS.

Primary attention still is being devoted to the question of time options, with several alternative plans suggested. Difficulty is encountered apparently only in cities having fewer than four full-time stations. It is generally felt that regular affiliation arrangements can be maintained in those markets.

Some thought has been given to a plan whereby two hours out of each five-hour bracket of the day would be optional to a particular network, with the right to opt additional time as sold, based on past network sales experience on the stations. It is likely that several alternative proposals will be argued before a formula is devised.

The Blue Network appears to be the most vulnerable aspect of the entire proceedings. NBC, if it must dispose of the group, wants to have it operating on a going basis, with sufficient contracted time to make it a desirable venture. On the other hand, the options for MBS for time in major markets strikes most directly at the Blue. It appears to be conceded that the Blue eventually will go, though under the order as adopted by the Commission ample time will be given NBC to permit what the Commission describes as "orderly disposition" of the properties.

NBC and CBS have maintained throughout they do not want to weaken their position in possible compromise. As a matter of fact, once the rules finally are agreed upon and promulgated, it is expected a friendly suit will be instituted in the hope of clearing up the jurisdictional question.

Possible Legislation

On the legislative end, steps are being taken toward introduction of legislation which would radically revise the Communications Act of 1934 and redefine and delimit the FCC’s functions. In this respect, it was reported that Senator Barkley (D-Ky.), majority leader, was canvassing this matter and said he would talk with Chairman Fly about such a legislative move. Senator White (R-Ne.) already has drafted a proposed bill (B-S, 1275) July 21) and this may be the measure that ultimately is introduced.

At the Monday morning session, the NBC and CBS delegations for the first time were accompanied by their head counsel—former Judge John J. Burns for CBS, and former District Attorney John T. Cahill of New York for NBC. They were prepared, it was understood, to tell Chairman Fly they would litigate immediately, since there appeared no working on an amicable agreement in time since affiliated stations were becoming extremely restive with approach of the deadline. Therefore, the postponement was worked out and a break was averted.

Considerable question arose over the composition of network contracts and licenses, now restricted to one year, though the law permits three-year licenses. Chairman Fly indicated that a two-year license might be acceptable, but nothing concrete was settled.

Both NBC and CBS are opposed to the rule requiring disposition of stations in markets other than New York, Chicago and San Francisco-Los Angeles, or a maximum of three stations each. NBC owns, leases or manages 10 stations, CBS, 8. Chairman Fly indicated each of these matters could be handled on their individual merits since a regular proceeding has been prescribed for hearing and appeal.

Difficult to Change

Under the procedure agreed upon, every effort will be made during the ensuing weeks to come to an agreement on the rules, so that at least a month will be available during which network officials can work on their respective contracts. The Commission’s action eliminated the necessity of contract cancellation or revision as of the present effective date, for which many affiliated stations have been clamoring. Since it is not now known precisely what the requirement would be, there is no assurance that it will be eliminated. (Continued on page 48)
Give your new radio program a **WORK-OUT** this summer...to score a **knock-out** next fall!

An economical 13-week summer test on the Columbia Pacific Network gets your program in trim for next fall's competitive sales battle...lets you check copy appeals—offers—dealer tie-ups.

*Only on the Pacific Coast are all these important program-testing conditions available in one package...*

Regular **C. E. Hooper “Pacific” ratings** to measure relative popularity and **exact month-by-month audiences.**

**Nielsen and Facts Consolidated Reports** to check your Pacific Coast sales increases in regular test cities.

**Seven “basic” CBS stations** — broadcasting full CBS schedules, perfectly duplicating coast-to-coast network schedules and competition.

**Low cost.** A 13-week summer campaign on the Columbia Pacific Network at a time-cost as low as 21 cents per town by night—14 cents by day!—is ample to test your own program, or to satisfy yourself of the sales impact of one of our Columbia-perfected shows.

**Hollywood production.** Then, when all the “bugs” are out of your program — your **perfected** show with the identical cast, technicians, and producers, can go coast-to-coast from Hollywood, West Coast production headquarters for CBS!

**New programs now ready!** The new Columbia-perfected programs are now ready for your audition. They will save you weeks of worry, lost time, and costly experimentation. To hear them—and to get complete details and the surprisingly low costs—call your nearest Radio Sales office for information.

**Columbia Pacific Network**

[Logo]

A DIVISION OF THE COLUMBIA BROADCASTING SYSTEM

Palace Hotel, San Francisco—Columbia Square, Los Angeles. Represented nationally by Radio Sales with offices in New York, Chicago, Detroit, St. Louis, Charlotte.
RFC Grants Loan For 425 Millions to United Kingdom

Will Obviate Need of Selling Holdings in This Country

TO PROVIDE Great Britain dollar exchange without forcing sale of its securities and investments in this country, the Reconstruction Finance Corp. has authorized a $25,000,000,000 loan to the United Kingdom. Federal Loan Administrator Jesse Jones announced last Tuesday. Bearing the approval of President Roosevelt, the loan to all appearances will make unnecessary the liquidation of British financial holdings in this country, as advocated by Secretary of the Treasury Morgenthau [BROADCASTING, June 30].

Specific Authority

The huge loan was made under specific authority granted the FCC by Congress, and the proceeds will be used by Great Britain to pay for war work. The country contracted for before enactment of the lend-lease Bill, the RFC explained.

Collateral advanced by Great Britain includes about $205,000,000 in securities of U.S. corporations listed on the New York Stock Exchange, $115,000,000 in unlisted securities and $150,000,000 in capital stock of 41 British-owned U.S. insurance companies, the RFC stated. In addition, the earnings of the U.S. branches of 41 British insurance companies not incorporated in this country, whose U.S. branches have net assets of about $200,000,000, will be assigned to the RFC.

Interest and dividends on this collateral, together with earnings of the insurance company branches, however, is estimated at $36,000,000 annually for the last five years, RFC commented. All of this return will be applied to interest and principal of the loan, which bears 5% interest annually. It was estimated the available income would amortize the loan in approximately 15 years, on the basis of the last five years.

Jones-Morgenthau

Authorization of the loan was interpreted in some circles as a victory for the British Purchasing Commission and American proponents of the loan plan, chief among whom was said to be Mr. Jones, who contended that forced sale of British holdings in this country would effect our own economy adversely. Secretary Morgenthau, as late as June 26, said publicly that he feared investments in British securities should be sold, although the sales should be postponed until a more favorable time for putting the investments on the market.

Morgenthau's position would include Brown & Williamson Tobacco Co., heavy user of radio time, and possibly Shell Oil Co., Lever Bros.

Packers Plan Radio

WHILE THERE has been no decision as to how or when radio will be used in the Packers' educational advertising campaign to be conducted by the American Meat Institute, Chicago, Institute officials stated that "radio is definitely in the picture!" The meat packers individually are large users of radio, and the most successful users of the medium. The Institute has done considerable research on the use of radio in the forthcoming campaign," it was stated. Leo Burnett Co., Chicago, handles the account.

KNAC, in San Antonio, Gets 1240 kc. Fulltime

FULLTIME was granted KNAC, San Antonio, by the FCC July 22, the station being relieved from time-sharing with KOHO in the same community by assignment to 1240 kc. with 500 watts. Previously it operated with 250 watts at 1400 kc.

KCLN, Blytheville, Ark., purchased in 1939 by Fred O. Grimwood, former consulting engineer of Evanston, Ill., was granted a construction permit for an increase in power from 100 watts daytime to 1000 watts daytime.

Four rival applications for the same facilities in the Baton Rouge, La., area, 250 watts on 1240 kc., were ordered set for joint hearing. They are Air-Waves Inc., Henry Norman Saurage, Louisiana Communications Inc., and the Broadcasting Co., the latter seeking the local at Port Allen, across the Mississippi from Baton Rouge.

Harmon Goes Radio

MICHIGAN'S All-American Tom Harmon realized his ambition—to become a radio announcer—when he signed last week as sports director of WJR, Detroit. Here he signs a contract with G. A. (Dick) Richards, WJR president, at the latter's Beverly Hills home. Harmon is now in Hollywood making the pictures "Harmon of Michigan." After its completion he will play in the All-Star game in Chicago Aug. 17. The station announced it has signed WJR where his first assignment will be to handle all Michigan games this fall.

Drive for Peaches

ATLANTIC COMMISSION Co., New York, the fresh fruits and vegetable buying affiliate of the Atlantic & Pacific Tea Co., has started a three-week spot campaign on approximately 50 stations to help growers dispose of the current peach crop. Standard Sizes of the largest in recent years. A total of 20 live, one-minute announcements are to be used on each station. The campaign was originally scheduled to get under way July 23 but was moved up to the 30th when natural conditions delayed the harvest. Paris & Feart, New York, is agency.

Co. and its subsidiary, Thomas J. Lipton Inc. [BROADCASTING, March 31, April 21, June 30].


CBS School of the Air

PLAN Latin Conference In Mexico Aug. 14-16

FIRST Latin American Conference of the American Broadcasting Co., to be held Aug. 14-16 in Mexico City at invitation of the Mexican government, will have as its speakers broadcasters from all American nations are invited, with Stephen H. Rogers, CBS director of Latin American affairs, in charge.

Mexico is providing the National Palace of Fine Arts as a meeting place and contributing services of the Mexican National Symphony Orchestra, and Rockefeller Foundation is a sponsor. A coordinator of Commercial and Cultural Relations Between the American Republics for the National Defense Council, will be represented and is providing funds to send the Golden Gate Quartet and Alan Low. Military Links Congress.

Conference chairman will be Dr. Luis Sanez Ponton, Mexican Secretary of Education, now in New York negotiating for radio sets for 10,000 Mexican schools so they can use the air schools programs. Dr. Constanza Smith, assistant director for the Rockefeller committee, will arrange music demonstrations for the conference will be held in Mexico the first national music and literature contest, designed to get Latin material for the CBS air school. Similar contests are planned in all other Latin American nations.

Seek Newark Regional

WITH Arthur T. Vanderbilt, attorney of Short Hills, N. J., as chief stockholder, Newark Broadcasting Corp., newly-formed, has applied to the FCC for a new 5,000-watt station on 620 kc. in that city. Mr. Vanderbilt's 300 kw. of the stock, while Earl H. Rodney, of New Rochelle, N. Y., executive director, has 115 kw. The Newark Committee on Athletic Activities, holds 25%, and Lewis B. Ballantine, insurance man of Newark, 15 kw. Any offer to buy the station, the corporation, the officers and their stockholders, Arthur T. Egbert, of Newark, president, 10%; Len D. Ballantine, Orange, N. J., vice-president, 5%; Stuart Hedin, attorney, of Milford, Conn., treasurer, 25%. This is the second application within a week for a new Newark station, the other having been filed by Paul F. Godley, consulting engineer, seeking 250 watts on 1230 kc.

Biscoglia Jingles

BISCOGGLA BROS., Philadelphia (Greystone wines), has started its "Wine Coller," a summer drink. A transcribed jingle announcement series, with recordings cut by the Ohio State University Orchestra in New York, is being used on 15 stations throughout Pennsylvania. The campaign, which started July 14, will continue until Oct. 14, and 1,200 announcements will be heard, station schedules varying from one, two and three a day. Agency is J. M. Korn & Co., Philadelphia.
Why small stations go for the 23C...

23C Speech Input Equipment

is engineered by Bell Labs to provide a complete audio system in one factory-wired and tested unit. It offers uniform frequency response from 30 to 15,000 cycles—a total gain of 96 db—and high quality that makes it ideal for FM as well as AM.

Like earlier models of the Western Electric 23 Type equipment, the 23C is compact—neat in appearance—simple to install, operate and maintain. For full details on this popular studio Speech Input, get in touch with Graybar.


Western Electric
A Buck for a Box---The Miller Method

Novel Program Secures Immediate Distribution, Sales of Cereal

By J. J. WERNER
Sales and Advertising Director, Miller Cereal Mills Co., Omaha

LUCRE ALURE and lots of it, provides hook for the radio campaign of Miller Cereal Mills, Omaha. The way they work it is an interesting story of distribution. Starting from scratch, Miller has introduced a muffin mix by radio. Better still, it has even made a successful effort to sell corn flakes in January.

That was the acid test of radio, as far as Miller was concerned. All this is done by the simple means of phoning some people during a radio program, and offering them $1 for each Miller corn flakes box in the kitchen. So—the housewives keep some Miller's boxes around just in case, and the stores have to stock the item to keep their customers supplied.

At each home where Miller's Corn Flakes are found, a natural phone conversation is struck up by the announcer. Thus, he is enabled to tell out the housewife re-action to the product... learn why she prefers Miller's to other brands. Repeating her own words back to her—naturally conversational—the woman's testimonial is thus aired, complete with her name and address and entirely without the iniquity that so often accompanies printed testimonial advertising. Listeners know the testimonial is genuine, because they know the housewife is telling her story right that minute.

All commercial copy in the program is of a "natural" tone—specifically written to sound as if it is ad lib comment by the announcer. Thus, the same testimonial being made by housewives called on our program, our selling story is put across in a human, understandable manner.

Effective Sampling

The present form of the Miller program affords an opportunity for full-size sampling at each home where the product is not found by the phone call.

Where the housewife has no Miller's Corn Flakes, no empty boxes to sell, she is informed that a messenger boy will deliver two full-sized boxes of the product to her home, immediately. It's not a sample... it's a gift from the Miller Cereal Mills. And thus the value is maintained, indeed set even higher in her mind by the delivery of a messenger boy delivery right to her door.

Has the Money Show proved its worth? Listen to the comment of those who know best—indeed independent waiting for your call.

Here's the comment of one large brokerage house: "I do not believe we could have used any other form of promotion, that would have produced results as quickly as this program. In a short space of time we have secured distribution in every Class A and B store in the city, and every wholesale distributor is carrying the item."

In this type of promotion, distribution secured is not merely that of placing the item on the grocers' shelves. The entire program is based on consumer demand. The distribution secured is a guarantee that the product will move off the shelves, because it gets on the shelves only because the consumer had demanded it be put there.

Here's an example of that. One small grocer wrote: "As you know, I handle Miller's Corn Flakes and it has always been my policy to stock only those items which my customers demand. Previously, I did not find it necessary to handle Miller's products, but after the third day of your broadcast, the repeated demands for Miller's Corn Flakes made it necessary for me to stock them. That was only a few weeks ago, and since then I have sold several cases of Miller's Corn Flakes, and Miller's Wheat Brandies. At the present time I have 31 different types of breakfast food in stock, and I am glad to report that Miller's outsells all the rest!"

How It Began

The Miller Money Program had the most difficult initial test it is possible to conceive for any form of promotion. Its first job was to put over a new item. Not a new brand of an old item, but an entirely new item, one for which demand was expected to be extremely limited.

Sometime during last fall, our research department turned out a recipe and mix preparation for making cornmeal muffins. It was naturally a luxury item, a prepared mixture that needed only eggs and milk added for muffins or waffles.

The product, Miller's Muffin Mix, was placed at the mercy of the Money Show promotion that has just been suggested to us by our agency, Allen & Reynolds, Omaha. On the suggestion of Harold Roll, agency executive who handles our account, the Money Show was given the complete task of putting over Miller's Muffin Mix. No other form of advertising was used—no merchandising other than the usual broker's mix.

We could not say "our muffin mixture is better than someone else's". With a fairly high retail price, we just said "Miller's Muffin Mix will save you money when you use it to make muffins". We could only hope that the unusualness of our Money Show would create the demand.

And that it did! Miller's Muffin Mix began to move, and in a hurry. Jobbers who hadn't yet attempted to sell the product to grocers were phoned, even wired, "Where can we get Miller's Muffin Mix?" And the demand that was thus created by that first test last October, in first one market, then several, still continues.

With such results from our test, should we expand operations without limit? No we are cautious at the Miller Cereal Mills. Maybe this was a "fluke", we considered. Perhaps the popularity came not from the program, but from the unusualness of the product.

So we gave the radio show the acid test—that of selling corn flakes in January, an unheard of time for cold cereal promotion. Not only did the test prove that the Money Show could sell, but its popularity grew so rapidly, its effectiveness in any market demonstrated so definitely, that now there's no limit! We copyrighted the show, and went at things in earnest.

Nebraska came first. Next came the South—Texas, Oklahoma. It worked there. Currently running in 307 stations, the list is being expanded rapidly.

Under our usual practice, time (Continued on page 48)

Page 22 • July 28, 1941  BROADCASTING • Broadcast Advertising
OVER the rich Arizona market more completely with Arizona's largest radio network. ABC's seven stations guarantee local reception throughout the state. Join the increasing number of national and local advertisers who are getting better results through ABC coverage.

KTAR
KEY STATION OF THE
Arizona BROADCASTING CO., Inc.
Represented Nationally by
PAUL H. RAYMER COMPANY
New York Chicago Detroit San Francisco Los Angeles
CBC Forms Second Network In Canada for Commercials

Growing Demand for Evening Time Brings Move; Gillette Boxing Series Is First Sponsored

TO MEET GROWING demands for additional network time, Canadian Broadcasting Corp., which has moved largely by the circumstances of war, the Canadian Broadcasting Corp. has set up a second network for commercial sponsorship. This network, still in an experimental stage, is the Gillette Safety Razor Co., with MBS originating boxing events for national stations through the CBC plus the MBS outlet CKLW, Windsor. The second commercial network consists of 23 Canadian stations, with alternative stations in Montreal to meet local conditions.

The alternative network, it is pointed out by CBC executives, is purely for commercial sponsorship and will operate only as and when required. It does not as a network entity receive network sustaining shows, though several stations affiliated with the CBC will take its regular national program service. It is available only after 6 p.m. (EDST).

Inquiries Received

At present, it is understood there have been some inquiries for use of the network, but outside from the Gillette program, no other advertiser is using the alternative network.

There has been considerable agitation for a second network during the last year, with private stations anxious to have such a network outside CBC control. Under the Canadian Radio Act the CBC has full control over all networks, even where only two stations are involved. A fulltime second network, with full day and night programs, however, has not been considered possible or practical by any of the major radio manufacturers, or for public or economically possible or necessary at present. The CBC estimates that such a network would cost $10 million dollars annually to operate.

The second or alternative network lined up by the CBC for commercial use has by surveys taken before March 29, 1941 a primary coverage just under the number on the CBC national network. As with the national network, stations on the alternative network receive 50% of their card rate for the time at which the station is used. The two CBC 50,000-watt stations, CBK, Watrous, Sask., and CBA, Sackville, N. B., and stations on the alternative network, are sold with a clause that the CBC may use them in case of news or a program of national importance or with notice of national importance of the time of the sponsored program. These two stations are the most powerful in their area and commercial use is secondary to public service since they are publicly-owned.

Comprising the alternative network will be CJOY, Vancouver; CJOR, Calgary; CJOA, Altona, Man.; CKLW, Windsor; CJOS, Edmonton; CBK, Watrous, Sask.; CJRM, Regina, Sask.; CJGX, Yorkton, Sask.; CJWH, Ottawa, Ont.; CKCA, Kenora, Ont.; CWFJ, Barrie, Ont.; CBB, Toronto; CKOC, Hamilton, Ont.; CKTB, St. Catharines, Ont.; CFPL, London, Ont.; CFCO, Chatam, Ont.; CKLW, Windsor, Ont.; CKCR, Kitchener, Ont.; CKKO, Ottawa; CCFM or CHLP, Montreal; CHLT, Sherbrooke, Que.; CKNB, Campbellton, N. B.; CBA, Sackville, N. B.; CJLS, Yarmouth, N. S.

Western Canada Broadcasters Criticize Dominion for Delay in Power Increases

BY JAMES MONTAGUES

AN ATTACK on Ottawa is a red tape" and slow granting of new channel and power allocations to Canadian stations, and discussion of news and advertising rate structures, highlighted the two-day session of the Western Assn. of Broadcasters at Harrison Hot Springs, B. C., July 14-16.

In his presidential address, George Chandler, CJOR, Vancouver, criticized the delays of Ottawa in granting new allocations to Canadian stations competing for air advantage with American stations under Havana Treaty regulations. Mr. Chandler urged "this matter of granting technical facilities to be smoked out in the public interest." He cited the comparative speed with which the United States made following applications in the United States.

Mr. Chandler touched on the war effort and called on WAB members to meet increased obligations. He warned against lobbying by various factions at Ottawa and told the convention to be on guard against future drives directed against their interests.

Glen Bannerman, president, and general manager of the national organization, the Canadian Assn. of Broadcasters, discussed news and advertising rate structures. Representatives of British United Press and the recently-formed Press News, Canadian Press subsidiary, were on hand.

At the opening session the main speaker was Squadron Leader Sheil of the Royal New Zealand Air Force, who was introduced by C. P. MacGregor of Los Angeles, and spoke on "Broadcasting in the Antipodes." At the banquet on July 15 Dr. Robert B. Morton, director of radio of the U. of British Columbia, a Canadian broadcaster who Hitler had won mastery over the radio air in South America and he feared the United States was "doing too little too late" to counter German propaganda assaults.

About 30 broadcasting stations executives and an equal number of station representatives, equipment manufacturers, news service executives and other concerned companies attended the convention. An international color was given the gathering with the attendance of a number of Pan American and United States station operators, H. J. Quilliam, general manager of KIRO, Seattle.

George Chandler, CJOR, Vancouver, was elected president and a representative to the CAB. Directors elected were Frank Elphicke, CJRC, Winnipeg; Lloyd Moffat, CKCI, Prince Albert, Sask.; G. R. Rice, CFMB, Edmonton; and T. C. Clarke, Northern Electric Co., Vancouver, Spence Caldwell, Canadian Marconi, and H. Duggan, Press News Ltd., Vancouver; Ira Dilworth, CBC, Vancouver.

Convention Attendance

Attending the convention were: Robert Allen, Indianapolis; U. B. Arundel, CKMO, Toronto; William Backhouse, CKY, Winnipeg; J. W. B. speed, Newswest, Calgary; W. B. Evans, A. C. & E.; C. E. Cowin, Radio Publishers, Toronto; Mr. and Mrs. Glen Bannerman, CJOR, Vancouver; Toronto; Mr. and Mrs. G. C. Chandler, CJRC, Vancouver; Mrs. W. H. Towler, CJOR, Toronto; G. C. Mclnerney, CJOR, Quebec; Mrs. E. M. Martin, CKWO, Toronto; A. M. Murphy, CFRC, Saskatchewan; K. E. H. Elphicke, KIRO, Seattle; H. Elphicke, CFRC, Vancouver; G. Peverley, Calgary; J. W. Brown, KIRO, Seattle; C. J. C. Brown, KIRO, Seattle; G. C. Mclnerney, CJOR, Toronto; Mr. and Mrs. G. C. Chandler, CJRC, Vancouver; Mrs. Ed Dowell, British United Press; Mr. and Mrs. P. Ed Dowell, British United Press; Mrs. Ed Dowell, British United Press; A. W. Allen, CKRM, Regina; T. F. Spence, CFRC, Vancouver; Mrs. W. H. Towler, CJOR, Toronto; A. M. Murphy, CFRC, Saskatchewan; C. P. Mcgregor, Inc., Los Angeles; Duke McLeod, CPFR, FLN, Montreal; J. E. Maclean, British United Press, Winnipeg; Joseph H. McGilivra, New York.

Advertising of Vitamins Is Restricted in Canada

CANADIAN BROADCASTING Corp. regulations pertaining to food and drug advertisers in connection with the continued advertising of vitamins, which were to have gone into effect last Jan. 1, were recently placed in operation after numerous meetings have been held between the advertisers, the CBC and the Department of Pensions & National Health at Ottawa.

Under the new amendments to the Food & Drug Act, claims for vitamin content are allowed within strict limitations; testimonials re advertising of vitamins may not be used; no assurances may be made regarding results obtained by vitamin use. All advertising copy must be submitted to the Department of Pensions & National Health, either direct or through the CBC.
FULL-TIME WIBC-MUTUAL HONORED BY SPECIAL PROCLAMATION FROM GOVERNOR

WIBC is grateful that the State of Indiana through its Governor, Henry F. Schricke, dedicated a WIBC-Mutual Day in recognition of this station.

The proclamation in part reads: “Meritorious public educational and entertainment service which has become a vital civic asset to our City and State and an important part of the daily lives of our citizens.” Aside from all the whereass it’s just another way of showing the loyalty of Hoosierland for the radio station that it likes the best.

If you want to reach the folks in the State of Indiana, in one convenient package, you can’t do better than the full-time, clear channel of WIBC.

Indiana’s Friendly Station

WIBC
Affiliated with the Mutual Broadcasting System

INDIANAPOLIS

OFFICES AND STUDIOS ON NINTH FLOOR • INDIANAPOLIS ATHLETIC CLUB
President Records Congress Message

BREAKING a long-established precedent, President Roosevelt's message to Congress on retention of National Guardsmen, returned to the Army for more than a year, was recorded by the President and played back on NBC, CBS and MBS at varying times July 21.

Usually when the President airs a special message to Congress it is done while he is reading it to a joint session of House and Senate. One explanation advanced for the innovation was that the President considered the message of such vital importance that he felt he should read it to the radio audience rather than have it done by the reading clerks of the House, regular announcers or commentators. Through the recording the Chief Executive was able to carry out most of his busy Monday program without the interruption of a two-hour trip to Capitol Hill for the joint session.

Late for First Time

Technically the recording was made in the same manner as an actual broadcast, equipment being set up in the regular White House broadcasting room — actually the Diplomatic Reception Room. From there the President's voice was carried by line to the studios of NBC, CBS and WOL-MBS and recorded. NBC broadcast the speech at 12:15 p.m. (EST), shortly after the reading started in the Capitol; CBS carried it at 2:30 while MBS carried the message twice, at 1 and 10 p.m.

Reason for the varying times was that the White House requested the networks to carry the message at the time most convenient for themselves. The recording was available for broadcast to independent stations on the same basis as all Presidential broadcasts, merely putting lines into the nearest exchange.

Only difference from a regular broadcast was the fact that the President was a half-hour late for his recording appearance, something that has never happened on a "live" broadcast.

Horlick Test

HORLICK'S Malted Milk Corp., Racine, Wis., on July 29 will test a weekly half-hour adaptation of "The Horlick Family Hour" on WGN, Chicago. Contract is for 26 weeks and Blair Wallister will produce and direct. The weekly will adhere to the theme of tomorrow's breakfast, a chocolate flavored malted milk powder. Preliminary plans include a trip to the laboratory of WLW, Cincinnati, in about a month. Company is currently sponsoring Superwoman, a Monday through Friday quiz, produced in Willoughby, Ohio, for WGN, and tie-in program for WGN and WLW, Cincinnati, which will be discontinued in late August. Agency is Erwin, Wasey & Co., Chicago.

KHM0, Hannibal, Mo., To Take Air in August

THE NEW KHM0, Hannibal, Mo., owned by the Courier Post Publishing Co., has completed organization of its staff and expects to begin operation the first week in August. It was announced last week by George Losey, general manager. The station is authorized by the FCC Feb. 5, 1941, will operate on 1340 kW with 250 watts fulltime.

Mr. Losey was formerly with WLS, Chicago; WDZ, Tuscola, Ill.; and WIZE, Springfield, O. Staff members include Earl Dougherty, formerly of WMBH, Jophin, commercial manager; Bob Williams, formerly of WDZ and WLW, Cincinnati, program director; Ben Farrish, formerly of KWOC, Poplar Bluffs, Mo., chief engineer; Stanley Cross, formerly of KMYR, Denver, and Janey-Lou Johnson, formerly of KTSW, Emporia, Kan., continuity and traffic director.

Announcers include George Moore, voice of WSUI, Iowa City; Tuckerman Stadler, late of KFRL, Columbia, Mo., and Harry Becker, who was formerly with KVAK, Atchison, Kan. Turley Perry, of Hannibal, is staff musician, and Ruth Stout, also of Hannibal, secretary and receptionist.

WLOL Names Husted As Shurick's Successor

K. WALLACE HUSTEL, formerly with WCCO and WLW and recently the manager of KIBDO, has been named general manager of WLOL, Minneapolis, succeeding Edward P. Shurick Sr. Mr. Shurick with the station since its inception in 1939, has been detailed by Judge John P. Devaney, former chief justice of the Minnesota Supreme Court, who controls the station, to work on national defense matters in conjunction with Judge Devaney's recent appointment by President Roosevelt as one of the Minnesota defense coordinators. He will continue as consultant for WLOL.

Mr. Husted has added his new duties July 21. At one time he was assistant general manager and sales director of WCCO, where he started in 1929 as an announcer. Later he resigned to join WLW, but returned to Minneapolis to join the agency's branch staff.

Insurer's Series


SOUND PERSPECTIVE IN MIKE

New RCA Pickup Device Said to Function in Manner Resembling the Human Ear

IT'S 10 FEET LONG, this latest "sound perspective" long-shot microphone designed in the RCA Laboratories. Because it is so sensitive and directional, it is used rather than a small microphone to pick up the sounds at its location of the audience. Realism is thus enhanced, both in broadcasts, movies and television. Field tests are being conducted on Hollywood lots.

DESIGNED to give a much higher standard of realism in sound reproduction by introducing the element of "sound perspective", this new, strange-looking device known as a "line microphone", a product of over 10 years development of RCA Laboratories, is being field-tested on the movie lots of Hollywood by RCA engineers.

Because it is highly directional and capable of efficient operation at substantial distance, the line mike functions in a manner akin to the human ear. Instead of being placed immediately in front of, just above, or at the side of the sound source as the conventional mikes would be, the new device can be positioned out in front, in a spot more nearly approximating that of the audience.

Vivid Effects

Such a device could be set up at the edge of a large crowd to pick up the voice of a speaker in the center or standing on a relatively distant platform. The smack of football players crashing together on the field would be within reach, or the music of a symphony orchestra on the podium. The distance of 100 feet or more, according to the engineers.

Mounted on a rolling tripod, the new mike is 10 feet long, a few inches in diameter and is encased in a thin perforated metal sleeve. Inside the sleeve is an assembly of quarter-inch pipes of varying length and open at one end.

The openings serve as pickup points for sound waves, which are relayed through the pipes to a ribbon transducer, the element which changes the waves into electrical impulses.

Important uses for the device will be found not only in broadcasting and television, but in the theatre and in motion pictures as well.

Herbert Rosen Arrives, To Continue Work Here

HERBERT ROSEN, editor of Broadcasting Program Service, formerly of Paris and Marseilles, has arrived from Europe and established an office at 45 W. 45th St., where he intends to continue both his Radio Press Service and his representation of transcription firms.

A veteran German broadcaster, now a refugee, Mr. Rosen first went to Berlin and then in France distributed American transcriptions, sound effect records, scripts and programs to stations in Europe, Africa, South America, Asia and Australia, and in turn exported their program products to the United States. When the war broke out, he was interned in France but later released upon the intervention of American friends. He left with his wife and nine-month-old son from Lisbon on the French liner Winston, bound for Martinique, but the ship was captured by the British and taken to Trinidad.

The usual one-week voyage to this country took more than two months.

Mr. Rosen intends to be in the city through July 28.

Lombardo to Colgate

COLGATE-PALMOLIVE-PEET Co., Jersey City (Colgate Dental Cream), on Aug. 2 will replace "Colgate Spotlight," featuring Ed East and variety entertainment, Saturdays 8-8:30 p.m. (EDST), with Guy Lombardo & His Orchestra at the same time on the same 69 CBS stations. In addition, there will be a rebroadcast at 11 p.m. and the program will be picked up across the Pacific and heard in Honolulu and Hilo. At present Lombardo is featured on "Lady Esther Serenade," Mondays 10-10:30 on CBS, but terminates that contract July 28. Format of the new show will follow typical Lombardo style with old favorites and adaptations of popular pieces. Production is handled by Bates Inc., New York, handles the account.

HOH JOYNE'S College Inc., headed by Bob Jones Jr. as president, has applied to the FCC for a daytime regional in Cleveland, Tenn., on 550 k., with 1,000 watts.

Mr. Losey was formerly with WLS, Chicago; WDZ, Tuscola, Ill.; and WIZE, Springfield, O. Staff members include Earl Dougherty, formerly of WMBH, Jophin, commercial manager; Bob Williams, formerly of WDZ and WLW, Cincinnati, program director; Ben Farrish, formerly of KWOC, Poplar Bluffs, Mo., chief engineer; Stanley Cross, formerly of KMYR, Denver, and Janey-Lou Johnson, formerly of KTSW, Emporia, Kan., continuity and traffic director.

Announcers include George Moore, voice of WSUI, Iowa City; Tuckerman Stadler, late of KFRL, Columbia, Mo., and Harry Becker, who was formerly with KVAK, Atchison, Kan. Turley Perry, of Hannibal, is staff musician, and Ruth Stout, also of Hannibal, secretary and receptionist.
LUBBOCK and the Panhandle South Plains
Are on the ZOOM!

Here's what the recent establishment of a U.S. Army Air Corps Twin-Engine Advanced Training School at Lubbock means to this already rich and steady market:

- A 4½ Million Dollar Building Project!
- Huge Payrolls To An Army Of Workmen During A 4-Month Construction Period!
- The Addition Of 4,000 Army Men To The City's Population!
- Added Industrial Activity—Building Boom—Skyrocketing Sales—Increased Prosperity!

Add this huge bonus to Lubbock's annual 40 Millions in retail sales and you have a picture of the advertising returns you can expect from this market which is open to you through the area's dominating station—

Get The Attractive Combination Rate On These Four Close-knit Stations:

KGNC AMARILLO KFYO LUBBOCK KTSA SAN ANTONIO KRGV WESLACO

CENTRAL SALES OFFICE—805-6 Tower Petroleum Bldg., Dallas, Texas
Telephone Riverside 5663 Ken L. Sibson, General Sales Mgr. TWX Dls 297
Merchandising & Promotion

Sales in Summer—Angler's Bulletin—Name for Pooch—Plane at Fairs—For Ruralities

Drug Stimulus

TO STIMULATE interest in drug products, KMOX, St. Louis, has started a new weekly promotion program as a test for the retail drugstores of St. Louis. Each program invites consumers to visit his neighborhood drug store and look over special offers on related groups of drug articles. Groups are changed weekly to fit the continuity. More than 900 drug stores are participating in the promotion, building displays of KMOX advertised products in return for the time. The stores also keep an inventory of sales to give KMOX drug advertisers an index on the sale of products in particular markets. The deal was engineered by J. Soulard Johnson, KMOX sales promotion director, through the Retail Druggists Assn. of St. Louis.

Available

FOR THE benefit of advertising agencies located in Chicago, WMCA, New York, is preparing a weekly promotion bulletin, "Fishing in Colorado," for the Dave Cook Sporting Goods Co., sponsor of the morning quarter-hour newscast on the station six days weekly. It gives a picture of fishing conditions throughout the State, runs five to seven to ten pages weekly and is now being prepared by the hundreds to answer the demand of sportsmen who want to stock the tackle store, Women's Department, is a special bulletin board in the store, where daily bulletins, wired in by wardens of the State Game & Fish Department, are posted.

Grocery List

OPERATING with retail grocers of Northern California and food manufacturers and processors using time on the station, KSFO, San Francisco, has published a 10-page listing of all grocery products promoted on KSFO programs. The listing includes cooperative lists, showing those using programs, announcements and contests and special offers.

Food for Families

OPERATING with the Rock Island (III.) Argus, WHBF, Rock Island, entertained the 17 farm families entered in the contest of the Illinois State Fair to select a typical Illinois family, at a special banquet tendered at the local Hotel Fort Armstrong.

TO INSURE rapid distribution of membership cards for Par Soap Co.'s For Housewives Only Club, KDYL, Salt Lake City, sent several comely misses, like the one at right, to visit personally every major grocery store in Salt Lake City, Ogden and Provo. Listeners join the club by checking in at the general manager's membership card with the one here being handed the shopping housewife. The thrice-weekly For Housewives Only Chicago, in Chicago, is a KDFR, Chicago, program, directed by KDFR, program director, who selects at random phone numbers of club members, calls them, asks the member a true-or-false question. Correct answers win a "Par Double Treat," a $2 merchandise order and a large box of Par Soap. The personal contact method has more than doubled club membership, KDYL reports.

Fish

AS MERCHANDISING service for the client, Fred D. Fleming, KILZ, Denver news editor and fishing enthusiast, gets out a weekly sportsman's bulletin, "Fishing in Colorado," for the Dave Cook Sporting Goods Co., sponsor of the morning quarter-hour newscast on the station six days weekly. It gives a picture of fishing conditions throughout the State, runs five to seven to ten pages weekly and is now being prepared by the hundreds to answer the demand of sportsmen who want to know the tackle store, Women's Department, is a special bulletin board in the store, where daily bulletins, wired in by wardens of the State Game & Fish Department, are posted.

WHO’S ELMER?

WPEN Philadelphia, has started a teaser to test among listeners seeking a new name for a pup picked up by the office girls during the recent rains. Announced as "Elmer," all shows made aside remarks to an "Elmer" in the studio, giving no indication as to who or what the "Elmer" might be.

Last week, "Elmer" was introduced to the listeners through advertisements in the local newspapers, with which the station has time-space advertisers, which are entitled them to "WBAL-50,000" cocktails. Idea is the brainchild of Harold C. Burke, WBAL, Baltimore, and the cocktails can be found at Longchamps restaurants and the Warwick Hotel, New York; the WATTS, Hotel, Baltimore, and the Benjamin Franklin Hotel, Philadelphia.

Round of the Fairs

THE BIG Studio Plane of WCKY, Cincinnati, is making its second annual round of fairs and festivals within 100 miles of Cincinnati. Last year more than 500,000 inspected the de luxe mobile unit. Don Dean, WCKY farm field reporter, conducts interviews which are recorded and broadcast the following day. Voice recordings are made and played back every day for fair visitors. Listener-promotion material is distributed.

KKOX in Communities

AROUND Missouri, Illinois, Indiana and Kentucky, KKOX is placing display ads in 82 rural newspapers, to be followed by a Salute to Cities program. Bob Seat, KKOX promotion manager and creator of the animal series of ads used by the station, is making the tour. In addition to the salute program, items from the papers are read on the After Lunch Club.

Brochures

Z-BAR NET, Rutte, Mont.—Pictoral booklet on Montana's natural attractions, incorporating a full-color illustrated report of the poems, "Cherry's Saloon" and "Cherry's Saloon," written by Johnny Ritz and illustrated by Charles M. Russell, famous cowboy artist.

WOH, New York—14-page booklet "Ye Ole World," illustrated by Roger Duvoisin, containing a description of the services and facilities of WOH Recording Division, headed by Ray Lyon.

DUNKEL SPORTS RESEARCH SERVICE, Mountain Lakes, N. J.—A blanking the 13-week Dunkel football prediction service.

KMMJ, Grand Island, Neb.—Booklet giving the story of KMMJ, "Nebraska's best buy per dollar spent." WIRL, Hartford, Conn.—Die-cut "Taxonomy" brochure in Food for Thought series.
Ideal Medium For Client Publicity

Eight thousand WOW families pay 50c a year for WOW's unique "point-of-sale piece" — the Radio News Tower Magazine, through which every WOW program is interestingly publicized to a "cream-of-the-crop" group of listeners in the large Omaha-Great Plains market. The News Tower is a "must" item by the loudspeakers of these listeners.

The Radio News Tower Is Just One WOW Plus

Wise time buyers select WOW because it is the predominant station in a rich, balanced (half-agricultural, half-industrial) market. The News Tower supplements the WOW time purchase as merchandising cooperation.

Other WOW "extras" include quality of local programming, consistent listener promotion, special events, news service, and expressly planned sales merchandising for each individual advertiser's special needs.

Every day, every night, the News Tower reminds folks to set their dials exclusively to 590 kilocycles — and to keep them there to hear all the red network, the best national spot programs, and the popular WOW local features.

Why WOW Folks Pay To Read Client Publicity

The Radio News Tower (June issue) included 34 photos of radio stars ... 36 feature articles ... 6 newy (or breezy) Columns by staff celebrities ... 72 snappy radio news bulletins or "brighteners" ... a full page (11x14) United Press war map ... a full (back) page accurate WOW program schedule.

Every month pictures and features are new and different. (The better to give good publicity to every WOW client!) Recent stand-out features included a full-page feature on radio stars' salaries with list and photos of top ten ... a complete list of new wavelengths of all U.S. stations after reallocation ... doubletruck (with 12 photos!) on eleven shows currently on WOW for one major client ... Haynes Radio Log in chart form ... series of six full-page United Press war maps.

Almost every item and every cutline included the name of a WOW program, its sponsor, or its product.

Gold Plaque Awarded For "Outstanding Radio Paper"

The WOW Radio News Tower was awarded a gold plaque, presented by St. Louis University, at the recent NAB convention. It was adjudged the best publication of its type in the nation.

July News Tower Features New Summer Shows

Photos and special articles on summer replacement shows, program format changes, new stars and renewed accounts, will get the big headlines in the July issue of the WOW Radio News Tower Magazine.

WOW Wins Peabody Citation

The George Foster Peabody citation, for "outstanding meritorious public service" during the year 1940, was given to WOW for its enterprise in originating the President's Birthday Ball broadcast of 1940, carried by more than 450 radio stations throughout the world.

It is such enterprise, combined with ample power and good wave-length, that makes WOW the dominating station in the Omaha-Great Plains Market area.

Time Buyers, Ad Men, Clients, Enjoy It Too!

WOW sends the News Tower (gratis) to nearly 5,000 clients, agency men, educational, civic, and radio industry leaders every month.

In 1940 nearly 100 in the above group wrote voluntary "thunder" letters praising this news magazine. Many offered thanks for publicity cooperation which they hadn't even asked for.

A request on your letterhead will bring you a sample copy of the July Radio News Tower.
A SPORTS QUIZ bee which admits only the women as participants has been produced by WGAR, Cleveland, and named Ladies Day at the Mike. The quiz, a half-hour in length, and heard on Tuesday evenings at 8:30, is conducted over by Bob Kelly, WGAR sports editor. Kelly's questions cover all fields of sports, and there are cash prizes and baseball tickets for the winners. The ladies are teamed in pairs for the quiz, and the competition eliminates all but the teams who battle for the top honors and the cash prizes, with the baseball tickets awarded as consolation prizes to the losing team.

In the Service
NAVY NIGHTS will be inaugurated by WFLN, Philadelphia, Aug. 6. Originating at the Auditorium of the Philadelphia Navy Yard, a variety show using Navy personnel exclusively will be introduced to be known as Navy Night. Uniformed men and workers stationed at the Navy Yard will be selected each week for the program's talent, music to be provided by a band of a battleship. A similar program, to be known as the Navy News, as a sequel to its Army show from Indiantown Gap, Pa., We're in the Army Now, was announced last month by WCAU, Philadelphia.

BIBLICAL GROUP
NORMAN CORWIN, CBS writer-producer-director who is currently presenting 26 By Corwin Sunday nights on CBS, is preparing a trilogy of Old Testament stories for presentation Aug. 10, 17 and 24. For the last of the three programs, Deems Taylor, commentator for the New York Philharmonic broadcasts, is writing special musical and Charles Laughton will play the title role of "Job".

LAWS THAT ARE STRANGE
UNUSUAL laws in various American communities will be revealed on the five-minute series It's A Law, starting July 29 on WMCA, New York. Series will be based on the feature appearing in the American Magazine written by Dick Hyman and illustrated by Oskar Seglow.

MILITARY NEWS
WLW, Cincinnati, began a series of weekly broadcasts July 15, bringing officers of the Army, Navy and Marine Corps to the microphone. Scheduled each Thursday, the programs aim to tell, through interviews, what is news in military circles.

VOICE OF YOUTH
USING students of the U of Toledo speech department, WTOL presents a weekly forum devoted to views of young folks on national topics. After the participants have presented their views, members of the audience participate, asking questions of the speakers.
Listening Groups Found Successful
Survey Shows 8,363 Having Membership of 200,000

NEW and highly successful educational technique has been found in radio listening groups organized throughout the country, according to a pioneer study conducted by Frank Ernest Hill of the American Assn. for Adult Education and published by the Columbia U Press.

Mr. Hill reports that his "unfinished census" reveals there are 8,363 known radio listening groups in this country, numbering around 200,000 persons. He estimates that on the basis of the figures he has on hand and the possibilities for getting information, it is reasonable to assume there are actually 15,000 organized groups meeting together to hear radio programs and their activities touch 300,000 to 500,000 persons.

They Do Things

The groups, Mr. Hill reports, as a whole include both men and women but with women predominating. They show a great range of income, the report says, but the majority are from families receiving from $1,000 to $3,000 a year.

The census was taken through questionnaires to radio stations, colleges, libraries, CCC camps, NYA state directors, labor councils and directors of radio programs.

In discussing the radio listening groups, Mr. Hill said, "They already do things on a greater scale, in proportion to the effort expanded, than any nonradio agency can hope to rival."

Butler Group Controls KTUC

THE GROUP of stockholders headed by Burridge D. Butler, owner of WLS, Chicago, and KFY, Phoenix, assumes control of KTUC, Tucson, Ariz., under transfers of stock approved July 22 by the FCC. John Merino, owner of 100 shares, sells 40 shares to Ralph A. Hilly, Tucson attorney, and one share to Mr. Butler. The stockholding lineup now is Mr. Butler, 60 shares; Mr. Hilly, 50; Glenn Snyder, WLN, Chicago, 50; George B. Cook, WLS, 50; Mr. Merino, 50; Louis F. Long, 30; Frank Z. Howe, 1. Mr. Butler paid $1,333 cash for the Morris shares and assumed $2,000 in obligations of Mr. Morris. Mr. Butler and Mr. Hilly together assume $7,000 stock subscription obligations of Morris and Merino.

A Beautiful Picture of Popularity

In every single quarter hour between 5:30 and 9:00 a.m., KMOX has more listeners than any other St. Louis station. In every single quarter hour but one, KMOX has more listeners than all other St. Louis stations combined. And even in that one quarter hour, KMOX has better than twice the audience of the second place station.

That's the beautiful picture of KMOX's popularity provided by the latest Gill survey in St. Louis. But to be absolutely fair to the other St. Louis stations, consider the period before the big CBS network shows come on the air—the period before 7:45 a.m. when local show competes with local show for the audience. (A period, incidentally, with still a good choice of broadcasting times for advertisers.)

What's the result? KMOX has 59% of all radio homes listening to St. Louis stations between 5:30 and 7:45 a.m.

That, sir, is popularity!

KMOX THE VOICE OF ST. LOUIS • 50,000 WATTS

Owned and operated by the Columbia Broadcasting System. Represented nationally by Radio Sales with offices in New York Chicago • Detroit • Charlotte • San Francisco • Los Angeles
The New and Outstanding Radios

ANN L. in interesting programs for the HOME - BEAUTY.

WCB

FIFTY GRAND!
Same Old Story

IT DIDN'T take long to learn which way the regulatory wind blew in the newspaper-ownership proceedings which got under way last Wednesday before the FCC sitting en banc. Only a matter of minutes after the hearing opened, FCC Chairman Fly, in characteristic fashion, abstracted any preliminary argument on the question of the FCC's jurisdiction to "legislate" on the ownership of stations by newspapers, and "reserved" that discussion probably until the end of the inquiry, which is expected to be months hence.

The opening gun in the proceedings was strangely reminiscent of what had transpired in the television fiasco of a year ago, and in the oral arguments made by the chain monopoly regulations last December. Elisha Hanson, counsel for American Newspaper Publishers Assn., was stopped in his tracks by the chairman when he attempted to argue the Commission's authority to conduct the proceedings, or to subpoena witnesses. And former Judge Thomas D. Thacher, distinguished chief counsel for the Newspaper-Radio Committee, while treated with deference, nevertheless was not permitted to argue his contention that the Commission, without a change in statute, could not distinguish between newspaper and non-newspaper ownership of stations.

It is another example of the FCC sitting as prosecutor, judge and jury, with the parties in interest utterly helpless until the same Commission at its own strategic convenience permits them to raise the jurisdictional question. It is a modern version of star-chamber proceedings, streamlined and air-conditioned. Thus far, the Commission apparently is attempting to build its foundation with expert testimony and with slanted (and often ridiculously inaccurate) exhibits, some comparing the relative effectiveness of newspapers vs. radio and, presumably, their competitive results. It is too early yet to glean what the "prosecution" proposes to prove. That apparently doesn't matter if the Commission is to be judged on its past performances.

Newspapers should profit by the experience of those who have recently run the gauntlet of FCC "legislated" proceedings. Their only salvation, it should be clear, is to get the question in the courts or before Congress before the Commission's majority attempts to do its own legislating, probably to the tune of a funeral dirge.

Advertising Under Fire

MANIFESTING their cooperation with the Government's defense oil conservation program and their good faith toward their customers, some of the leading oil marketers, particularly along the Eastern Seaboard, are revising their advertising copy to the conservation theme. They are telling motorists how to handle their cars to reduce gas consumption, and are even urging a reduction in what some have called "air hunger".

That certainly does not look like venality on their part. Accepting the nation's requirements as basic, they nevertheless regard advertising as a business necessity not only to continue moving their goods but to keep brand names before a public which one day inevitably will again be free buyers.

Yet earlier this month the Dept. of Justice, in an apparent crackdown drive via the intimidation route, virtually takes the oil companies' advertising to task by requiring all of them to fill out questionnaires giving in minute detail their total advertising expenditures in all media, samples of copy used, including radio scripts, names of all media used, names of agencies and amounts spent in each category.

The advertising fraternity has good reason to fear that this is another step by the New Deal's fast boys toward scrutiny of advertising as a whole. A paragraph of the questionnaire: "A statement outlining the necessity and desirability of advertising the branded products of your company, together with the available statistics showing cost of advertising per dollar of sales, cost of advertising per unit of commodity sold (gallon of gasoline, quart of lubricating oil etc.) and the extent to which competitive forces have compelled the adoption of advertising methods and policies of the company."

No question is asked about truth in advertising or possible violation of law; rather the inquiry is into its "necessity" and "desirability." When oil companies, or any other companies, are probed along these lines, the obvious inference is that the bureaucratic mind thinks it, rather than management, should pass upon purely internal business practices. We echo the sentiment of the St. Louis Star-Times, always a staunch New Deal supporter: "There is a time for all things—and this is not the time for a witch-hunt against advertising as an institution, operated by the praetorian guard of the Administration's most radical left wing."

Page 34 • July 28, 1941 BROADCASTING • Broadcast Advertising
EUGENE COLLINS PULLIAM

Radio listeners, like newspaper readers, want and deserve the best in local, state and national features. This is the success thesis of Eugene Collins Pulliam, who in 20 years has bloomed from a cub reporter on the Kansas City Star to a top-flight broadcast and publishing executive, heading WIRE, Indianapolis, WAOV, Vincennes, and substantial newspaper properties in Indiana and Oklahoma.

Gene Pulliam's present status as an executive in large-scale business operations represents the culmination of but one of the choices of success open to the ambitious youth of 1910 or so. Back in those days, when the automobile began to hold more appeal for gay young blades than the bicycle, Gene was a crack police reporter and feature writer on the Star, working under the paper's late famed publisher, William Rockhill Nelson. As things turned out, he decided to go into the publishing business on his own, first in the Southwest and later expanding eastward. But before he had continued as a reporter, he doubtless today would be reading his byline in magazine rather than his signature on business letters.

Born May 3, 1889, in a semi-dugout on the wind-swept prairies of Grant County, in Western Kansas, Gene was the son of a pioneering Methodist minister. After graduating in 1906 from Baker U's prep school in Baldwin, Kan., he attended DePauw U, in Greencastle, Ind., graduating in 1910. At DePauw he was a founder of Sigma Delta Chi, national journalism fraternity.

After college he went to Kansas City, worked on the Star for two years and on Feb. 23, 1915, married Myra Smith. That same year he went to Atchison, Kan., as editor of the local paper, the Champion. Three years later he became editor and subsequently owner of the Franklin (Ind.) Star, in 1923 also becoming business manager, and reporter and 10 other Midwestern dailies. In 1929 he formed Oklahama Newspapers Inc. Right now his newspaper interests include Central Newspapers Inc., Indiana Newspapers Inc., Oklahoma Newspapers Inc., Lebanon Newspapers Inc., Huntington (Ind.) Newspapers Inc., Vincennes Newspapers Inc., all of which he heads.

In radio circles he is well known, not only as a successful individual operator but as a leader in the reorganization of the NAB and as a good solid industry promoter. As president and executive head of Indianapolis Broadcasting Inc. and Central Newspapers Inc. he is top man at WIRE and WAOV.

To many of his friends, lamplight, pompadored Gene Pulliam still is essentially the newspaperman. Although he proved a genius at bringing large-scale financing into the accumulation of relatively small publishing properties, he nonetheless likes to sit down at a news desk and bat out stories and editorials with the rest of the boys. One of his cardinal principles of operation has been his enthusiasm for local autonomy in the properties he owns. Always he has required that individual publishers of the newspapers hold an interest in the business and actively participate in formulating policy. This precept is reflected in the bitter editorial squabbles that frequently have gone on between the papers. Attesting his business acumen, Oklahoma Newspapers Inc., formed in 1923, went through one of the worst droughts in the history of the Southwest and a national depression—without loss of a nickel to bondholders or stockholders.

Gene numbers among his intimate friends all sorts—left-wingers, conservatives, reactionaries. A broad political tolerance is a valuable personal attribute. Key associates in his various business enterprises always have maintained a genuine devotion for him as an individual.

Apart from his business activities, he is a trustee of DePauw U, a member of the executive council of Sigma Delta Chi, and a member of Delta Kappa Epsilon scholastic fraternity. Also he is a Mason, Elk and Methodist. His clubs include the Rotary and Ulen Country Club in Ulen; Columbia, Indianapolis Athletic Club in Indianapolis; National Press Club in Washington. Under his chairmanship the Ulen Country Club's annual Beefsteak Dinner has become nationally famous.

His family includes Eugene Smith Pulliam Jr., son of his first wife who was killed in 1917; Martha Ott Pulliam, whom he married in 1919, and their two daughters, Martha and Margaret. Eugene Pulliam Jr. is now news editor of WIRE.

Gene plays low handicap golf and spends his vacation each year fishing for bass in Northern Wisconsin and Canada. Some day he hopes to find time to write his autobiography. As he has said, the greatest individual achievement came when he beat Gene Jr. in a game of baseball. If Eugene Pulliam, Sr., in 1923, should win the Midwest golf at the 1937 NAB convention in Chicago, it will be remembered, is a top-flight Midwest golfer and at the 1937 NAB convention in Chicago, was co-winner of the broadcasting trophy, with Harry C. Butcher, CBS Washington vice-president. Gene Sr. did not happen to participate in that tournament.

KATE SMITH, who conducts her own program on CBS for General Foods Corp., New York, on July 23 received a medal from the head of the Treasury Dept. awarded to her by Secretary of the Treasury Henry C. Morgen- than, Jr. "for distinguished patriotic services rendered for national defense."

CHARLES FOLL, former KFC Radio, has been appointed KMO, Tacoma program director, succeeding Dick Ross, who recently joined KMVL, Yakima, Wash. Billie Barnes, formerly in dramatic work, has joined the station as Junior News Editor, while Ronal Erickson, new to radio, has been made summer relief announcer.

ARTHUR SATHERLEY, New York executive of the Recording Corp., is in Hollywood to supervise recordings for recording series featuring noted artists.

HENRY JACKSON, western manager of CBS Radio Sales, Chicago, on July 19 married Mary Brooks, of New York.

BRIAN G. SHELLON, manager of CKLJ, Kirkland Lake, Ont., a lieutenant, has joined his regiment on active service. He has managed CKLJ for seven years.

HAL HUDSON, CBS Pacific Coast Premier program manager, has sold an original film story, "That Certain Woman," to Republic Productions.

HAAN J. TYLER, sales manager of KSFO, left July 15, married Miss Evelyn Brown, of San Francisco, for a trip to radio agencies in New York and Chicago. He spent the July holiday week in the latter city, and resumed to headquarters at the Edward Payr of CBS in New York the week of July 27, returning Aug. 5.

WAYNE STEFFNER, salesman of KSFO, San Francisco, on Aug. 1 is to become head of CBS in San Francisco. Before joining KSFO 18 months ago, Steffner was time and motion man for McCann-Erickson in San Francisco.

ED DUTY, formerly chief engineer of KHUR, Watsonville, Cal., has been named broadcast manager, in charge of both production and technical operation.

STUART STANDISH, new to radio, has joined the sales staff of WSOG, Charlotte, N. C., replacing Ver Mc-Corguebouse, resigned.

FDR Selects Ethridge To Head Racial Probe

MARK ETHRIDGE, former president of the NAB and at present vice-president and general manager of the Louisville Courier-Journal and Times, operating WHAS, has been appointed by President Roose- velt as chairman of a committee to investigate complaints of discrimina- tion against Negroes seeking work in defense industries and with the CIO and the AFL. RCA president, is a member of the committee, which also includes William Green, AFL president; Philip Murray, CIO president; Milton F. Webster, vice-president of the Brotherhood of Sleeping Car Porters; and Earl B. Dickinson, an attorney. The latter two are Negroes.

Serving without pay, the committee will investigate complaints growing out of allegations of discrimina- tion which led President Roosevelt to issue an Executive Order last March requiring that the policy of the Government against discrimination against any workers in defense or Government business be based on race, creed, color or national origin.

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ELMER H. DRESSMAN, director of publicity and continuity at WCKY, Cincinnati, has been appointed chairman of the Public Information Committee, Disaster Service, Kenton County (Ky.), Chamber, American Red Cross. He has also been named a member of the publicity committee of the local Surplus Foods Committee.

BOB FIRMING, announcer of WEFL New Haven, has enlisted in the Army Tank Corps for a three-year period. Philip L. Bugliani Jr. WEFL sports editor, and Charlotte Biskley of Jacksonville, Fla., have announced their engagement.

EARL HARPER, sportscaster of WLV, Jersey City, on July 25 received the Sporting News award as the most popular announcer in the International League.

PAUL NORRIS, traffic manager of WSOC, Charlotte, N. C., and president of the Camera Club of Charlotte, has been named by Bi & Bi Photo Co., of Charlotte, to write and produce a weekly program on photographic technique.

CLIFF CARPENTER, actor on the CBS Woman of Courage program, sponsored by Colgate-Palmolive-Peet Co., Jersey City, and Pauline Mander- man of the CBS sales department, were married July 26.

WALTER ARNOLD, formerly of KFOX, Long Beach, Calif., has joined KJHP, Beverly Hills, Calif., as announcer.

MAX RICE, KNO, Taos, announcer, and Margaret Jane Barnes, of Olympia, Wash., were married recently.

MARJORIE COONEY

STARTING her radio career at WSM, Nashville, eight years ago with a piano-patter-singing act, Marjorie Cooney is known to her audience as "Ann Ford" and her featured program is A Woman Looks at the News, a five-day-a-week newscast that has been sponsored for the three years that Mar- jorie has been at the helm. She holds a card in the local musicians union and featured with the staff bands on several shows. At one time she held the distinction of being a full-fledged announcer for a whole year over WAXA, WSM's ultra-high-frequency experimental station. This diversi- field 5 ft. 5½ in. of red-headed vixen, vigor and vitality, in addition to regular talent auditions, has written commercial continuity, has conducted surveys, delves into research for WSM's educational programs, and at one time con- ducted a woman-on-the-street pro- gram.

JAMES McGUIRE, announcer of WIBG, Des Moines, is convalescing after an emergency appendectomy in mid-July.

DON HOPKINS, formerly farm manager of WSOY, DeSoto, Ill., has joined the announcing staff of WKMO, Kokomo, Ind., replacing Warren Will- liams.

NEIL NEARLES, former announcer in Detroit, has joined the announcing staff of WAVE, Cincinnati, replacing Bill Frost, now at Camp Lee, Va.

GARRY SCARBROUGH, formerly of WSAV, Savannah, and WJHP, Jacksonvile, has returned to WSAV as program director.

GEORGE HINDS, of the guest rela- tions staff of KOA, Denver, recently married Helen Burchard. He will move to Delta, Col., in September to fill a teaching post.

BOB DWANS, producer of KGO- KPO, San Francisco, is the father of a baby girl born July 15.

RUPA WELING, promotion man-ager of WEFL, Grandpa, Pa., has been appointed to the Cheltenham Township Defense Council.

PAUL H. GIROUX, music director of KTAR, Phoenix, and Miss Mary Evans, will be married Aug. 9 in Phoenix.

RALPH XIMMONS, program direc- tor of WFAA and KGKO, Dallas, has been promoted to first lieutenant in Co. B, 29th Battalion, of the Texas Defense Guard.

DAVE RUSSELL has been transferred from the announcing staff of WFAA-KGKO, Dallas, to head a new department for the development of program ideas.

GEORGE COPPEDDE, formerly of WMFR, High Point, N. C., and Mer- vin Platt, of New York, have joined the announcing staff of WAIR, Winst- on-Salem, N. C.

WESLEY HAINES, cowboy singer of WHHP, Roeh Island, Ill., is the father of a baby girl, born recently.

HERB LATERALL has been promoted to chief announcer of KYOO, Tulsa, Okla., succeeding Lou Kemper who has become vocalist and announcer with Bob Wills and his Texas Play- boys. The Playboys are in Hollywood for the filming of "Go West, Young Lady" by Republic Studios.

MARJORIE MILLS, newscaster of WAXA, Boston, and the Yankee- Colonial network, was recently tenn- ered a silver anniversary party at the Hotel Statler, commemorating 25 years of newspaper and radio work.

SELLING MANY GIRDLES IN BROAD BOTTOM (Ky.)?

Don't give it a thought if your sales in Broad Bottom (Ky.) are slightly un-sensational. The simple truth is that Broad Bottom's purchasing power ain't sitting so pretty! To do big business in Kentucky you need the big Louisville Trading Area. This Area buys twice as much as the rest of Kentucky combined!...

And it's wholly accessible with WAVE, alone—the only NBC Basic Red Network Station within 100 miles! Send for the whole story!

LOUISVILLE'S
WAVE
5000 Watts
970 K. C. N. B. C. Basic Red
FREE & PETERS, INC.
NATIONAL REPRESENTATIVES

USING THE AIR to sell fishing equipment, Wright & McGill, Denver, largest manufacturers of fish hooks and flies in the nation, sign for con- tinuance of its Fishing Dope broadcast over KLZ, Denver. S. N. Wright of the firm signs the contract while his business associate, Drew McGill, looks on. Standing in the rear (left) is John Flautt, chief of the MacGruder Agency, handling the account, and KLZ sales representative Jim McElroy.
GENE HAMILTON, NBC announcer for Adams Hat Stores, and "Dr. Gino Hamilton" on the NBC Blue Chamber Music Society of Larger Radio Street programs, has been shifted to the NBC production staff under Wilfred S. Roberts. NBC production director. Jack McVitty will be mc-announcer on the Blue Street show. Also promoted on the announcing staff is Dick Dodley, now a senior NBC announcer as well as assistant producer of the "Who's Blue?" program, now off the air until this fall.

JIM HARKINS, right-hand man to the radio comedian, Fred Allen, and known as "Looch Jim" on Allen's programs, is serving on the CBS television program staff as special announcer to Ruth Norman, CBS television casting director. Well-known in vaudeville and radio, Mr. Harkins will check actors and actresses for the suitability on television programs and act as m.c. at television auditions.

RALPH BURGIN, announcer of WPTF, Raleigh, N. C., has been appointed by Gov. J. B. Broughton as a committee member of the campaign organization of Old North State Fund, a licensed chapter of British-American Ambulance Corps.

JERRY LANSING, formerly of WTRY, Troy, N. Y., has become program director of WMAS, Springfield, Mass.

CHARLES BALBIN, naturalization director and announcer of WHOM, Jersey City on Aug. 10 is to marry Evelyn G. Hoffman of New Brunswick, N. J.

PETE De LIMA, formerly radio manager of Everett C. Crosby Ltd., Hollywood talent agency, has joined KFKE, Los Angeles, as writer.

DANIEL SUTTER, former Chicago radio actor, has joined NBC as a producer and director. Also new on the NBC production staff is Bill King, Yale graduate.

JACK NEGLLEY, announcer of WINS, New York, has been assigned the lead role in a motion picture to be made by Nash Motors to show salesmen and dealers how to sell service on Nash cars.

PAUL PHILLIPS, formerly a script writer for CBS, has joined the NBC script staff and is working on programs for fall production.

IRVING REIS, former Hollywood radio producer writer, under his new RKO Radio Pictures director contract, has been assigned to direct "A Date With the Falcon".

PHIL FRANKENBERGER, assistant in the publicity department, has been named publicity head of WIPX, Philadelphia, replacing Ira Walas, who becomes special events director.

ED ALLEN, announcer of WFIE, Evansville, Ind., has joined the announcing staff of WIRG, Glenisdale, Pa.

JOHN A. GUYAN, announcer of WCAT, Philadelphia, disclosed this week that he had married Jean Carroll in Scranton, Pa., just Jan. 9, while an announcer of WGBI in that city.

GENE KERN, production director of WIPX, Philadelphia, takes leave of absence, starting Aug. 1 to join a summer theatre company at Newport, R. I.

EARL WENNERBERG, CBS Hollywood publicity department, has been hospitalized with influenza.

MYRON BUTTON and Michael Raffetto, XHC Hollywood, are handling summer production of One Man's Family, sponsored by Standard Brands, during absence of Carlton E. Morse, author of the series.

D'EE McCULLOUGH, formerly a radio instructor at the University of South Dakota, has joined KTTL, Twin Falls, Id., as operator-announcer.

HILLY ARTZET, Hollywood musical director of the weekly CBS Hollywood program, sponsored by R. J. Reynolds Tobacco Co., (Coral cigarettes), has been contracted for a similar assignment on the CBS Bob Burns Show, starting in September. Sponsor is Campbell Soup Co.

BILL HAMPTON and George Dunlap, Hollywood lyric writer and music composer, respectively, on the NBC King Kenny's College of Musical Knowledge, sponsored by American Tobacco Co., have formed their own publishing firm, Beverly Movie Co., headquartered at 425 Hollywood Blvd. Their first number, The Old Looking Glass, is being released through BMI.

WALTER CHAMPLIN, at one time with KXOK, St. Louis, and currently at WYRI, Cincinnati, has returned to KXOK as announcer. Harry K. Brown has been named KXOK news editor and publicity director. Bob Seid has been named promotion manager.

HORRIS GILLILOPE, Hollywood writer, left for New York where she will work on a radio version of Gone With the Wind for fall sponsorship.

ROGER COBB, Jr., formerly of KNAL, Salina, Kans., has joined the announcing staff of WLVA, Lynchburg, Va.

DOUG EDWARDS, newscaster of W3L, Atlanta, is the father of a baby girl born July 16.

LARRY McCARTHY, formerly of WMG, Birmingham, recently added to the staff of KIEV, Glenville, Ohio, has been elevated to program director. He succeeds Wallace McLean, resigned. Gene Fales, formerly of KELO, Central, W. Va., has been added to KIEV as announcer, with Fred Gwinn returning to the station after several months absence.

NATHAN FISCHER, foreign-language new analyst of WDAS, Philadelphia, recuperating from a serious illness, will continue his nightly broadcasts, starting July 28, from the Breakers Hotel, Atlantic City. Frank Unterberger, WJAN chief engineer, locates in Atlantic City at the same time to handle the remote broadcasts.

EARL A. EBI, director of NBC Chicago, has resigned to return to motion pictures as a free lance actor.

WON'T BE LONG NOW...

before KFYR goes
5000 watts day and night

Just another step in our continued efforts to serve our clients better.

More than ever
The regional station with the clear channel coverage

NBC Affiliate

KFYR
Meyer Broadcasting Company
Bismarck, N. Dakota
Ask any John Blair man

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TODAY is the time to get up to the minute INFORMATION on this MAJOR MARKET

Of the 50 New England Cities and Towns in the WLAW Primary Market...41 have no Daily Newspaper.

WLAW 5000 WATTS • 680 KC.


NORTH BROS. MPG. Co., Philadelphia (Yankee household tools), to Gray & Rogers, Philadelphia.

SIX O'CLOCK Co., Norristown, Pa., (tapices and ginger bread mix), to Norman S. B. MacAfee, Philadelphia.

BROWNING KING & Co., Philadelphia (men's clothing), to I. A. Goldman & Co., Baltimore. H. N. Goldberg, of the agency Philadelphia office, is handling the account. Media to be used in the Philadelphia area include radio, newspapers and direct mail.


MACMILLAN PETROLEUM Corp., Los Angeles (Ring-Free motor oil), to Roy S. Durstine Inc. N.Y.

BRAU BREWING Corp., Fort Wayne, to Streiff & Co., Fort Wayne.


CONSUMER'S SUPPLY Co., Des Moines (auto supply distributors), to Cary-Alsworth, Des Moines.

RUM & MAPLE TOBACCO Corp., New York, to Raymond Director Co., that city. Radio being considered.

Malto-Meal Returning

CAMPBELL CEREAL Co., Minneapolis (Malto-Meal), is preparing a schedule of announcements varying in length to be placed on about 50 stations starting in October. Agency is H. W. Kastor & Sons, Chicago.

LIBERAL BENNY

JACK BENNY, radio comedian on vacation from his NBC program for General Foods Corp., New York, may kid himself on his programs about being tight with his money, but you can't convince Clay Morgan, assistant to the president of NBC, that Benny really is "Scotch". Mr. Morgan just received a diamond-studded watch from Benny as thanks for his work in arranging the party last May given for Benny in honor of his ten years in radio.

Souvaine Expanding

HARRY HOFF, formerly of Transamerica and General Amusement, has been named associate producer of Henry Souvaine Inc., New York, incident to that program production firm's contemplated expansion. He will concentrate on daytime dramatic shows. Associated with Mr. Hoff will be John M. Young, author of among others The Second Mrs. Burton, and Irving Vendig, author of the Folger Coffee, David & Jane series.

Souvaine is planning several new shows for the coming fall. Among those now produced are Bringing Up Father, Listen America and Wanda the Magician, as well as the full broadcasts of the Metropolitan Opera series sponsored by the Texas Co.

Mabel Flanley to AFA

MABEL G. FLANLEY, eastern director of Consumer Relations, Burden Co., New York, has been elected a vice-president of the Advertising Federation of America and chairman of its Council on Women's Advertising Clubs, following her resignation as Federation secretary. Miss Flanley is succeeded by Clara H. Zillessen, advertising manager of Philadelphia Electric Co., Philadelphia.

Court Upholds FTC

DECISIONS affirming two Federal Trade Commission orders have been handed down by the U. S. Circuit Court of Appeals, Philadelphia. One ruling upholds an order which had been appealed by Pep Boys—Manny, Moe & Jack Inc., Philadelphia. The firm had been ordered to cease use of the word "Remington" on radio apparatus. The FTC has ordered Howard S. Weaver, trading as Weaver Real Estate Appraisal Training Service, Kansas City, to cease certain claims about home study courses in real estate appraisal. Another order directs Hy-Pen Corp., Matoaka, W. Va., successor to Bradley's Laboratory Inc., to cease certain claims for Hy-Pen remedy.

Maxon Agency's Building

MAXON Inc. has virtually doubled its physical capacity in Detroit, with the opening of a separate new building two doors east of its present location at 2701 East Jefferson Ave., which will continue to be its headquarters. The new building will provide for expansion of the Maxon research and merchandising division. The enlarged research facilities will serve not only the Detroit office, but the branches in Chicago, New York and Bridgeport, Conn., as well as the Maxon field force.

RICHARD and BARBARA STEVENSON, husband and wife writing team, have joined the J. Walter Thompson Co. Hollywood staff to work on scripts of the weekly CBS Melody Ranch, sponsored by Wm. Wrigley Jr. Co., chewing gum. They are working under direction of Brad Browne, producer. Mrs. Stevenson was formerly assistant to Frau Nystrom, author of The Lone Ranger.
**Agents**

WALTER GORMAN, formerly of the production department of WEAN, Providence, has joined Compton Adv., New York, as program supervisor. He succeeds George Biviglio, who resigned to attend courses at Columbia U in preparation for call to active service in the Navy, in which he is a reserve officer.

EILEEN THORNE, formerly of the copy department of IBDO, New York, has been transferred to the publicity department.

WAYNE TISS, Minneapolis radio director of HBDO, is in Hollywood conferring with agency executives on full radio plans.

THOMAS DAVID LUCKENBILL, account representative of J. Walter Thompson, New York, and former head talent buyer of that office, on July 15 became the father of a daughter, Mary Louise.


FRANK HEALEY, radio manager of Frank Stewart Ady, Hollywood, has joined the Biow department. He continues to handle his current assignment of SEC.

MILTON STARK, publicity director of John Lawson, publicity director of the Navy, in which he is in Hollywood, was called to active service. He attended the office.

THOMAS THOMPSON, of WBDO, New York, has resigned, effective July 18. Mr. McAvity joined Lord & Thomas October 1932 and for many years was director of radio for the agency's New York office. In 1937 he opened a Hollywood office for Lord & Thomas and managed it until January of this year. He was elected vice-president in October 1940 and for the past six months has headquarted in New York. He is leaving shortly on a several-week vacation after which he will announce future plans. Carl Stanton, in charge of the Lucky Strike account for Lord & Thomas, is in temporary charge of the department.

FRANK HEALEY, radio manager of Frank Stewart Ady, Hollywood, has joined the Biow department. He continues to handle his current assignment of SEC.

WILLIAM B. SMITH, formerly of H. W. Kastor & Sons, Chicago, and previously of Procter & Gamble Co., Cincinnati, has joined Brown & Thomas, New York, as an account executive.

WALTER G. SMITH, formerly of BBDO, and recently appointed as program manager, Los Angeles, has resigned, effective July 18. He attended office.

**FM**

**with Simplified CIRCUIT DESIGN**

**GENERAL ELECTRIC**

FM BROADCASTING • Broadcast Advertising

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**McAvity Resigns**

THOMAS A. McAVITY, vice-president in charge of radio for Lord & Thomas, New York, has resigned, effective July 18. Mr. McAvity joined Lord & Thomas October 1932 and for many years was director of radio for the agency's New York office. In 1937 he opened a Hollywood office for Lord & Thomas and managed it until January of this year. He was elected vice-president in October 1940 and for the past six months has headquarted in New York. He is leaving shortly on a several-week vacation after which he will announce future plans. Carl Stanton, in charge of the Lucky Strike account for Lord & Thomas, is in temporary charge of the department.

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When you see this...

...Only then you'll see a Lower Cost than WTAM's .000073 Cents per FAMILY

That's the lowest quotation per family in the Cleveland Market. WTAM, with its Primary Coverage Area of over a million and a quarter families, not only reaches more families but costs less per family.

Compare WTAM on this basis: Divide the 15 minute Daytime Rate of each Cleveland Station by the number of families each claims in its Primary Area. WTAM has the minimum cost. But don't stop there. Go a step farther.

Take a Survey... any Survey and look at the number of actual listeners. With this station has, all day, all night, all week. WTAM leads again. More listeners. More regular listeners. The lowest-cost-per-family in the Cleveland.

That's why WTAM is the first choice of smart network, spot and local time buyers... coast to coast.
KWKB, Shreveport
American Chicle Co., Long Island City, as series, thru Badger, Huntington & Waenker.
Curtis Publishing Co., Philadelphia (Saturday Evening Post), as series, throughout.
Faulkner Biscuit Co., Kansas City, as series, thru Ferry-Dally Inc., Kansas City.
General Mills, Minneapolis, 1 series, thru Robert Reavey Adv., Minneapolis.
Goodyear Tire & Rubber Co., Akron, as series, thru N. W. Ayers & Son, N. Y.
Peter Paul Inc., Naugatuck, Conn. (candy), thru Platt-Forges, N. Y.
Procter & Gamble Co., Cincinnati (Dud), 1 weekly, as series, thru Compton Adv.
Studebaker Corp., South Bend, Ind., as series, thru Roche, Williams & Cunnyngham, Chicago.
Skinner Mfg. Co., Omaha, as series, thru Ferry-Hanly Co., Kansas City.

KFCR, San Francisco
Standard Baking Co., San Francisco (soft drinks), 1 weekly, thru Emil Reinhardt, Oakland, Cal.
Langendorf Brothers Bakers, San Francisco, 4 as series, thru Leo Livingston, San Francisco.
Southern Pacific Co., San Francisco (transportation), 10 as weekly, thru Lord & Thomas, San Francisco.
Goodyear Tire & Rubber gum, Sacramento, Cal., (chiropractor), 3 as weekly, thru Ewing C. Kelly, San Francisco.
Sunnyvale Packing Co., San Francisco (fruit), thru Lord & Thomas, San Francisco.

RTBS, Shreveport
Curtis Publishing Co., Philadelphia (Saturday Evening Post), as series, thru Ted Bates Inc., N. Y.
Continental Oil Co., Ponca City, Okla. (Coca-Cola), 26 as, thru Ted Bates Inc., N. Y.
Gulf Oil Corp., Pittsburgh (Gulfspur), 2 weeks, thru Erwin, Wasey & Co., N. Y.
Duffy-Mott Co., New York (apple juice), weekly, thru Al Paul Lefton, Philadelphia.
John H. Horvath & Co., New York (coffee), 1 as weekly, thru Neff-Rogers, N. Y.
Duffy-Mott Co., New York (apple juice), weekly, thru W. McCann Labs., New York.
Anderson & Mccann Labs., New York (food products), 5 as weekly, direct.

KNX, Hollywood
Beckman For Stores, Los Angeles (rubber products), thru telephone.
Lamont & Corris, Los Angeles, N. Y. (New York City), 2 weekly, through Los Angeles.
Presby, Inc., 2 weekly, thru Los Angeles.
John Morrill & Co., Ottumwa, Ia. (Red Heart dog food) 6 as weekly, thru Henri, Hurst & McDonald, Chicago.
American Tobacco Co., Detroit, N. Y. (Park Mall cigarettes), 30 as weekly, thru Los Angeles.
Sunnyvale Packing Co., San Francisco (Raisin aid), 1 as weekly, thru Lord & Thomas, San Francisco.

WNEW, New York

WBLK, Buffalo, N. Y.
Gunther Brewing Co., Baltimore, 13 as weekly, thru Ruthrauff & Ryan, N. Y.
American Chicle Co., Long Island City, weekly, thru Badger, Huntington & Waenker, N. Y.

KFSD, San Diego, Cal.

DATA ON RECORDS SUBMITTED BY NAB

Statistics showing that 90.9% of all broadcast time is devoted to commercial advertising have been released by the Recording & Reproducing Standards Committee, a group organized by the NAB to establish uniform standards for transcription and transcription equipment firms.

Figures were a result of 182 audits which had been sent out recently to radio stations to gather information on various problems encountered. The results show the lack of uniformity in recording standards. Further findings were that 76.5% of the recordings were by lavalier transcription, 21.3% by vertical transcription; and 20.9% by phonograph records.

Further work on the standardization will be undertaken by a subcommittee appointed by the representatives of 14 recording firms attending last month's conference in Detroit. They are: Howard Chinn, CBS; C. Luada Jr., World Broadcasting System; Robert Morris, NBC; chairman; E. T. Mottram, Bell Telephone Labs; I. F. Rodman, Broadcasting Corp. of America. It was decided to hold the next meeting of the main committee coinciding with the fall meeting of the Acoustical Society of America in New York, Oct. 24-26.

Leon Henderson Urges Bakers to Cut Costs by Curtailing Advertising

LEON HENDERSON, administrator of the Office of Price Administration & Civilian Supply, recently recommended last week that bakers offset higher ingredient costs and avoid the possible price increases of bread by reducing operating costs, including advertising.

In a letter to the bakers, Mr. Henderson said that because of higher costs his organization understood the need for some adjustment in the price of bread. "However," he wrote, "that for most part these adjustments should not take the form of price increases. The national emergency requires first that every effort be made to reducing to a minimum the number of members with the industry, for example, have indicated that savings could be made by reducing to the highest extent of all returns, by using less expensive wrappers, and by cutting advertising expenses."

Mr. Henderson said OPACS had learned that ingredient costs in the baking industry had increased approximately 4 per cent, plus a rough estimate, for the nation. There have also been increased labor costs in some areas.

Win WOR Prizes
JUNE winners among staff members of WOR, New York, who received certificates of achievement for suggesting improvements in the station, were Robert I. Garner, station engineering manager; Margaret Morris of the engineering department, and Roy Collins, page boy.
Radio Advertisers

WASHINGTON WILSON SEED CO., Moscow, Ida. (Washington's Quick Cooking Peas) and Penick & Ford, New York, (My-T-Fine desserts) have brought participating time on Dear Imogene, woman commentator's program broadcast Tuesdays, Thursdays, and Saturdays on WOR, 3 p.m. Pacific through H. B. LeQuatte Inc., the Washington contract is for 52 weeks, beginning Aug. 5. Penick & Ford signed for 13 weeks, beginning Sept. 1, placed through BRDG. The two contracts give Dear Imogene 10 participating sponsors. The others are California Fruits, Macaroni Educator, Ginsburg Cheese, Pure Food Factories, Housson Macaroni, P. Duff & Sons, Duf-ty-Matt.

EVANS FUR CO., Chicago, (fur retailers), has signed a 26-week contract for 4½ hours a week on WGN, Chicago. Schedule includes Academy Awards, Theatre Science half-hour, transcribed dramatic program featuring Hollywood stars; Don McGibney quarter-hour news commentary six days a week; and two daily quarter-hour musical programs—Voice of Romance and Twilight Serenade. Critchfield & Co., Chicago, is agency.

CAPITAL Co., Los Angeles, subsidiary of the Bank of America, has bought radio to promote Green Valley Lake subdivision. A brief test campaign is currently sponsoring a daily spot program and a weekly quarter-hour early morning program, Adventures in Living, on KMPC, Beverly Hills, Calif. Reputed to be Lee Clancy in homely philosophy with music, Sterling Associates, Hollywood, has the account.

OTTO ERLANGER BREWING Co., Philadelphia, has started on WIL, Philadelphia, a six-weekly 15-minute spot period, at 7:45 p.m. Contract is for 52 weeks. Program, handled by Al Stevens, is known as Otto Eralger Sportscaster. Agency is J. M. Korn & Co., Philadelphia.

SUPREME BAKERY Co., Los Angeles (Town Talk Hour), in a four-week campaign ending Aug. 15, is sponsoring a five-week Sunday quarter-hour newsmen on KECA, Los Angeles. Sidney Garfinkel Adv. Agency, Los Angeles, has the account.

INTERNATIONAL SHOE CORP., St. Louis (Conformal shoes), in a local dealer tie-in, is using 24 transcribed announcements weekly on KRLD, Los Angeles. Contract is for eight weeks, ending Aug. 21. Agency is Utah, Harris & McDonald, Chicago.

WHEELING STEELMAKERS program, which goes on NBC-Blue Oct. 5, was discussed at a luncheon recently given by E. R. Borruff, sales manager of the NBC-Bus Central Division. Present were (1 to r) Jules Herbuveaux, NBC Central Division program manager; E. K. Hartenbower, NBC salesman on the account; J. L. Grimes, general advertising manager of the Wheeling Steel Corp.; Mr. Borruff; Roy Scrymger, account executive of Critchfield & Co., Chicago; Harry C. Kip, general manager of the NBC Central Division; James L. Sturton, manager of Central Division program and talent sales.

JOSEPH TETLEY & Co., New York (tea), recently renewed for another 15-week period its Mystery Chef on KRKA, Pittsburgh; WBAF, New York, and KYN, Philadelphia. The program has already completed a 26-week run. Agency is Mason Inc., New York.

ADORH MILK FARMS, Los Angeles (dairy products), on July 16 started for 13 weeks, three weekly participation in Art Baker's Notebook on KFI, Los Angeles. Firm also sponsors a weekly musical program, Golden Hour, on KJIU, Hollywood. Lord & Thomas, Los Angeles, has the account.

INTERNATIONAL Ladies Garment Workers, AFL, Los Angeles, placing direct, in a two-week educational campaign ending July 31, is sponsoring daily quarter-hour talks on KMPC, Beverly Hills, Cal.

RAMIREZ FERIAU CHILE CO., Ventura, Cal. (Los Palmos Chile products), new to radio, and placing direct, is using daily spot announcements on KKDF, Los Angeles.

FRY PACKING Co., Seattle, is sponsoring a weekly sports commentary with Bud Foster on KFAH, Fairbanks, Alaska.

Williams Anniversary

J. R. WILLIAMS Co., Clatsoumb, Conn., first client of WLNO, Croyser shortwave adjunct of WLW, Cincinnati, will celebrate its first year on the air in August. The program it sponsors, El Noticiario de Buenas Noticias, is broadcast Monday through Friday at 8:16 p.m. (CDSL) and features news of interest to the Americas. The company becomes the oldest continuous shortwave advertiser on any of the North American International stations, according to WLNO. The program is written by Oscar H. Bonaveri and announced by George Mayer.

NBC RED NETWORK

Continues to Lead in Star-Program "Firsts"

Despite seasonal vacation changes, KSD holds its leadership in St. Louis in listener preference programs. In the C. E. Hoover, Inc., monthly popularity ratings, KSD carried "FIRSTS" as follows:

5 of the FIRST 7

(Month of JUNE)

Were on KSD

MILLIONS for DEFENSE

Are stimulating all retail lines in the rich, responsive KSD area.

KSD for Listener Preference

in St. Louis

A Distinguished Broadcasting Station

Station KSD—The St. Louis Post-Dispatch

POST-DISPATCH BUILDING, ST. LOUIS, MO.

FREE & PETERS, INC., NATIONAL ADVERTISING REPRESENTATIVES

NEW YORK CHICAGO DETROIT ATLANTA SAN FRANCISCO LOS ANGELES

BROADCASTING • Broadcast Advertising

July 28, 1941 • Page 41
Sale of Artists’ Bureau Announced by WCCO

SALE of WCCO Artists’ Bureau Inc. to John Williams and Urbane Bowdin, formerly associated with the firm was announced last Monday by Earl H. Gammons, president of the bureau and manager of WCCO, Minneapolis. The new owners, to operate under the corporate name, The Artists’ Bureau, will take over Aug. 1, Mr. Gammons stated.

Al Sheehan, for seven years manager of the Artists’ Bureau, and his assistant, Mildred Simon, both will remain with WCCO. Mr. Sheehan has been named operations director of the station.

The new company will be located at 510 WCCO Bldg., 625 Second Ave., South. Jack Kilmartin has been retained as stage director, along with Ann Fairbanks, in charge of wardrobe. Additions to the staff are to be announced shortly, it was stated.

Duz Station Breaks

PROCTER & GAMBLE Co., Cincinnati (Duz), during the week of July 14, Chairman Gibney of the Artists’ Bureau, said that Duz had been knocked out of the network for four days, following a series of station breaks for that product on the following stations: NEW WTAM WCCO WOIO WGL WRC. Agency is Compton Adv., New York.

BECAUSE a two-thirds vote is required to enable it to dispose of its artist bureau properties [Broadcasting, July 14], the CBS board is urging all stockholders to mail their proxies before the special meeting of stockholders in New York Aug. 11.

Network Rules Postponed to Sept. 16

(Continued from page 18)

ments of the revised rules will be, it was pointed out, it would be impossible to amend such contracts.

In event the discussions again reach a stalemate, it is expected the networks will go to court promptly on the unsettled jurisdictional question. Litigation is likely in any event, it is thought, even if the rules are revised in livable fashion, to settle the question of jurisdiction.

Following the conferences during the week of July 14, Chairman Fly on Saturday, July 19, suddenly called a press conference to discourse on the conversations, declaring that he wanted to impart the true story, since “rumors might leak out.”

Explaining that he had held three conferences during the week with network officials, he said the general spirit was good and that the conferences were of a constructive nature and that everyone “is in splendid mood.” At that time, in advance of the Monday sessions, NBC and CBS officials were in anything but a favorable mood. Mr. Fly said no decision had been reached in a definitive sense, but that they were trying to lay a basis for such modifications of the regulations as would be workable.

Discussing major points covered, Chairman Fly said he would recommend any amount of time needed under any particular rule, such as affiliation contracts at the disposition of the Blue. On the question of language of contracts, he said the matter of a two-year license had been studied and it was thought this might be a stabilizing factor.

The Commission will consider this when the time comes, he declared.

Confirming reports that time options had been the main topic, the Chairman said he did not know whether the conference would arrive at any figure that might be submitted to the Commission. He said that in the event of the addition of more stations, the Commission could be more liberal than in those where there are a limited number of stations, not enough to go around for the existing networks. Unused option time is a problem, he said, and the amount of time options should be related in some way to the time used.

He said there had been no extensive discussion of the Blue, exclusivity or rate control on local business. (The latter, already has been knocked out by NBC, the only network which contractually had provided for it.) Moreover, the question of stations owned by the nets could be handled individually, he said.

Tolla Stations ‘Sit Tight’

Asked by Broadcasting about the dilemma of individual stations, Chairman Fly said he was telling them to “sit tight three or four days more,” indicating a probable adjournment. Action came the following Monday when the agreement was reached on the Sept. 16 postponement, approved the following day by the Commission.

Following is the text of the FCC order, adopted July 22, postponing the network-monopoly rules until Sept. 16:

At a meeting of the FCC held at its offices in Washington, D. C. on the 22d day of July, 1941, the Commission having under consideration the petition of the National Broadcasting Co.

... a sweet song that rings in WSAI Advertisers’ ears. ‘Cause the WSAI Winged Plug (that’s me) is a maestro at playing the Song of Sales. Take a look at my record: 292 sponsored quarter hours in a summer week and 77.1% of them on renewals. You’ve got to pay-off with sales at low cost to do that, Mister, so why not let me try it for you, too.

Nbc RED AND BLUE—5,000 WATTS NIGHT AND DAY

WSAI CINCINNATI’S OWN STATION REPRESENTED BY INTERNATIONAL RADIO SALES

PERCHED ON THE 500,000 bottle caps that deluged WRBL when the Columbus, Ga., station held an auction of 12 autographed baseballs in which children under 14 were advised the Coca-Cola tops would be used for bidding, Sportscaster Jack Gibney who handled the local Redbirds’ games for Coca-Cola, frantically pounds on an adding machine. Eventually his tabulations showed that one youth had brought in 49,701 caps, which won him a $25 defense saving bond.

and of the Columbia Broadcasting System requesting that the Commission postpone the effective date of its order entered in Docket No. 5000 promulgating regulations applicable to radio stations engaged in chain broadcasting:

It is ordered, that the last paragraph of the said order of May 2, 1941, entered in Docket No. 5000, be, and the same is hereby, amended to read as follows:

“The Commission order will in effect be extended to permit the orderly disposition of properties.”
* FALL GUY: the radio station executive who says, “Let’s start our promotion in the fall, when business is up.” He forgets that appropriations are made, schedules set, stations selected in the heat of the summer.

* * *

AUGUST and September spell golf, fishing and cool nights in the mountains to a lot of fellows. But to the boys on Boul Mich and Park Avenue (the advertising fraternity, we mean) they’re just double doses of hard work. It’s no secret that when the thermometer’s at a new high, the schedule makers and media selectors are putting in their best licks. That’s when they eat, sleep and dream fall and winter schedules. That’s when your station is really on the spot.

Sales Management’s survey of AAAA agencies revealed that the three summer months are the second most important quarter of the year for the preparation of advertising campaigns.

It goes without saying, now’s the time to get in your best licks.†

† How? Tell your story through BROADCASTING . . . the 100%-radio magazine. BROADCASTING’s 9500 circulation blankets national and regional radio advertisers and their advertising agencies. BROADCASTING is the dominant 1st with advertisers and agencies (write for 5 surveys).
Outside Studio

WGN, Chicago, has erected amplifiers in the Nathan Hale Court outside the main studio building. Several hundred benches and chairs will be set up for persons who wish to listen to WGN programs outdoors.

ONE OF THE nation's foremost cowboy bands, Al Caeuser and His Oklahoma Outlaws, has been signed by WHBF, Rock Island, and will be heard twice daily over that station, as well as originate two programs a week to MBS.

KMO, 42,000, on Aug. 24 marks its 15th anniversary with a staff yacht cruise and picnic. Two days later station will inaugurate operation of its 5,000-watt transmitter.

KFYR, Willibita, has started a new series of station breaks. The new tag line goes, "KFI, Willibita, the Air Capital of the Nation. Keep 'em Flying."

NBC Signs Magidoff

ROBERT MAGIDOFF, American newsmen in Russia, has been appointed Moscow correspondent of NBC. Mr. Magidoff has had six years of newsgathering experience in the Soviet Union. He will be heard on the NBC-Red News of the World and other NBC overseas programs, succeeding Heman Habicht, who is returning to America.

Steinway at Last!

WHEN Steinway & Son, New York, on Sept. 9 begins sponsorship of Symphony Hall on WQXR, that city, it will be the first time in the near-century history of the firm they will have used radio to advertise their famous pianos. Contract is for 13 weeks. N.W. Ayer & Son, New York, handles the account.

GEORGE HENRY, staff musician of WBIG, Greensboro, N.C., recently was awarded one of the first prizes by the National Federation of Music Clubs in its biennial contest for compositions of American composers. Mr. Henry's "Partita," for piano and two violins, was the prize-winning composition.

Steinway at Last!

WFBM: More Listeners

than the next two highest ranking stations combined

AS SHOWN BY ROSS FEDERAL RESEARCH CORP.

2,108 telephone calls made in Indianapolis over a 7-day period between 12:15 and 12:30 P.M. showed that WFBM had more listeners than the other two local stations combined.

had more than double the listeners of any other station!

In Indiana WFBM consistently has the largest audiences, together with a merchandising and promotional service that makes it the state's outstanding outlet.

5,000 Watts Day and Night

ONLY BASIC CBS OUTLET IN INDIANA

Soviet Embassy Has Own Listening Post

FOLLOWING consultations with the State Department, the Soviet Government has installed a powerful shortwave receiving post in Washington to keep abreast of news from other broadcasts out of Russia. Although the receiving station incorporates an elaborate receiving array, Soviet Embassy officials indicated that no transmission activities were planned, and that the regular channels of commercial radio communication would be relied upon for official business.

The installation was made to enable Soviet embassy officials in Washington to keep in constant touch with news reports and other broadcasts from Russia. For several years the American Embassy in Moscow has operated a similar shortwave receiving station, capable of receiving the regular news bulletins prepared by the State Department and broadcasts by a Navy Department transmitter, it was stated. The British Embassy also operates a shortwave receiving post in Washington.

GIRL'S BODY FOUND

Newscast on WESX leads to Discovery of Corpse

A MOTHER'S appeal for the return of her missing daughter, carried in a regular newscast of WESX, Salem, Mass., last week led to the discovery of the body of Miss Frances Cochrane, 19, of Lynn, Mass., who had disappeared two days before.

Announcer Joe Tobin read the appeal in his regular 1 p.m. newscast. A half-hour later Tobin received a telephone call from a man who gave the exact location of the body. News Editor Walter Mackie of the station notified police who found the body near Swampscott, Mass.

For MBS in Russia

HENRY SHAPIRO, United Press correspondent in Moscow, has been appointed MBS representative in the Soviet Union and on July 27 started regular broadcasts on MBS Sundays, 11-40-11:50 a.m. with a repeat at 6:40 p.m. WOR, MBS New York outlet, records the programs from the studio line, presenting them at 9:10 p.m. Sunday evening.

BEFORE YOU'RE UP--YOUR SALES CAN BE!

While you're still deep in slumber, deep South farmers dial WWL to hear Dixie's Early Edition. Pull! 167,980 letters first year! Available on participating basis. Plant your product in this all-form, all-star BUY! (5 to 7 A.M. Daily)

WLB

NEW ORLEANS

50,000 WATTS
The Busy Utley's

CLIFTON UTLEY, news analyst and director of Chicago Council on Foreign Relations, and his wife, Fayn Utley, are establishing some sort of a record as Chicago's hottest commenting couple. Mr. Utley, whose day starts at 4:30 a.m., does the daily quarter-hour early morning newscast for Skelly Oil Corp. on WBC-Red; a quarter-hour commentary six nights a week for Studebaker Corp., and a Tuesday evening quarter-hour newscast for Chas. A. Strohrer & Co., department store on WGN. Mrs. Utley, aside from her household duties, conducts a weekly quarter-hour commentary on WJJD, the weekly Women in Defense program and the daily quarter-hour from Utley—A World of Interest on WBBM.

The Other Fellow's VIEWPOINT

Mexican Network

EDITOR, BROADCASTING: We have read the article in the July 14 issue of your magazine concerning a new network in Mexico (Page 11). We wish to state that a slight error has been made as to the call letters of various stations broadcasting the Embajadores program. The complete list of stations is as follows:

- XEBJ, C. Victoria, Tamaulipas
- XECW, Cordoba, Veracruz
- XEDR, Guadalajara, Jalisco
- XEPB, Monterrey, N. L.
- XEMP, Orizaba, Veracruz
- XECZ, San Luis Potosi, S. L. P.
- XES, Tampico, Tamaulipas
- XEBQ, Torreon, Coahuila
- XEVH, Veracruz

This list, however, does not include the complete roster of stations affiliated with XEQ and does not include the stations that form the network headed by XEQ of Mexico City. These two networks in Mexico at present, one headed by XEW and the other by XEQ.

We control radio stations in 19 key cities in Mexico under contract. The network programs are sent by telephone line to the majority of the cities but where no telephone line is available we record the program and send it to the stations that have no direct wire to Mexico City. We have at present the best RCA recording equipment in Mexico, using the Orthacoustic system.

The cities having radio stations under contract to us are: Guadalajara, Jalisco; Monterrey, N. L.; Tampico, Tamaulipas; Leon; Tepic, Nayarit; Saltillo; Chihuahua, Chih.; Piedras Negras, Coah.; San Luis Potosi, S. L. P.; El Parral, Chih.; Merida, Yucatan; Culiacan, Sinaloa; Torreon, Coah.; Orizaba, Veracruz; Manzanillo, Colima; Tijuana, B. C.; Guadalajara, Jalisco; Monterrey, N. L.

Drama Disc Library

AN ALL-DRAMATIC transcription library, described as the only one of its kind, is set for an Aug. 15 debut by Charles Michelson, New York transcription firm. It will fill a function in the dramatic field similar to that of the musical libraries. Mr. Michelson has handled such transcribed series as Chandu the Magician and The Shadow.

HELEN HIFFT, NBC's girl war correspondent and commentator, on July 29 made an initial appearance on the CBC "We Have Been Three" program, during which she described her experiences during 1940 in France, Spain and Gibraltar.

ATLANTA A Fort Industry Market

DRAMA from

THE BLUE BOOK of the Blue Ribbon Station

A few of our NBC accounts

- Orphans of Divorce (Dr. Lyons)
- Just Plain Bill (Anacin)
- Mother O' Mine (Clapp's Baby Food)
- Drama Behind the News (American Chicle Co.)
- Easy Aces (Anacin)
- I Love a Mystery (Fleischmann's)
- Inner Sanctum (Carter Medicine)

You're in Good Company on the Blue Ribbon Station

WAGA

ATLANTA, GA.

BROADCASTING • Broadcast Advertising

July 28, 1941 • Page 45
Amateur Band Is Shifted To Plane Pilot Training

FCC last week moved to provide adequate radio communication facilities for military pilots undergoing training when it notified operators that 300 kilocycles from 3650-3650 normally allocated to amateur use will be assigned for pilot training. The frequencies will not be withdrawn immediately but will be transferred by degrees between September and March.

The Commission said it intended to rearrange the amateur allocations to make additional frequencies within the remaining amateur bands available for amateur radio telegrams. “The action taken by the FCC was with the prior knowledge of the American Radio Relay League and its details were worked out with our active collaboration. We are proud to make the sacrifice on behalf of a project of such awe-inspiring dimensions and of such importance to every American Citizen.”

French in Quebec

AS THE RESULT of a survey made by the Canadian Broadcasting Corp., among French-speaking Canadians in Quebec province, it was found that 35 to 80% of French-Canadians listen faithfully to stations and broadcasts in their own language. Newscasts came first in popularity, with quiz shows, serials, drama, French chansonnettes, variety and comedy programs in that order. Only six of the 75 programs named in the survey received unfavorable men-

FM Interest Noted

INCREASED interest in frequency modulation is considered by Stromberg-Carlson Telephone Mfg. Co., Rochester, as a principal reason for the rise in employment at its radio and telephone equipment plant, already past the 1940 hiring peak, although the top production of 1941-42 radio receivers will not be reached for the next few months. According to McCann-Erickson, New York, the Stromberg-Carlson agency, the company’s production of FM radios during the coming year will account for 80% of its volume in radios and radio-phono graph combinations.

‘Mousetrap’ Revised

A REVISED edition of the booklet that inspired much favorable comment when distributed to the trade last year, “Broadcasting’s Better Mousetrap”, by Dick Dorrance, general manager of FM Broadcasters Inc., has been issued by that organization. The new edition, reduced in size to 4 x 6 inches and brought up to date, tells the story of FM in the language of the layman explaining the ABC of radio’s new marvel.

NEW FM STATION GRANTED LANSING

A NEW FM station in Lansing, Mich., was authorized by the FCC July 29, the construction permit was WJIM Inc., licensee also of the standard broadcast station, which grant covers 47.7 mc., stipulating an area of 3,800 square miles and a 250,000 population. The antenna will be located at Lyons Tower.

In connection with the grant to CBS July 16 of an FM Class C station in Phoenix, a service covering 431 mc. and a service area of 38,000 square miles embracing San Diego and Bakersfield, [BROADCASTING, July 29], the Commission stipulated that prior to the issuance of the construction permit approval must be obtained to the exclusive use of the transmitter and antenna facilities.

Marine Bill Voted

GROWING out of hearings during the last several months on subversive activities in the merchant marine, the House last Tuesday passed a bill (HR-5074) amending the Communications Act to allow the FCC to deny licenses to subversive radio operators. The bill is now pending in the Senate. During the hearings it was developed that present law does not give the FCC the right to make inquiries into the character or technical qualifications of radio operators. The bill amends the Act to enable the FCC to inquire into personal character and background of applicants for operators’ licenses.

Crosley Defense Head

TO REPRESENT the Crosley Defense Co., in answering military agencies in national defense matters, Howard A. Holmes, Detroit, has been appointed manager of the Crosley defense products division, according to a July 27 announcement. In Cincinnati, Mr. Holmes also will supervise the Crosley Washington office in the Munsey Bldg., which will continue to be operated by Quinton Adams. Until recently Mr. Holmes was in charge of the Cros-ley Detroit offices and the associations with National Steel Co., Inland Steel Co. and Chrysler Motors Corp.

Milwaukee FM Exhibit

DEMONSTRATION of FM interference was shown at this year’s Milwaukee Midsummer Festival by W55M, the Milwaukee Journal’s FM station. This handle lighting device in the form of a 20,000-volt spark gap was set up near a combination FM and AM receiver. The instantaneous lightening smoothed the AM program and masked of noise, but didn’t bother FM reception.
Got His Tools

STYMIED for more than six months in an attempt to obtain a new rotary aerial to cut disc of stainless steel for defense orders, H. L. Grapp, executive of the Despatch Oven Co., Minneapolis, happened to tune into Minnesota to the Defense on WCCO, Minneapolis. Hearing of the OPM's remarkable success in obtaining certain materials and acting on the suggestion of the announcer, Mr. Grapp contacted the OPM office with his problem. Within 24 hours the much-needed machine tool was located in Albany, N. Y. and dispatched to Minneapolis.

"Dr. I. Q." Protected

GRANT ADV., of Texas, has enjoined Lew Valentine from appearing or advertising himself as "Dr. I. Q." or any variation of same, in the United States, Mexico or Canada. Injunction was granted after a suit was entered by the agency in a Salt Lake City District Court against Mr. Valentine, Larry Kurzwe, Intermountain Theaters and Saltmount Theaters. Mr. Valentine was at one time the m.c., and portrayed the part of Dr. I. Q. on the Dr. I. Q. program on NBC-Red.

Bass Construction Jobs

BASS CONSTRUCTION Co., Cleveland, is installing the three-tower directional antenna and transmission system of the new 50-kw. WLAC, Nashville. One of the towers will be 350 feet high, the other two 165. Bass is also installing four 300-ft. towers for the new WAYS, Charlotte; one 550-ft. tower for WCHV, Charlotte; and two 200-ft. towers for WCK, York, Pa.: one four-section tunable FM antenna for Great Lakes Electric Co., atop the Grayer Hotel, New York.

Technicians Exempt

AMERICAN citizens enrolling for service abroad with the British Civilian Technical Corps (Broadcasting, June 23) are exempt from draft in the United States Army, according to a memorandum sent to all draft boards by the national headquarters of the Selective Service System. Radio technicians of draft age registering for the Corps will be placed in Class H-H.

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Look to Lingo

... for PEAK PERFORMANCE
... for LOW MAINTENANCE COST
... for INSURED STABILITY

- Our engineering staff will be pleased to supply you with technical data as it applies to your own station, for either AM or FM installations. Write today, and please state location, power and frequency of station.

- The proven, accepted antenna for this new field. The Lingo Turnstile FM Antenna embodies new, patented features that are the result of years of research and development. They are now available for installation. Quotations will be gladly offered and include essential steel mounting pole, turnstile elements, coupling equipment, transmission lines feeding the elements, etc. Climbing steps, lighting equipment and steel melting units are also available as optional equipment.

john E. lingO & Son, Inc. Dept. B-7 CAMDEN, N.J.
SCAMMON INCIDENT
DRAWS BELL'SIRE

CHARGING that Richard M. Scammon had been forced to resign as research secretary of the U of Chicago radio department the day after he challenged Gen. Robert E. Wood, chairman of the America First Committee, to a debate on the occupation of Iceland, Ulric Bell, chairman of the executive committee of Fight For Freedom Inc., declared last Tuesday that "one of the four freedoms has been scuttled on the U of Chicago campus".

Mr. Bell declared that Mr. Scammon was told by his superiors that William Benton, vice-president of the university and former president of Benton & Bowles advertising agency, would fire him if he made any speeches for Fight for Freedom. He charged that Mr. Benton, whom he called a "radical isolationist", had said that Scammon's challenge "may cause the University some embarrassment if we ever want to get something from Gen. Wood".

According to the Fight for Freedom statement, Mr. Scammon, who had enlisted in the Army about a month before, on July 11, had submitted his resignation to Sherman Dryer, director of the U of Chicago radio department, after being told he would receive three weeks' severance pay if he resigned, but nothing "if he waited to be fired".

University officials denied the story and explained that Mr. Scammon had received the regular three-week "terminal vacation" granted all employees severing connections with the school. Mr. Scammon had been at Chicago U for two years, following an academic career at Minnesota and Michigan U and the London School of Economics.

Paul Specht, pioneer radio orchestra leader, has written a book titled How They Become Name-Bands, recently published by the Fine Arts Publications.

PHOTOGRAPHS ON PAGE 18 in the same order (1 to r) shows: 1. L. E. (Chick) Showerman, NBC-Red sales manager, when he was a corporal with the 15th Field Artillery of the AEF; wounded in action three times, he won the Silver Star Citation and the Order of the Purple Heart. 2. Clair H. Shadwell, program director of WSAI, Cincinnati, who enlisted in April, 1918 and a month later went overseas, seeing action on six major fronts with the 146th Infantry, Ohio National Guard. 3. Harold A. Safford, program director of WLS, Chicago, who enlisted at 19, was assigned to recruiting service, then transferred to Jefferson Barracks, Mo., becoming a sergeant of infantry before being assigned to direct orchestras and shows at the recreation center.

**Buck for Box**

(Continued from page 22)

is being bought by personal contact. Where the show is needed by our distributors, I make the calls myself, direct survey work and prepare for the program to come. Following this, Harold Roll, vice-president of Allen & Reynolds and manager of our account at this agency, follows through on the placement side of the matter, securing proper cooperation of the radio stations in merchandising the show, and making sure the program is presented exactly as directed. We have found that this cooperative work, with personal control in the market, leaves nothing to chance. Thus, the promotion is sure to click.

And thus, is radio working for us. With the orders coming in greater numbers every day, we know that radio works—when handled right. We're glad to give our agency credit for knowing how to handle it.

Mayor's Use of WNYC Is Criticized in Council

USE OF WNYC, New York City municipal station, by Mayor Laguardia to announce his candidacy for a third term as chief executive of the metropolis was criticized last week by Vice-Chairman Joseph Sharkey, of the City Council. Mr. Sharkey, leader of the Democratic majority in the Council, said the station was airing "nothing but Fusion medicine shows" at a cost of $165,000 a year. The Mayor is running on a Fusion ticket.

Threatening action to curtail the activity of the station, Mr. Sharkey said, "The larger stations have to explain to their stockholders how they apportion their time. It's different with WNYC—its tunes are not at the beck and call of the Mayor for a 24-hour schedule and woe betide WNYC's yes-men if a Mike is not at hand and time available whenever the Mayor wants to back-slap his administration."

**Independent Publishers Draw Up Constitution**

FORMAL constitution and by-laws were drawn up at the last meeting of Independent Music Publishers Assn., group of some 80 small music publishers, for ratification early in July to act as a "buffer" between publisher members and BMI [BROADCASTING, July 14]. According to Peter Doraime, Doreaine Music Publishing Co., chairman of the IMPA, another meeting will be held prior to the time final organization details will be completed and the full executive committee and officers elected.


BMI Band Catalog

BROADCAST MUSIC Inc. has published a new band and orchestra catalog listing music and arrangements of approximately 2,500 compositions copyrighted since formation of BMI publishers than a year ago. The 48-page catalog is divided into sections covering band, orchestra and string orchestra music.

**NOW THEY LOOK LIKE THIS**

See page 18

**W. E. Long Co., Chicago demands the BEST when it comes to making TRANSCRIBED RADIO FEATURETTES FOR BAKERS They insist that all W. E. Long transcriptions be PROCESSED and PRESSED by—**
source was given as the FCC’s records.

Exhibit III purported to show the “trend in number of all broadcast stations and newspaper-associated broadcast stations, 1931-41.” The sources of these figures were given as Editor & Publisher, 1931-40; Broadcasting, 1933-40; Radio Daily, 1937-40. This table, whose 1931-34 figures were challenged, in detail a drop in the number of newspaper-associated stations between 1931 and 1934, which led Commissioner Craven to inquire as to their accuracy.

Mr. Sayler replied that the figures for those years were derived from the Editor & Publisher Yearbook. Mr. Craven thereto asked how these figures could be accurate inasmuch as the FCC and its predecessor Federal Radio Commission did not keep records itself of minority interests in broadcast stations until a few years ago.

The FCC’s Newspaper Data

The FCC’s Newspaper Data (Continued from page 17)

Exhibit V purported to show FM applications by newspaper interests on hand as of June 30, totaling 99 applicants seeking 116 stations, of which 77 already were standard broadcast licensees. These latter flew 93 applications, the table showed.

FM Licensees

Exhibit VI showed that there were 42 newspaper licensees of 48 FM stations, of whom 34 already were in the standard broadcast field as licensees of 40 stations.

Exhibit VII compared all corporate, commercial and newspaper-associated broadcast stations by type of corporation and by type of business organization. It showed 780 licensees of commercial stations as of June 30, of which 45 were licensed to partnerships, 116 to individuals and 619 to corporations. Newspaper interests were identified with 33.2% of these stations as of June 30, of which 11% were partnerships; with 11% of the licenses to individuals, and with 37.3% of the corporations.

Exhibit VIII consisted of a series of tables, which Mr. Sayler identified as having been compiled by the Office of Radio Research, Columbia University, at the request of the FCC and at the expense of the Newspaper-Radio Committee. These tables purported to show the affiliation of newspapers with radio stations by circulation of newspapers; by size of town in which newspaper is located; by geographical area in which newspaper is located; by size of town; by powers of stations (also broken down by geographical areas); by network affiliations.

It was indicated by these tables that 44.2% of the so-called newspaper stations were located in areas of newspapers with 100,000-250,000 circulation; 42.6%, 50,000-100,000; 39.5%, 25,000-50,000; 25.9%, 15,000-25,000; 19.4%, 10,000-15,000.

Fifty percent of the newspaper radio stations were said to be in towns of 250,000-1,000,000; 39.5%, in towns of 50,000-100,000; 28.1%, in towns of 100,000-250,000; 24.7%, in towns of 25,000-50,000. Another table of Exhibit VIII purported to show that 20.8% of the newspaper stations were in the West South Central area, 22% in the South Atlantic area and 16.5% in the East South Central area.

Craven at Odds

When a table was introduced showing that 42.8% of the stations of 10,000 watts power were newspaper-affiliated, Commissioner Craven pointed out that only seven such stations were listed, and inquired why the actual number of newspaper stations by power was not given. The total number for the country was broken down by powers, but the newspaper stations were handled percentage-wise. This table also purported to show that newspaper interests were identified with all but 76% of the 100-watt stations; 64.8% of the 250-watt; 70.5% of the 500 watt; 61.2% of the 1,000 watt; 75% of the 2,500 watt; 57% of the 5,000 watt; 42.8% of the 10,000 watt; 75% of the 50,000 watt.

The Commission’s exhibits were concluded with Exhibit IX (see table on page 16) setting forth the number of broadcast stations and receiving sets compared with the number of newspapers and their circulation for the years 1922-1941, with Exhibit X a graph based on the table. The broadcast station figures were taken from FCC records and the other figures from industry sources.

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FOR THE many Americans now in London, the BBC has arranged a series of America’s Night Translating programs to be heard in this country. MHS, starting July 22, Tuesdays, 9:15-9:30 p.m.

WBNX NEW YORK
THE MOST INTIMATE AND EFFECTIVE SALES APPROACH TO AMERICA’S LARGEST MARKET.
5000 WATTS Directional
OVER METROPOLITAN NEW YORK

Page 50 • July 28, 1941

BROADCASTING • Broadcast Advertising
Craney Deplores Unbalanced News

Says Wheeler Not Involved In Dropping Commentators

CATEGORICALLY denying accusations implicating Senator Wheeler (D-Mont.), isolationist leader, in the action of Z-Bar Network stations in discontinuing network commentators' programs, Ed Craney, operator of KGIR, Butte; KPFA, Helena, and KBBM, Bose-
man, in a July 17 letter to Quincy Howe, of the National Council on Freedom from Censorship, charged that national networks are not effort to achieve "balance" in pre-
senting commentators who mirror both pros and cons of controversial matters.

He urged that networks use their own option time on the stations to present controversial comments, rather than station option time.

Mr. Craney declared in the letter that Z-Bar Network, which already has refused to carry three NBC commentators—Walter Winchell [BROADCASTING, July 14], Basil Hale and H. V. Kaltenborn—will not resume such commentaries until this balance is provided by the networks.

Described as Unfair

Commenting that the FCC has placed the responsibility for the broadcasting of all network shows "squarely in the lap" of individual affiliated stations, Mr. Craney declared the stations have deleted the commentator programs "as a protest to a very unfair system of presentation that is not conducive of free speech and therefore is unfair to the American people."

"Under the present system the networks have no way of even calling to the attention of listeners, at conclusion of one speaker's talk, the time a speaker of differing views will be heard from that net-
work. The listener has no way of hearing both sides and radio does a disservice to the American people," Mr. Craney declared.

"The networks should schedule all controversial issues on their option time for commercial programs so they can assure equal facilities to all sides of controversial issues to which they give any time. This should be done even though the individual affiliate stations have to give more option time. The networks are the only ones who are in a position to give equal-
ity of time on national issues, and they can do this only by scheduling such programs in option time."

Anti-ASCAP Bill Dies

PENNSYLVANIA's Anti-ASCAP bill, introduced Feb. 24 by State Senator Bent, was dropped with adjournment of the Legislature July 19. Since the day it was introduced, the measure was buried in committee.

HOMER OWEN GRIFFITH, Holly-
wood, has been appointed Pacific Coast representative of the New York television production firm of Dannen & Runyon's characters "Joe and Ethel Tugli." Series will be heard Mondays Tuesdays and Wednesdays, 8-10 p.m.

AFTER TWO YEARS of radio in Kansas City, using KCMO, Crown Drug Co. has signed a contract with KOME, Tulsa, for a show that will continue in the 10 O'Clock Edition of KCMO. Here are 1 (r) Harry Schwartz, KOME president; Frank Nutt, Tulsa supervisor for Crown; Jack Whitney, KOME manager; H. P. Bickley, Crown sales manager.

McSWAIN AT HIS BEST
Describes, From Empty Stands
Game 5 Miles Away

WITHOUT a fan in the stands or player on the field, Pat McSwain, manager of WGNR, Elgin, N. Oregon, is a New York Television Production Company - Describes, From Empty Stands

"TIME OUT"

with Radio's Gayest Threesome

TED STEELE • GRACE ALBERT
and "NELLIE THE NOVACHORD"

TED STEELE—Blue Network Star and radio's ac-
nowledged master of the Novachord—is aided and abetted by lovely Grace Albert in this NBC Recorded Series of boy-and-girl, song-and-banter programs. TIME OUT has an irresistible charm for every member of the family—sparkling dialogue, romantic duets, and instrumental interludes when Ted gives out on "Nellie the Novachord."

Take "time out" to find out about this gaily new, pleasantly different series. It has all the earmarks of a live show because provision is made for three com-
mercial announcements with Ted and Grace setting the stage for each message. 26 fifteen-minute pro-
grams available . . . and it's definitely the best bet in its field!

"Recorded NBC Orchestral, of course

Write today for details regarding rates and availability. Or, your local radio station can arrange an audition.

TED STEELE • GRACE ALBERT

NATIONAL BROADCASTING COMPANY

A Radio Corporation of America Service

BROADCASTING • Broadcast Advertising

July 28, 1941 • Page 51
Chairman Fly's Statement on Scope and Purpose of Hearing

The decision of the Commission that discussions of its jurisdiction under existing law have taken place with respect to a point advanced, which radio stations would be premature at this time is not a determination of any rule of law, but has been made in the light of the facts and circumstances which appear to the Commission to warrant such a determination. The decision is to be made in the public interest, and will be upon the filing of statements showing the nature and relevance of the evidence to be presented, and in the case of the Newspaper Commission, this filing also of a statement of the persons who are represented by that committee. As contemplated in the Commission's public notice of July 1, 1941, setting forth the "Procedures for Hearings," no request to appear may be filed at any time during the course of the hearings, and if in the proper form, will be allowed.

FCC Witnesses First

The present sessions will be devoted to the witnesses who will testify before the Commission and to its presentation of exhibits and documentary evidence, if any, which has been allowed to be presented, in the discretion of the Commission. Hearings have been requested in respect of phases of the inquiry as to the manner in which the broadcasting associations and newspapers may be affected. Those persons who have appeared or who hereafter appear, will be given an opportunity to testify at some later date as to when they will be available and the time will be set for their testimony. It is not contemplated that all the hearings will be held consecutively.

Not a Newspaper Probe

Once the hearings are commenced, the relationship between broadcast stations and newspapers, the relationship of the latter industries to the broadcast industry, or the broadcast industry apart from its relationship to broadcasting. Evidence as to the mutual relationship of the newspaper and broadcast industries will be adduced therefore only by the parties to the inquiry, which has existed or should exist between the broadcast and newspaper industries.

We are confident that on the basis of the evidence to be submitted by representatives of the broadcasting industry and the newspaper publishing industry, there is no issue of fact that would need additional investigation by the Commission, if the evidence submitted was sufficient to justify such investigation. The Commission therefore desires to proceed.

Heavy Responsibilities of Newspaper Publisher

Mr. Morrow has said that a "franchise" is a license to serve the public with news, Mr. Morrow said. He declared he regards radio as a news medium and thought it should be allied with the press. Newspapers must keep abreast of developments, he said. For example, he said that when a better press is devised, there still is no room to get on the street earlier, it must be acquired if the newspaper is to remain progressive.

He called radio "a new mechanical development that could help the newspaper to do its job" and repeated that he regarded radio as inherently a part of journalism. Answering a question as to whether it is desirable to have a newspaper and radio station in the same community, Mr. Morrow said there is a possibility of abuse but that

Page 52 • July 28, 1941
SENATOR ARTHUR CAPPER, publisher-owner of WIBW, Topeka, and KCKN, Kansas City, marked his 75th birthday July 14 with a picnic for folks from all over Eastern Kansas. This is the 34th consecutive year the Senator has given his birthday picnic in a Topeka park. Senator Capper is extending his greetings in this picture over WIBW to those who couldn’t attend. With him is Hilton Hodges, announcer.

the same danger is there if the newspaper is published alone without a radio station. The station, even under the same ownership, provides the opportunity for a better service to the public, he said. Furthermore, he added that the newspaper publisher has greater social responsibilities than the department store, the grocer, butcher or baker. While it is a commercial enterprise, the newspaper, he said, is on a higher plane than most such enterprises.

FCC Attorney Lloyd took up the questioning of Mr. Morrow on the difficulty of procuring adequate press association service for the inauguration of a new newspaper. Mr. Morrow said there is no one complete service that is absolutely essential. He said he had been “black-balled” by one press association, but that he took the United Press, which he found equally good and in some instances better for his publications.

Can’t Have Publication For Every Cause

Asked by Commissioner Graven whether from the standpoint of service to the public he knew of any reason why a newspaper should not own a radio station, Mr. Morrow said he could not think of any reason for it, adding that he would dislike to have the assignment of writing the reasons if his job depended on it.

When Chairman Fly asked what outlets minority groups would have if one organization controlled the media in one community, Mr. Morrow said it would be ideal if there could be as many such outlets as there are minorities. He said he felt publishers by large afforded ample opportunity for this purpose, irrespective of the amount of competition, and added there would always be complaints even if there were 10 newspapers in a community. Multiplying the number of newspapers would not help in this situation, he declared. He insisted there could not be a publication for every cause.

Returning to the stand after the morning recess, Mr. Morrow, replying to Attorney Harris, said he thought it was desirable both as a business and a profession to have newspapers and stations operated jointly. He said that if a community could support two or three avenues of intelligence, that would be desirable, but he thought it was a great deal better to have one operation performing a good job. He cited a situation where four churches only slightly different in denomination were maintained in a community, whereas one church could provide a far better “public service”.

When Mr. Harris cited the example of class appeal newspapers such as PM and The New York Sun, which he said went to totally different readers, Mr. Morrow asserted that to attempt to have a separate publication for every school of thought in a community of about 100,000 would cause as much trouble as “PM is having”.

Prof. Lee Sees Change In Advertising Technique

Alfred McClung Lee, associate professor of marketing at New York U and author of several books dealing with newspaper publishing trends, before presenting a series of exhibits he had prepared, discussed the purport of the Printers Ink exhibits prepared by Mr. Weld. He said these curves showed that since 1929 much more scientific use of advertising expenditures is indicated. The tendency in the case of display advertising, he said, is toward making smaller ads just as attractive as larger ones, as against the old theory that the bigger the ad, the bigger the smash and the better the result.

The decline in newspaper advertising return, Prof. Lee said, may be attributed to the over-all trend,
Resume of Newspaper-Radio History Explains Problems in Hearing at FCC

AS BACKGROUND for the hearings which started before the FCC July 23, the Newspaper-Radio Committee last week sent to all daily newspapers in the country, to member newspapers of the Federal Communications Bar Assn., to Washington newspaper correspondents and others a 33-page brochure prepared by Martin Dodge & Carlton K. Matson. The booklet carries a foreword by Grove Patterson, editor of the Toledo Blade and past president of the American Society of Newspaper Editors, which asserts: "This statement of the case affecting newspapers now before the FCC should be required reading for every editor and editorial writer, in fact, for everyone working newspaperman in the news-rooms of America." An outline of the newspaper-radio issue is carried in the fore part, followed by the text of the FCC's Order No. 79 and 79A, and the text of the FCC's questionnaire to stations in preparation for the hearing.

Called Discriminatory

The statement refers to Order 79 as "an ominous and discriminatory move against newspapers" and asserts that the whole status of the operation of newspapers is affected. "By this order," it says, "for the first time in our country, it is suggested that newspapers and newspapermen should be classified in a separate category as persons who may be given lesser privilege under the law than other citizens of the United States. Bankers, lawyers, merchants, any other business group or any other combination of business groups in the country.

Taking into account the "political and economic views of newspapers and Advertisers, he said, have tended to buy less space, not only because of the change in advertising technique but also because there are fewer newspapers, resulting in less of an over-all appropriation.

Prof. Lee introduced an exhibit showing that the total number of towns having a daily newspaper increased from 1,338 in 1926 to 1,429 in 1941. As against this tabulation, he described an exhibit showing that the number of cities with "allegedly competing dailies" decreased from 288 in 1930 to 181 in 1940. Cities with admitted or known local monopolies have increased from 1,114 in 1930 to 1,290 in 1940. What he described as "one-daily newspaper cities" increased from 1,002 in 1930 to 1,092 in 1940. The number of daily newspaper cities increased from 1,402 in 1930 to 1,426 in 1940.

Thacher Contests Value of Testimony

Prof. Lee returned to the stand for the afternoon session and had hardly gotten under way with an explanation of his statistics when his testimony was attacked by Judge Thacher. He contended the witness had no firsthand knowledge of the material he was discussing, having obtained it from trade publications such as Editor & Publisher, Standard Rate and Data and the Ayer Directory of Newspapers & Periodicals. Prof. Lee admitted his figures were based on information from these sources but contended he had made a long study of the press in this country and had supplemented this material with returns from Editors & Publisher.

Judge Thacher, addressing Chairman Fly, said he didn't see how the Commission could take the testimony of an expert who knew nothing about the facts except what he has read. Chairman Fly didn't answer directly Judge Thacher's request that the testimony be left out of the record, merely suggesting that Prof. Lee might modify the title of his exhibit.

The Newspaper-Radio Committee counsel principally attacked the use of the words "allegedly competitive" and "monopoly" describing the daily newspaper situation in various cities in Prof. Lee's exhibit. Judge Thacher contended the witness had no actual knowledge of conditions in the cities mentioned except what he had read.

Commissioner Craven sought to clarify what Prof. Lee meant by monopoly, pointing out that one of the tables submitted by the witness showed single newspapers holding a monopoly in Long Beach and Hollywood, Cal. The commissioner contended that, whereas there is only one paper in these cities, dailies from Los Angeles are in competition. The witness admitted his definition of monopoly in this connection meant there is only one paper published in a particular city and did not take into consideration papers printed in nearby areas which might serve as competitors.

Sensationalism, Comics Called Competition Basis

In response to Mr. Lloyd, Prof. Lee said the number of daily newspapers had been declining since 1909 and a decline had been the long-term tendency in the daily newspaper field to the present, due to a multiplicity of factors.

He said there are fewer daily newspapers but they are spread in more cities. At this point Prof. Lee read from one of two prepared statements he introduced which were intended to show that the press suffered from economic restructuring due to various employe groups, and increased production costs. These, he said and others he said made newspaper publishing a "rich man's game."

After paying tribute to the American press, Prof. Lee quoted an interview with William Randolphe Hearst which appeared in an Editor & Publisher, in which the newspaper magnate said he believed the influence of the press was declining because of its ownership by large corporations and predatory interests with selfish aims. Prof. Lee closed his direct testimony by asserting that only in
large cities are daily newspapers competing on the politico-economy front. In other places they are competing, he said, on sensationalism and comics.


date and Caldwell

Question Material

Prof. Lee's testimony was described as a "historical essay" by Judge Thacher in taking up cross-examination. His request that the exhibits Mr. Lee had prepared be "marked for identification" and not admitted as evidence was authorized by Chairman Fly.

Judge Thacher questioned the reliability of the statistics produced by Dr. Lee, pointing out that they were based on data gleaned from Standard Rate & Data, and from Editor & Publisher. Under examination Dr. Lee said he had also obtained some of the information from stories published in the news columns of Editor & Publisher.

Dr. Lee was asked to submit to the Commission the material he used as the basis for his compilations, after Judge Thacher had observed that a "mere glance at these tables shows very serious inaccuracies." He said it appeared much of the data was predicated upon "hearsay sources" and contended the data should not be admitted until the sources had been checked.

WGN Counsel Caldwell, in cross-examining Dr. Lee, questioned the historical background to which he had referred on freedom of the press. The witness agreed that freedom of speech was a necessary corollary of freedom of the press, and that all modes of publications were included in this constitutional guarantee.

Sutton Introduces

Data on Earnings

Introduced as the Commission's final witness prior to adjournment from July 24 until July 31, DeQuincy V. Sutton, head broadcast accountant, identified a series of statistical exhibits dealing with newspaper revenues as contrasted to those of all other stations. All of the data, he pointed out, were based on returns received by the FCC in response to its annual financial questionnaire for the calendar year 1940. He had not completed his testimony when the recess was called and presumably will return to the stand upon resumption of hearings Wednesday.

The initial exhibit identified by Mr. Sutton covered the combined broadcast service income statement of the three major network companies, five regional networks, and 705 standard broadcast stations, which revealed total broadcast revenues for the calendar year 1940 of $340,000,000 with broadcast service revenue, representing the excess of revenue over expenses, of $33,300,000.

This table had been released by the FCC last May. Subsequent exhibits identified and explained by the witness were new, in that they

compared the revenues of 288 newspaper-affiliated stations against network-managed and operated stations and against all other stations. Mr. Sutton explained that the disparity between the figure of 288 newspaper-affiliated stations used by the Commission at the outset of the hearings and his figure of 282 stations could be ascribed to stations actually in operation rather than those holding construction permits, accounted for in the higher figure.

While the purport of the exhibits was not explained at the outset, it was evident the Commission would essay to show that newspaper ownership of stations is conducive to higher earnings and more lucrative network affiliations.

The exhibits were not admitted as such, upon suggestion of Judge Thacher, pending cross-examination, but were simply marked for identification.

The second exhibit identified by Mr. Sutton covered 765 standard broadcast stations and showed the combined statement of time sales,
AN AUDIENCE SURVEY
1941 Iowa Radio

1941 Iowa Radio Audience Survey

NOW
Conducted by Dr. H.B. Summers of Kansas State College, the 1941 Iowa Radio Audience Survey is an authoritative study. States virtually everything you need to know about Iowa and Middlewest radio listening habits and preferences, and by which you can scientific all your advertising plans in this section.

Write for it. No cost or obligation.

Address Dept. B
STATION WHO
DES MOINES, IOWA

WFMJ
Youngstown’s Favorite Station
A Huester-Holcomb survey shows that WFMJ has more listeners than any other station heard in the Youngstown district.

Coming Soon to YUSR
SYRACUSE

5000 WATTS at 570 kc.
“‘The Perfect COMBINATION”

The Northwest’s Best Broadcasting Bu

WTCN
AN NBC STATION
MINNEAPOLIS

ST. PAUL
Owned and Operated by
ST. PAUL DISPATCH PIONEER PRESS, MINNEAPOLIS DAILY TIMES.


revenues, expenses and broadcast service income of 282 newspaper-affiliated stations, 31 stations managed and operated by networks, and 8 other stations for 1940.

The 282 newspaper-affiliated stations had total broadcast revenues of $38,268,996 and expenses of $25,514,453 with broadcast service income (excess of revenue over expense) of $8,754,543. This constituted 35.6% of the aggregate total broadcast revenue.

The 31 network managed and operated stations had total revenues of $16,945,398 and expenses of $11,287,359, or a broadcast service income of $5,658,040 or 22.9% of the total.

The 452 “other stations” had total broadcast revenues of approximately $52,400,000, expenses of $42,000,000 and broadcast service income of $10,400,000, or 41.8% of the aggregate.

After Mr. Sutton had explained this table, Commissioner Craven de- veloped that the 282 newspaper-affiliated stations constituted 38% of the aggregate of 165 stations covered in the tabulations, whereas they represented only 35.6% of the aggregate income.

A second table comprised the 31 network-managed and owned stations. Utilizing the same figures, this revealed that the 282 newspaper-owned stations still had the 35.3% ratio to the total and that the balance of the 483 stations had 64.7%.

A third table excluded the 31 network-managed and operated stations and covered the 282 newspaper-affiliated and 452 “other stations.” This revealed that the newspaper-affiliated station business amounted to 48.8% ratio, while the “other stations” business constituted 51.2%.

Income from Network Sale of Time Shown

In the final table of this compo- sition, covering time sale ratio, the Commission revealed that the 282 newspaper-affiliated stations realized 45% of their income from network sale of time and the 452 newspaper stations 55%. Non-network sales of time constituted 41.1% for newspaper-affiliated stations and 58.8% for non-newspaper stations.

In another tabulation, Mr. Sutton set forth time sales of newspaper-affiliated stations by classification. This showed, for example, that the regional stations with full-time did a total of $15,820,284 during 1940, constituting 47.1% of the aggregate of $39,747,724. Eight clear-channel stations with 50,000-watt full-time had total revenue of approximately $4,000,000, constituting 20% of the total.

Ranking third were the 136 local channel full-time stations with 5,000-50,000 watt full-time had total revenue of approximately $4,800,000, or 30% of the total.

This table revealed that network business of the 282 newspaper-affiliated stations aggregated $966,745, or 25.4% of the total, and non-network $29,300,882, or 74.6% of the total.

In this compilation there was a second table showing revenues of stations licensed to newspapers and newspaper-affiliated stations owned 50% or more by persons interested in newspapers; and a second table covering the same ground for newspaper-affiliated stations owned 50% or more by newspapers or persons.

Newspaper Station Income Compared

Another breakdown was devoted to the 31 stations managed and operated by networks, analyzing time sales as between network and non-network business, and their ratio of network business as against 62.3% non-network.

The final tables in this exhibit covered time sales as between network and non-network business for each of the 452 “other stations” and one covering all 765 standard broadcast stations. In the first table, network business represented 22.5% of the total and non-network-time sales 77.5%. The over-all tables showed network business representing 28.5% and non-network 71.5%.

In analyzing an analysis of broadcast revenues, expenses and broadcast service income of the 282 newspaper stations, it was revealed that of the aggregate broadcast service income of $8,754,243, some 58% of the amount was earned by 30 stations.

Of the earnings of $2,511,334 of the eight clear-channel 50,000-watt unlimited time stations, 47% was earned by two stations. In the regional full-time stations, earning 92 unlimited time stations, which had broadcast service revenue of $4,588,818, about 58% was earned by 18 stations.

In the regional limited-time and daytime classification, covering 18 stations which showed a loss of $25,492, nine stations had aggregate income of approximately $1,000,000, with stations aggregating losses of approximately $125,000.

Similar detailed breakdowns for the Class A newspaper-affiliated stations owned 50% or more by newspaper interests, and Class B stations owned less than 50% by newspaper interests, for the 31 managed and operated stations, for the 452 “other stations” and for the aggregate of 765 standard broadcast stations were also placed in the record.

Analysis of Stations Operating at Loss

Also presented to the Commission, but not covered in this testimony were three additional exhibits, which Mr. Sutton is expected to analyze upon his return to the stand Wednesday. One of these covered standard broadcast stations operating at a loss for 1940. This revealed a total of 187 stations, of which 119 were non-network and 68 newspaper. The total losses were $1,551,812, of which the non-newspaper stations lost $829,276 and the newspaper stations $722,537.

The average loss per station was given as $8,288, with the average for the newspaper stations $10,626 and for the non-newspaper stations $6,969.

Five of the stations were clear-channel outlets with 5,000 to 25,000 watts on major networks; 23 regional full-time stations on major networks; 7 were regional limited and daytime stations on major networks; 3 regional part-time stations on major networks, and 46 were fulltime national stations on major networks. Thus, of the aggregate of 187 stations, 85 were major network outlets.

A combined statement of tangible property owned and devoted exclusively to broadcast service of the 765 stations, broken down into newspaper affiliates, network managed and operated, and “other stations,” was covered in the final exhibit, supplemented by the detailed breakdown as between classes of stations in all categories.

In this tabulation, the 282 newspaper-affiliated stations had depreciated cost of tangible property of approximately $12,000,000, or 37.5% of the aggregate of $29,000,000 for all 765 stations. The depreciated cost of the 31 network-managed and operated stations was approximately $4,000,000, constituting 15.5% of the aggregate, and that of the 452 other stations approximately $16,000,000, or 56% of the aggregate.

Additional tables in this exhibit covered comparisons of newspaper stations against other stations, including the managed and operated outlets. A third table excluded the managed and operated stations.

When the hearings were recessed, no announcement was made where they would be resumed. The proceedings during the two days have been held in the Archives Bldg., but it is understood that the auditorium would not be available when the hearings resume on Wednesday.
WINDING UP nearly two years of conversations, negotiations and open conflict in a whirlwind finish, officials of WKRC, Cincinnati, and the American Federation of Radio Artists affixed their signatures to a contract July 20, after a four-year negotiation period. The group is headed by Lillian L. Poses, representative of William H. Davis, chairman of the Defense Mediation Board, who has been asked by the parties to mediate their dispute.

Mrs. Poses flew to Cincinnati July 17 and after individual conversations with representatives of WKRC and of the national and local AFRA boards got the stations and union to resume negotiations, resulting in the contract which was signed at 10 p.m. Sunday after an all-day session. The preliminary agreement between WKRC and AFRA which had ended the strike on the previous Monday [Broadcasting, July 21] gave the mediator authority to act as an arbitrator and to impose a decision, Mrs. Poses said, but explained that this was not necessary as she felt both sides willing to negotiate their differences.

A True Contract
She expressed approval of this attitude and also of the terms of the preliminary contract which, she said, sets up a pattern which is “workable for the employer and acceptable to the employee” for the solution of disputes without resorting to strikes. Final contract, she said, was now in order signed by her as mediator but a true contract arrived at by bargaining of the two parties and signed by them, a condition much more likely to result in harmonious relations from now on than if she had been forced to impose a solution as an arbitrator.

Final WKRC-AFRA contract was described by Emily Holt, national executive secretary of the union, as a standard AFRA contract, calling for an AFRA shop, a five-day, 40-hour week, minimum wages, etc. Contract was dated back to July 14, date of the preliminary agreement, and runs until Nov. 1, 1949. Common expiration date of nearly all AFRA contracts.

Minimum wages for staff announcers were set at $42.50 a week, an increase of $7.50 over the previous minimum, with another increase to $45 to be given at the end of six months. For actors and singers employed on sustaining network programs, pay was set at $50 a quarter hour and a series of increases provided for which will raise this to $135.50 prior to the expiration of the contract.

Scale for network commercial programs will be the regular national scale as provided in the AFRA contracts.

All staff actors, singers and announcers employed at WKRC have joined AFRA, Mrs. Holt said, including women’s commentators, news and sportscasters. Provision is made in the contract, she explained, that such specialists engaged at WKRC in the future will become AFRA members if they devote their time and energies to the products or services of their sponsors during their broadcasts.

The agreement between AFRA and MBS prohibiting strikes against the network program as a result of a breakdown in negotiations between AFRA and any MBS affiliate station if the station agrees to submit the differences to arbitration [Broadcasting, July 21], may be followed by similar agreements between the union and the other networks, Mrs. Holt said, but AFRA has not yet approached them.

Queried about possible action on talent employed for television programs, Mrs. Holt said the triangular committee set up about two years ago by AFRA, ABC Equity and the Screen Actors Guild to handle this matter would probably get together after the AFRA convention next month.

An earlier meeting would be impossible, she said, as she will be too occupied with conventional business to embark into a new series of negotiations before that time.

Wesson Test

George Case Joins WCFL
GEOHRE T. CASE has been appointed program director of WCFL, Chicago, coming from WTMJ, East Louis, Ill. Formerly he was with WCKY and WCPO, Cincinnati; WIS, Columbus; and WABC, New York.

Peter Paul adds
PETER PAUL INC., Naugatuck, Conn. (Mound of WCFL), has recently added KDKA, Pittsburgh, and WTM, Cleveland, to its list of stations carrying transcribed performance programs. Others being added. Platt-Forbes, New York, handles the account.

Foster-Milburn Spots
FOSTER-MILBURN CO., Buffalo (Doan’s Pills), the week of July 14 started transcribed spot announcements on KYW, Philadelphia, WBZ-WBRA Boston - Springfield and KDKA, Pittsburgh. Contracts are for 12 weeks. Street & Sinney, New York handles the account.

George Case Joins WCFL
GEOHRE T. CASE has been appointed program director of WCFL, Chicago, coming from WTMJ, East Louis, Ill. Formerly he was with WCKY and WCPO, Cincinnati; WIS, Columbus; and WABC, New York.

WMBG-the Red Network Outlet—covers the Richmond trading area—at a fair rate and without waste. But WMBG offers more than radio time—it offers a close, intimate knowledge of Richmond outlets and merchandise situations. If you want to get the dope on Richmond—food, drug or other situations, ask WMBG.

WMBG offers you the Red Network audience—5000 watts daytime—1000 watts night and equal density of coverage at lower rates. Before you buy—get the WMBG story.

National Representative—John Blair Company
$100,000 and less, 5% between $100,000 and $500,000, 10% between $500,000 and $1,000,000, 15% over $1,000,000.

In addition, excise rates on radio receiver and parts sales were boosted from 5% to 10%, and a new tax on telephone races and radio leased wires was included in the bill. These levies were estimated to yield annual revenues of $9,400,000 and $27,600,000, respectively [Broadcasting, July 7].

Although the proposition of levying a heavy tax on broadcast income has been in the public and Federal ear for some time, the action of the Ways & Means Committee came as a surprise to industry circles, since only a week before it appeared definite that the Committee had decided against such a move [Broadcasting, July 21].

Takes Third of Profits

However, at the last minute the committee rescinded proposed taxes on candy and chewing gum, cutlery and metal signs, presumably after representatives of these interests made known their opposition. Faced with the necessity of raising more than $35,000,000 cut from the defense revenue schedule, the committee then decided on the taxes on time sales and billboards, along with graduated tax, ranging from $5 to $200, on yachts, and a rise in estate and gift taxes.

In general, it was believed the new tax would eat up almost a third of the total profits of $33,000,000 reported by the industry last year. In addition to the national networks, and big regional networks, the levy also would be made against at least 225 stations with net sales aggregating more than $100,000, FCC figures indicated. This group would include all 50 kw. stations and virtually all clear channel, with the more prosperous regional stations. Only a few—perhaps one or two—local stations in exceptionally good markets would be hit, it was thought.

Taxes in 1940

As between the 225 profitable stations, 175 in the $100,000 to $500,000 class would pay approximately $1,825,000 in new taxes under the plan, it was estimated. The 42 stations in the $500,000 to $1,000,000 class would pay an estimated $2,700,000, and the eight stations in the $1,000,000-plus class would pay about $2,000,000. The networks' taxes probably would make up the difference between this total and $10,000,000, it was thought.

Based on FCC figures for 1940, networks paid about $4,500,000 in Federal taxes on a $14,000,000 net income, including M & O stations, and 734 independent stations paid an estimated $5,000,000 Federal tax on $19,100,000. With the increase in tax, showing a $38,000,000 profit for that year, without deducting

What Are Net Sales?

WHAT constitutes "net time sales" under the proposed 5-15% Federal tax on radio time sales? No official definition had been voiced by Friday the Treasury Department, the Ways & Means Committee or the Joint Committee on Internal Revenue Taxation. However, the measurement found in the experience of the industry, based on figures as published by the FCC, may be arrived at by deducting from the gross time sales figure of any operation 25% for frequency and volume discounts, and then deducting from the remainder another 11%, representing agency, representative and broker commissions and outpayments, i.e., on a million dollar gross, deducting $290,000 (29%) for discounts and $110,000 (7%), for commissions, a net time sales figure of $691,000 would result.

One interpretation of the possible effect of the tax program was that it might tend to equalize selling practices on a per station, on a proportionate basis, since the bill really would be paid by 225 stations and the networks, and the remaining 540 commercial stations would be unaffected.

Although no official comment from the Treasury was made public, it is understood proponents of the tax bill that based their action on the belief that the cost increase eventually can be passed on to advertisers, that even after paying a high tax broadcast stations may enjoy a high return on their investments, and that they should be willing to pay a high tax for a valuable franchise. All of these points have been consistently denied by broadcasters.

Botany Buys Video

BOTANY WORSTED MILLS, Passaic, N. J., world's largest importer and wholesaler of worsted goods, is the first advertiser on WNBT, NBC television station in New York, sponsoring a daily televised weather forecast followed by a visual presentation of one of the sponsor's products. Series, for which the starting date has not yet been determined, will be placed through Alfred J. Silberstein Inc., New York.

McCann Erickson, B-S-H

To Place Axton-Fisher

AXTON-FISHER TOBACCO Co., Louisville, has appointed Blackett-Sample-Hummer, Chicago, to direct advertising of Spud and Zephyr cigarettes. McCann-Erickson, New York, has been reported, will receive the Twenty Grand account which it formerly handled. The present Axton-Fisher agency is Weiss & Geiler, New York.

While no official announcement was made by the agencies or the company, it is understood the shift will be made about Sept. 1. The company is currently sponsoring on NBC Blue Twenty Grand Stars Your Happy Birthday (Twenty Grand), which will be discontinued Aug. 15; Imperial Time with Mary Small (Spud), and Danger In My Business (Zephyr) on MBS. Contract for the latter two programs runs through December.

The company underwent an administrative change last May when a large share of holdings were acquired by the Transamerican Corp., investment bank of San Francisco, and C. B. Robbins resigned as president of Commodity Credit Corp., where he was to become president of Axton-Fisher.

"Vox Pop" Plans

EMERSON DRUG Co., Baltimore (Bromo-Seltzer), will sponsor Vox Pop, starring Parks Johnson and Wally Butterworth on both CBS and NBC-Blue. The show on CBS is now in its fifth week [Broadcasting, July 21], while that on the Blue Aug. 8 replaces Ben Bernie's Army Game on the same 8:30-9:30 p.m. Each broadcast will have a different originating point, with the first NBC show scheduled from International House in New York and on CBS from the U. S. Military Academy at West Point. Agency is Ruthrauff & Ryan, New York.

Durkee on 26

DURKEE FAMOUS FOODS, Chicago (Durkee's Margarine), is using a one-minute twice-weekly spot on WHDF, Calumet, Mich., and WMNS, Muskegon, Wis., and a total of 39 announcements five times a week on WSOO, Sault Ste. Marie, Mich. Agency is C. Wendel Muench & Co., Chicago.

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BROADCASTING • Broadcast Advertising
MBS Seeks Unity in Baseball Pacts

Affiliates Given Suggestions on Play-by-Play Problem
IN AN ATTEMPT to establish a uniform practice on the part of MBS member and affiliate stations in regard to baseball broadcasting, Fred Weber, Mutual general manager, has sent out a memorandum to all Mutual stations, following discussion of the subject at a recent meeting of the MBS board of directors and operating board.

The memorandum brings up three principal problems faced by Mutual in signing 52-week contracts with advertisers with suggestions for local stations wishing to broadcast baseball games. In connection with daytime schedules, Mutual suggests that stations contract with baseball sponsors to permit interruption of games or delay in scheduling until 10:15 p.m. local time or 10:30 p.m. when all network commercials are definitely over for the evening. For the Sunday afternoon network program, Mutual suggests that stations arrange to terminate the baseball programs at 5 p.m. (New York time) until at least the first Sunday in July, thus safeguarding regular broadcast of network commercials beginning early fall for 39 week periods.

The memo requests suggestions on the policies of Mutual affiliates with outlines of present methods used by the stations to avoid these problems.

AFTER 12 DAYS in a lifeboat in mid-ocean, four Red Cross nurses provided dramatic program material last week as they rested in the Norfolk Naval Hospital. Irvin G. Abelf, of WRVA, went from nearby Virginia Beach to Norfolk to arrange a pickup for the station. Ward Adams and Donald McKay, participated, with Meryle Harrison, engineer, and Harold Linnea, manager of the WRVA Norfolk studio. Here Adams interviews one of the nurses, Lillian M. Pesnicak, of Albany, N. Y. Helen Hiett, NBC commentator, conducted a half-hour interview on the Blue network from New York. WTOR, Norfolk, provided the hospital pickup.

Chow Mein Spots
GREAT CHINA FOODS Co., Chicago, during the first part of September will start a 13-week schedule of one-minute spot announcements on an undetermined number of stations in the Chicago and Milwaukee markets to promote a new packaged product, China Beauty Chow Mein Dinner. Agency is Martin A. Pokrass, Chicago.

Pierce’s Fall Plans
PIERCE’S PROPRIETARIES, Buffalo, will place through H. W. Kastor & Sons, Chicago, one-minute spot announcements on approximately 35 stations for Dr. Pierce’s Favorite Prescription, and on approximately 45 stations for Golden Medical Discovery. Contracts are effective after resumption of standard time around Oct. 1.

New Kraft Program
KRAFFT CHEESE Co., Chicago, on Aug. 31 will start on about 40 NBC-Red stations The Great Gildersleeve, half-hour comedy sketch built around the character of Throckmorton P. Gildersleeve which was created on the NBC-Red Fibber McGee & Molly program. The new series will be heard Sundays at 6:30 in the interests of Parkway Magazine. It will feature Harold Peary in the title role, be produced by Cecil Underwood, written by Len Levinson and with music under the direction of William Randolph. Needham, Louis & Brorby, Chicago, is agency.

New Royal Pudding
STANDARD BRANDS, New York, will use its program What’s My Name, Sundays, 6-8:30 p.m. on NBC-Red to introduce and plug a new prepared dessert called Royal Orange Coconut Tapioca Pudding. All five broadcasts in August will feature the new product. No other radio will be used but there will be extensive newspaper advertising. Agency is Sherman K. Ellis & Co., New York.

New Mars Product
MARS Inc., Chicago (candy bars), on Aug. 24 continues Dr. I. Q. Jr. on 28 NBC-Red stations 6:30-7 p.m. Agency is Grant Adv., Chicago. Mars is to bring out a new candy bar named Dr. Q. Commercials on the Dr. I. Q. program on NBC-Red will feature the new bar starting Sept. 1.

Bulova Turns $500,000 In Signals to Defense
BULOVA WATCH Co., New York, largest buyer of radio time signals, has turned over about $500,000 worth of station-break time on 200 stations from coast-to-coast during the next year to the Treasury Department’s Defense Bond campaign. The time signals were donated to the Treasury Department by John H. Ballard, Bulova president.

Milton J. Snow, head of Bulova Co., Bulova agency, is handling the campaign, which started in mid-July. All Bulova commercials are deleted from Operation and Defense Bond and Stamps copy substituted. The arrangement will continue for two weeks in August and one week of each month thereafter for a year.

Lever Suspends Serial
LEVER BROS. Co., Cambridge (Lifebuoy Soap), will discontinue broadcasts of Meet Mr. Meek for a period of six weeks from Aug. 20 to Oct. 8. When it returns, the comedy series will retain its present time, Wednesdays 7:30-8 and will be on the same 60 CBS stations. The program, which started on CBS Oct. 10, 1940, is produced by Richard Marvin and directed by Don Bernard. William Esty & Co., New York, is the agency.

R. B. Davis Co., Hoboken, N. J., has entered into a supplemental stipulation with the Federal Trade Commission, agreeing to discontinue certain advertising representatives for Cocoa-Malt, milk amplifier, according to a July 20 FTC announcement.

KEX
"THE VOICE OF THE OREGON COUNTRY"

He’s a big, lusty fellow, this KEX, punching out 5,000 watts day and night to carry your broadcasting sales message to the farthest reaches of The Oregon Country.

Ever alert to serve the needs of this area, KEX is always "on-the-job" when anything "broadcastable" happens...sports...public events...special features of all kinds...in addition to a complete schedule of N.B.C. BLUE network programs.

Let KEX "speak for" your product. The people of The Oregon Country are ready to listen, and able to buy.
Decisions ...

JULY 22

NRC, CBS—Commission ordered postponement of effective date in Docket No. 5060, recommending, to be acted on, by new WJMJ Inc., Lansing, Mich.—Grant CP for 47.7 mi. 2,800 square miles.

KRC, KCA, San Antonio—Grant modified license to 1240 kc unl. 250 w.

KLKN, Blytheville, Ark.—Granted new transmitter, antenna, increase to 1 kw D 1250 kc.

KTUC, Tucson, Ariz.—Granted transfer of control from John Merino and Carleton W. Morris to Robert L. Butler. Robert; George Z. Cook, Burridge D. Butler and Ralph W. Billy; Carleton Morris to sell new transmitters (30 shares or 15%) to Butler for $1,333 and assumption by Butler of Morris' obligation of $2,000 to the corporation; Merino to sell one share to Butler for $1,000; Butler and Billy to assume stock subscription obligations of Morris for $665 and paying $7,000.

MICHELANDE—New, E. Anthony & Son., New Bedford, Mass., placed in pending file under conditions that the FCC must license to the licensee and allow a 30-day hearing for objections.

SET FOR HEARING—WQPO, Fort Worth, Tex.,—Modification to 500 kw unl. 500 w. "No-Wave" Inc., protest to be held, to be heard.

Cable Extentions—KMCO KGB KTDS KTUL WBCM WBNN WBXX WKCT WPSR WPSG WFIG WHK WHIG WFXT WPAB WBSY WYKW WSMW WTAQ KPRO KLPN.

JULY 24

WACAM, Camden, WREX, Ashbury Park; WTNJ, Trenton, N. J.—Continued hearings to be held at 12:00 noon.

WING, Dayton, O.—Granted temp. auth. to use point-to-point service during aluminum drives.

MICHELANDE—WBNX, New York, granted change FM permit to 483.4 meters to allow use of new transmitter.

SEXY, Inc., New York, granted change FM permit to 890,000 w. to discontinue use of new transmitter.

WCMO, Kenosha, Wis.—Granted modification to new transmitter, antenna, increased to 10 kw.

Applications ...

JULY 21

WTNJ, Trenton, N. J.—Modification license to 980 kc unl. WCAH.

WBNX, New York—Modification license to 1020 kc unl. WAXS.

WRYN, Brooklyn—CP increase to 500 w.

WZJ, New York—Modification new transmitter, antenna.

WSX, Nashville—Modification CP new receiver for 250 kc.

The FCC's newspaper-owned paper will convene Wednesday at 10 a.m. in Hearing Room A, Interstate Commerce Commission Bldg., at Constitution Ave. and 12th St. N.W. The initial sessions, which recessed last Wednesday, were in the auditorium of the National Archives Bldg.

WTUL, Philadelphia—CP 1800 kc 50 kw unl. (Sept. 19)

KPRO, Longview, Tex.—Modification CP to 1270 kc 5 kw unl. directional N.

WMBR, Jacksonville, Fla.—CP change to 1060 kc 10 kw unl. (Sept. 18)

Hawley Freelancing

MARK HAWLEY, newsreader of WNYC, New York, Aug. 4 is resigning to freelance with his first assignment as newsreader on the Soo-Chicago Oil Co. six times weekly news program on WABC, New York. At WNYC, Prescott Robinson took over Hawley's 8 a.m. daily program, continuing his own six times weekly 11 a.m. program for Manhattan Smoke Co. and R. T. Babbitt Inc. and his continuing 2-3 p.m. newscast. Aloys Hawilla of WOR will add Hawley's 12:30 p.m. six times weekly news program for Bosco Co. and Brian's Biltmore Myers Co. to his schedule, beginning his 6:30 a.m. newscasts and his commercial program 7-15 p.m. for Joseph Martinson Coffee Co. and Peter Paul Foods.

Point-to-Point Grant

A SPECIAL temporary dispensation was accorded WING, Dayton, by the FCC July 24 when it granted authority to point-to-point service in connection with the station's use of the local aluminum drive. Mayor Homan and his committee were authorized to use WING to send out instructions to the Girl Scouts, who are participating in the aluminum collection.

The conformance curve of electrical porcelain, proved in service as the most satisfactory design by the mechanical and electrical test equipment, is shown in the accompanying chart. The order curve is plotted to allow for the failure of a Lapp porcelain part.
Hearings Continued by Court In Don Lee, Ragan Jones Case

INJUNCTION proceedings in Superior Court in Tacoma, Wash., growing out of cancellation by the MBS-Don Lee-Pacific network of its contract with the Ragan Jones stations—KVOS, Bellingham, and KPQ, Wenatchee—were continued until July 31 by the court last Thursday afternoon. The action followed nearly a week of hearings on the Jones' appeal for permanent injunction to replace the temporary order granted by the court to require continuation of network service.

Based on FCC Rules
Mr. Jones, interpreting the projected FCC network regulations on time options, had cancelled certain Mutual programs in favor of locally originated shows, leading to the break earlier this month with Pacific Broadcasting Co., Northwest segment of the MBS-Don Lee Network. The stations, upon issuance of the temporary injunction, continued to receive network service, but the network on July 13 added KGA, Spokane, as a regular outlet.

The programing was continued last week upon a statement by counsel for all parties that a settlement was in process of negotiation. Pacific announced that its original offer, a part of the original cancellation notice, still stands upon condition that the Jones stations dismiss their suit and dissolve the injunction and, it was reported, Mr. Jones has indicated complete acceptance of Pacific's proposition. The case was being heard before Judge Joseph Mallery, with John C. Kendall and Leo Tofts representing Pacific and Andrew D. Haley, Washington attorney, representing Jones.

Based on New Rules
According to Carl E. Haymond, president and general manager of Pacific, Mr. Jones on behalf of KVOS and KPQ “without notice or warning notified Pacific of his refusal to accept Mutual-Don Lee program; the refusal cannulated effective July 12, and telephone lines furnished by Pacific would be withdrawn.

As an alternative and for Jones' accommodation, Pacific offered to continue network service conditioned upon Jones paying the line charge from the nearest Mutual outlet, and Pacific would pay him for all commercials on a spot rate basis where his stations were sold in addition to regular network affiliates.

This alternative was accepted by Jones July 11, and Pacific withdrew the cancellation of telephone lines to his stations. Without any notice, Jones on July 12 filed action in Superior Court asking for a permanent injunction restraining Pacific from cancelling the original affiliate contract on grounds that the termination of the network service would cause his stations irreparable damage.

Affected Five Accounts
"Jones' refusal to accept network commercials affected five accounts involving 25 quarter-hour periods per week and 21 of these were news programs by well-known commentators and sponsored by national advertisers, including Los Angeles Soap Co., General Foods, Langendorf Baking, Alka-Seltzer and American Home Products. These programs had been regularly released by Mutual affiliates, including the Jones stations, without objection.

"Reliably informed that Jones has substituted for the refused commercials local originated musical transcriptions and records on 17 of the quarter-hours and local news on the balance, none of which Pacific contends constitute local programs of major public interest, the case was carried to Superior Court in Tacoma.

"Pacific contends the network service would cause his stations irreparable damage.

Network Seeks Cancellation of KVOS-KPQ Pact When Stations Refuse to Accept Some Shows

Network seeks cancellation of KVOS-KPQ pact when stations refuse to accept some shows.
Arnold Disclaims Any Intention to Hurt Advertising

Says Justice Dept. Oil Probe Is Merely Fact Finding

ACCOMPANIED by explanations that the move is merely a fact-finding survey, the Justice Department Anti-Trust Division, headed by Assistant Attorney General Thurman W. Arnold, has called upon the country’s major oil companies to furnish data on their advertising activities through a comprehensive questionnaire.

First returns on the questionnaire were due last Monday, but time extensions were granted to companies unable to meet the early deadline.

He Favors Advertising

Justice Department officials indicated the questionnaires were issued for a two-fold purpose: To obtain information for discussions regarding the order the department expects will terminate its anti-trust action against the 367 companies covered in the American Petroleum Institute, and to gather data for possible rationing or other control of petroleum products on the Eastern seaboard.

Denying any intent to “ruin” advertising, Mr. Arnold declared Wednesday that the questionnaire survey is part of “an inquiry to see how far advertising is used to compel gasoline filling stations to deal in only one line of products—which I think is a monopolistic practice intended to crush competition.”

The exhaustive questionnaire asked for the total amount spent and to whom paid for advertising on radio stations and newspapers, periodicals, billboards, direct promotion and other advertising classifications. Names of media and advertising agencies, copies of advertising displays and radio scripts also were sought.

Some observers note a parallel between Justice Department ideas on oil advertising and the Big Four cigarette indictment of last year. In that case it was maintained that cigarette companies, through their intensive and large-scale advertising, made their product appear so attractive to consumers that merchants were forced to stock the advertised brands as a customer convenience, although their profit was smaller than on other lines.

Holding that he favored stimulating rather than restricting advertising, Mr. Arnold commented that the more advertising there was, the better, from the anti-trust standpoint. Contending that big oil companies may find the product so attractive through advertising that filling station operators feel constrained to handle a much-advertised petroleum product and a practical matter, and finally agree to grant a marketing franchise under which the operator not only handles the principally advertised

NBC Talent Sale Near Completion

MCA Expected to Complete Negotiations This Week

NEGOTIATIONS between NBC and MCA Inc. Corp., of America fall and the latter’s acquisition of the NBC artists Service are in their final stage, with the signing of contracts expected early this week. The manufacture of all contracts now handled by NBC will be transferred to MCA under the terms of the agreement, except that the network has withdrawn from the deal all of its own package shows, which it will continue to handle directly.

Included in this category are such programs as Vie & Sade, One Man’s Family and others which are built and produced by NBC and sold by the network to sponsors for a sum which covers the entire cost of scripts, production, talent, etc.

Strotz Rumors Denied

Price which MCA is paying for the artist service has not been disclosed, but it was learned that the contract will provide for deductions to be made if name artists now handled by the service do not approve of the change in management and other agents. MCA’s recent acquisition of Columbia artists also provided for such defections. Mark Woods, vice-president and treasurer of NBC, and J. C. Stein, president of MCA, are conducting the negotiations.

Reports that Sidney N. Strotz, NBC vice-president in charge of programs, was planning to leave this post to head a new company was formed for the purpose of taking over and managing the artist service were vehemently denied by Mr. Strotz, who declared that such rumors had no basis of fact.

Emanating chiefly from Chicago, where Mr. Strotz formerly was vice-president in charge of NBC’s central division and previously had headed Chicago Stadium Corp., these reports had linked his name with that of W. Biggie Levin, who has his own talent agency in Chicago, in the formation of the new company.

JOE KELLY, m.c. of Quiz Kids on NBC-Blue, and Irene Wicker, whose musical stories for children are heard on NBC-Blue, will serve as judges in the Ninth Annual Children’s National Pageant to be held at the Stotz, 19, sponsored by the National Assn. of Dept. Store Studios, New York.

scene are that the proposal for legislation to authorize the communications censorship would be drafted in the near future and that immediately following enactment of the bill of approximately $800,000 for the censorship machinery will be appropriated by Congress. In Administration quar-

Control of Foreign Broadcasts May Come Under Col. Donovan

Defense Coordinator of Information Studying Subject; Robert E. Sherwood Is Assistant

POSSIBILITY that Col. William J. (Bill) Donovan, recently appointed coordinator of information by President Roosevelt, will take over supervision of international broadcast operations from the national defense standpoint, was foreseen in Washington last week.

Named July 11 by President Roosevelt to the new national defense post, Col. Donovan has established offices in the State Department. He has retained as his chief assistant Robert E. Sherwood, playwright, and is understood to be making an exploratory study of the international broadcast operations preparatory to formulating concrete plans.

For several months international broadcast operations carried on by the half-dozen companies in the field have been coordinated, from the program-news standpoint, through Stanley P. Richardson, former foreign correspondent, with headquarters in New York. An industry budget was established for this purpose.

Mr. Richardson has been coordinating his activity with the State Department through the Division of Current Information, headed by Michael J. McDermott. Assigned to the State Department end, however, has been Robert T. Pell, assistant chief of the European Division and former secretary of the American Embassy in Paris. Likewise an expert foreign correspondent, Mr. Pell has collaborated with Mr. Richardson in the development of program material, particularly pertaining to news of interest to Latin America.

What bearing Col. Donovan’s proposed operation will have upon the present organization is not indicated. It is presumed, however, that Col. Donovan’s office may absorb the current operations.

In announcing the appointment of Col. Donovan earlier this month, the White House said he would “collect and assemble information and data bearing upon national security” from Government agencies and analyze and collate it for the President.

Simultaneously, it became known that Congress may be called upon next week to sanction the inauguration of censorship of all United States outgoing and incoming international cable and radio communications. Whether this would embrace international broadcast operations also was not indicated, though it was thought this development would not come during the first phases of operation. International broadcasting, as an “external” communications operation, falls under the jurisdiction of the Navy in time of war.

It was reported that while President Roosevelt has approved the censorship move, Congressional sanction will be sought. It was considered likely that censorship would be imposed at the outset only on outgoing communications.

Indications on the Washington
ALL TOWNS ARE "BOOM" TOWNS
IN THE CENTRAL ATLANTIC STATES

Diversified industry plus one of the richest diversified farm areas in the nation make all towns "boom" towns in the area served by the New WBAL.

There is but one way to reach this area effectively—economically—and that is through the basic advertising medium of the Central Atlantic States.

Use supplementaries, of course, in those parts of the area where you wish additional coverage. But let the New WBAL do the basic job for you.

ON OCTOBER 1
THE NEW WBAL will become a basic member of
N B C R E D

National Representation • INTERNATIONAL RADIO SALES

Map shows the estimated effective daytime coverage of the New WBAL. It includes all of Maryland and Delaware, Southern Pennsylvania and New Jersey, and parts of Virginia and West Virginia. In this area live more than six million people who will spend in excess of two billion dollars in retail stores this year.
RCA's sudden success with its experiments for transmitting radiophotos from Moscow surprised the chief photo agencies. Believing radio transmission impossible, they had been rushing elaborate plans for getting pictures by plane. — Newsweek, July 21

But it would have taken a plane traveling 21,300 miles an hour to match radio's speed of delivery! It takes only 13 minutes for a complete picture to flash across the 4,615-mile curve that has made an invisible picture chute of the Great Circle Route between Russia and New York. It bends over the spinning world across Finland, Sweden, Norway, Iceland, Labrador and on to the United States.

As a result, American newspaper readers have been looking at war photographs soon after they were snapped on the eastern battle fronts. The newspaper credit lines have read, "RCA test transmission photophoto." The pictures dated July 8 were the first America ever saw from Moscow by radio.

During the first World War there were weeks of delay before Americans saw pictures from the Russian sector. The radiophoto was but a dream of scientists. But they became master of the dream and in 1941, when Russia was ready to put pictures in the air, American apparatus developed by RCA Laboratories was ready on this side of the sea to receive them.

The Russian pictures enter the United States at the antennas of R.C.A. Communications, Inc., at "Radio Central," Riverhead, Long Island. Automatically the impulses are relayed to the radiophoto machines at R.C.A. Communications' headquarters, 66 Broad Street, New York. That is the terminal of the 4,615-mile chute through space. How is it done? In Russia the picture is wrapped on a cylinder, which as it revolves enables a pinpoint of light to release the lights and shadows of the picture to actuate a short-wave radio transmitter. The radio impulses, therefore, correspond to the shadings of the picture. In New York a similar cylinder is turning, and around it is wrapped a sensitized paper or "negative." It revolves in step with the Russian cylinder and as it does another needle of light, controlled by the incoming picture-carrying impulses, acts as a pen. It reconstructs or "paints" the picture line by line.

New York is the world-center of radiophoto reception, with the picture circuits now extending to London, Berlin, Tokyo, Buenos Aires and Moscow. It is RCA Laboratories apparatus at the headquarters of R.C.A. Communications, Inc., on the tip of Manhattan Island, that puts the pictures back on paper after they are etched electrically in space between the hemispheres.