

THE FIRST 50 YEARS



OF BROADCASTING

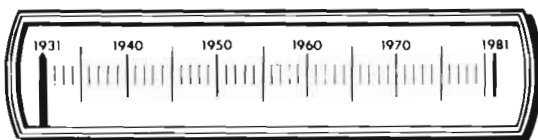
The year 1931 might well be regarded as the end of the beginning for American broadcasting. Order had been restored to the spectrum in the years since the Radio Act of 1927. The number of radio stations had stabilized at 608 and, abetted by expanding network operations, broadcasting was attracting an ever growing share of the advertising dollar. By the end of 1930, the Census Bureau had found radio sets in more than 12 million of the country's 30 million homes.

Small wonder that a nation mired in the Depression had at least this area in which to feel a sense of accomplishment. One such sentiment came in October 1931 from Major General Charles McKinley Saltzman, then chairman of the Federal Radio Commission. Saltzman, retired as the U.S.'s chief signal officer, called the American broadcasting industry "the best in the world."

But Walter J. Damm, the elected president of the National Association of Broadcasters, almost simultaneously had words of caution. Damm, general manager of WTMJ Milwaukee, warned: "Broadcasting in the United States today stands in grave jeopardy. Politically powerful and efficiently organized groups, actuated by selfishness and with a mania for power, are now busily at work plotting the complete destruction of the industry we have pioneered and developed . . . In other words, American broadcasting is given its choice between organization or destruction."

Far from being contradictory, each had evidence for his point of view. Together, their statements delineated the status of broadcasting in the 1930's. All of the elements and factions that shaped broadcasting were present—including the Depression. As the medium grew in power and influence, advertisers, educators, newspaper publishers, legislators and critics took particular notice by creating special interest groups, voicing concerns and proposing legislation.

BROADCASTING magazine appeared on Oct. 15 in 1931. Chairman Saltzman greeted the new semi-monthly publica-



In the summer of 1915, an assistant manager of Marconi Wireless Telegraph proposed a "radio music box" and described the possibilities of broadcasting to the public. That vision — of David Sarnoff, the future chairman of RCA — was but one in the chronology of events that determined the course of radio before 1931. The more tangible history began to materialize in the early 1920's. There was the coverage of the Harding-Cox election in November 1920 as KDKA Pittsburgh and WWJ Detroit provided crackling reports to a limited number of crystal set owners. The decade that followed became a blur of events with the proliferation of stations by pioneer broadcasters — to such a degree that, in 1927, the Federal Radio Commission was created to bring order out of chaos. The Zworykins, DeForests and Armstrongs were already hard at work in their laboratories, not only advancing AM radio's state of the art but laying the groundwork for FM and television. "Amos 'n' Andy" and "The Rise of the Goldbergs" were among the programs that came on the American scene to help the nation weather the hard times. And then came BROADCASTING, on Oct. 15, 1931.

The rest, as they say, is history.

tion by expressing interest "in all agencies or instrumentalities operating to advance or improve radio . . . The commission therefore welcomes the entrance of BROADCASTING into the national radio field . . . and hopes that it may be a means for great good in the development and advancement of the art. An ideal trade journal is not only a forum wherein the problems of the art may be discussed but also an agency which assumes a responsibility for asserting a leadership in advancing the art or profession in which it is interested."

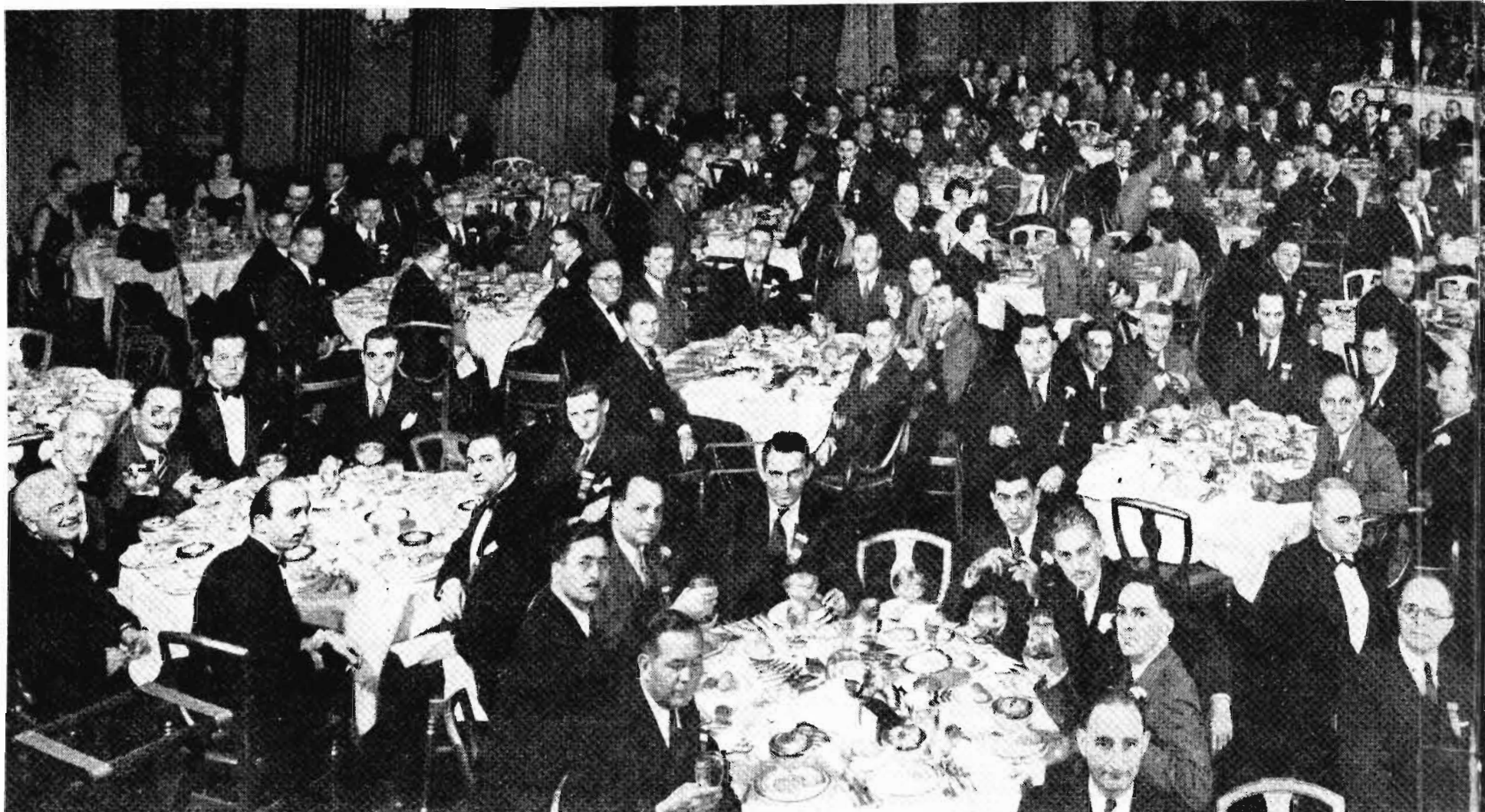
BROADCASTING, which dedicated itself "to the American system of free, competitive and self-sustaining radio enterprise," accepted this challenge with the resolve "to report, fairly and accurately, the thoughts and the activities that motivate the field of broadcasting and the men who are guiding and administering broadcasting." If, as Damm

suggested, radio faced problems of survival, and if, as Saltzman contended, U.S. radio remained the most advanced in the world, then BROADCASTING as the trade journal for this promising but still evolving "Fifth Estate" had work to do.

BROADCASTING's opening editorial declared: "And now, Radio! Who is there to gainsay its rightful status as the Fifth Estate? . . . Radio as the mouthpiece of all the other Estates* occupies a peculiar position of its own in American life. It furnishes all of man's other high Estates voices that reach far beyond their cloistered chambers, their social circles, their sectional constituencies and their circulation areas. But beyond all that, it brings new cheer, new intelligence, new light to the many and diversified forms of education and entertainment that the human ear can convey to the mind."

In the course of providing all this, broadcasters faced the

* BROADCASTING's first issue traced the four other estates back to Edmund Burke by way of Thomas Carlyle: "Burke said there were Three Estates in Parliament; but, in the Reporters' Gallery yonder, there sat a Fourth Estate more important far than they all." The three earlier parliamentary estates: the Lords Spiritual, the Lords Temporal and the Commons.



practical reality of needing commercial support—and meeting the frequent hostility of critics who demanded little or no advertising on radio. In a time of increasing economic turmoil, radio's 89% gain in advertising revenues from 1929 to the end of 1931 alarmed many, especially newspapers. Measuring that 1929-31 interval, the *U.S. Department of Commerce Yearbook* noted that newspapers lost \$55 million in advertising revenues (21%), magazines lost \$37 million (18%), outdoor advertising lost \$30 million (50%) and car cards (transit advertising) lost \$5 million (50%). Radio, on the other hand, had captured \$36 million in advertising revenues by the end of 1931, according to a J. Walter Thompson study.

Despite some cooperative ventures between newspapers and radio, many newspapermen blamed radio for a loss in advertising. Perhaps the most vocal of radio's

opponents was H.O. Davis, publisher of the *Ventura* (Calif.) *Free Press*. Davis, in collaboration with 500 other newspapers, distributed literature alleging a radio monopoly on advertising and arguing that ads should be restricted from the air in order to make room, in Davis's words, "in the overcrowded ether for education, information, the public service, and to protect the country's publishers against unfair competition."

Besides Davis and his colleagues, two other groups interested in educational radio developed in 1930. One, Joy Elmer Morgan's National Committee on Education by Radio, wanted a "fair share," or 15%, of the channels allocated for educational institutions and government agencies. In 1931 this group was instrumental in the introduction of the Fess Bill (sponsored by Representative Simeon D. Fess [R-Ohio]), that would have achieved that

end. A less demanding group was Robert A. Millikan's and Levering Tyson's National Advisory Council on Radio in Education, established with funds from John D. Rockefeller and the Carnegie Corporation. As Tyson was quoted in *BROADCASTING's* inaugural issue: "It is almost impossible to chase a satisfactory definition of 'education' into a corner, let alone a satisfactory definition of 'educational broadcasting.' There are very few educational stations adequately financed—and broadcasting is, if anything, expensive . . . no one can state with any degree of confidence just what the American people will listen to . . . There are economic questions, and political questions, and engineering questions, and legislative questions—and any one of these questions is puzzling enough to keep the educational world, the broadcasting industry and the lawmakers of the land occupied for many years to come."

With some publishers mounting anti-radio campaigns, and educators promoting reform, broadcasters realized the need for "Brass Tacks," as the Nov. 1 editorial was entitled. "The era of reckless development is over," the editors wrote. "Henceforth, American broadcasting must build along sound social as well as economic lines . . . This country's broadcasting must be maintained at a high level with a maximum of self-regulation and a minimum of outside intervention."

Besides the controversy over educational radio, one threatened intervention was a redefinition of the Interstate Commerce Commission's authority to regulate advertising rates. The test case: a suit by the Sta-Shine Products Co. against NBC and WGBB Freeport, N.Y.

Other tests included the validity of the

Farnsworth is Working on Television for Philco

IN A penthouse laboratory atop the plant of the Philadelphia Storage Battery Co., Philadelphia, manufacturers of Philco radios, Philo T. Farnsworth, young radio engineer of Salt Lake City and San Francisco, for the last few months has been conducting experiments with his new cathode ray system of television. Claims have been made for this system that it narrows the regulation frequency band for visual transmission from the regulation 100 kilocycles

down to as low as 10 kilocycles and that, operating without mechanical parts, it builds up images of 40 to 400 lines.

The Philco makers are now the exclusive licensees of the Farnsworth system. Though James M. Skinner, president of the company, and W. E. Holland, chief engineer, say they have no definite plans made yet for the manufacture of receivers, they have applied to the Federal Radio Commission for authority to erect an experimental transmitter at the Philadelphia plant, asking for 1,500 watts and the 1,500-3,000 and 2,750-2,850 kc. bands.



NAB tableau. (*Top left*) This picture from BROADCASTING's Nov. 1, 1931, issue was taken during the National Association of Broadcasters ninth annual convention in Detroit (Oct. 26-28). Identifiable in black tie and wing collar at the lower right of the picture: BROADCASTING's co-founder, Sol Taishoff. (*Top right*) The same issue carried this picture of "speakers and officers" at the same convention. L to r: Henry A. Bellows, CBS vice president; Cesar Saerchinger, CBS London representative; Edwin M. Spence of WPG Atlantic City, N.J., NAB vice president; William S. Hedges of WMAQ Chicago, NAB past president and member of the executive committee; Walter J. Damm of WTMJ Milwaukee, the retiring NAB president; Senator Wallace White Jr. (R-Me.), co-author of the Radio Act of 1927; Clyde P. Steen, American Radio Association, and John Benson, president of the American Association of Advertising Agencies. (*Circle photo above*) Harry Shaw of WMT Waterloo, Iowa, who was elected to be the new NAB president, and whose financial backing made possible the start of BROADCASTING magazine. (*At right*) John Shepard III of the Yankee Network, who won the NAB golf tournament with an 87.

Federal Radio Commission's quota regulations in the denial of power increases to WPTF Raleigh, N.C., and KECA Los Angeles. BROADCASTING called the situation "a showdown on the commission's authority to adjust arbitrarily the distribution of broadcast facilities among the zones and states, and a test before the court is the constitutionality of the Davis [equalization] amendment itself." Still another fight involved the NAB's organizing to oppose a luxury tax on receiving sets and to oppose the Fess education bill.

Other problems that surfaced as 1931 ended included the interference caused by Mexican border stations that operated in between clear channels used by Canada and the United States, and rumors of a hike in music performance fees by the American Society of Composers, Authors and Publishers. As an international issue, "The Mexican situation," wrote BROADCASTING, "is becoming a matter of grave concern . . . and emphasizes the need for a

definite understanding on the use of wavelengths by North American stations."

As an indication of things to come in broadcaster-ASCAP relations, Julius Rosenthal, general manager of ASCAP, began negotiating a rate increase for ASCAP royalties. Said Rosenthal in a letter to BROADCASTING: "Our members are not jealous of the prosperity of the broadcasters, but their business has been affected to such an extent that they cannot exist any longer unless they receive adequate compensation from the broadcaster who, notwithstanding the Depression throughout the country in every other industry, has prospered materially."

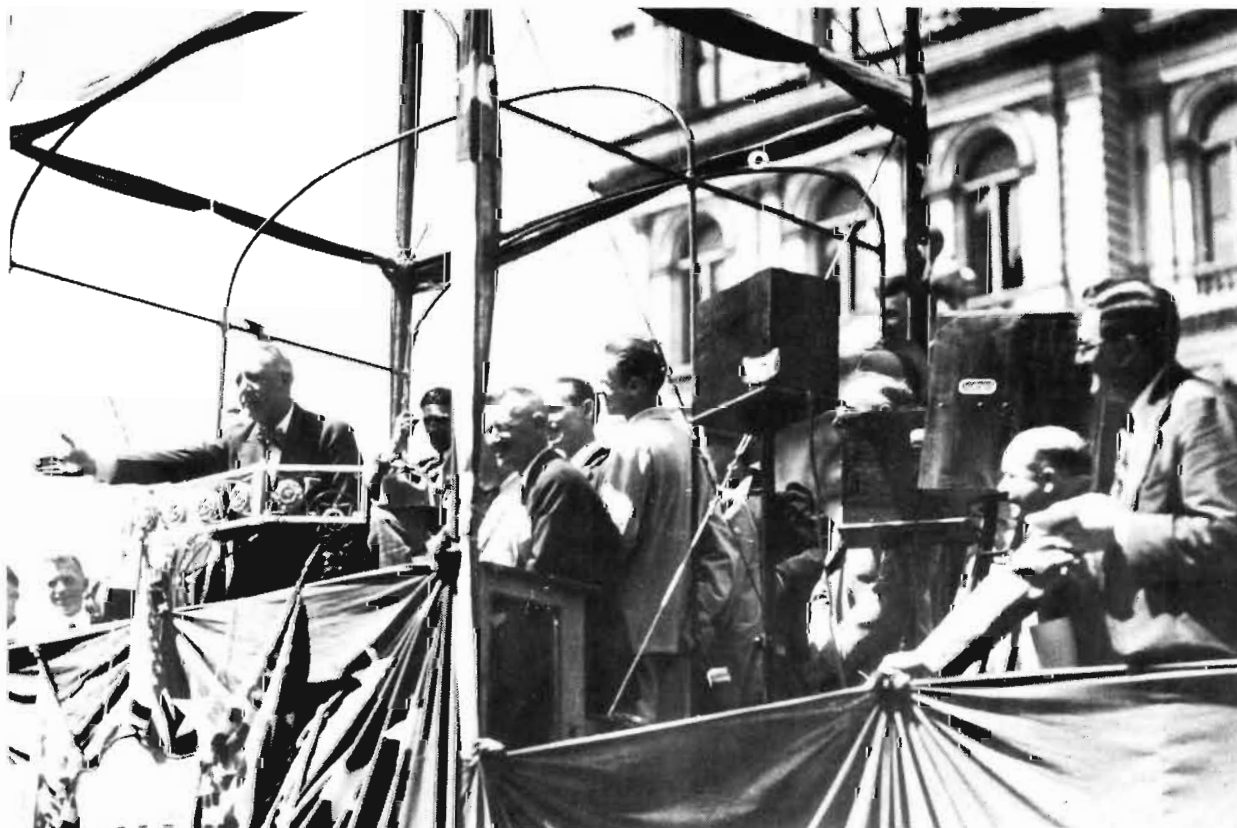
Despite some hard times, the radio networks prospered—if at lower levels than in the late 1920's. (NBC had been started by RCA in 1926, and what is now CBS began in 1927.) In October NBC formed two Pacific Coast networks, unofficially called the Orange and the Gold. In November

NBC celebrated five years of existence. "Organized national broadcasting today," said President M.H. (Deac) Aylesworth, "represents the greatest advance since the invention of type in man's eternal battle against ignorance, war and intolerance. In fact, the radio transmitter and printing press now stand shoulder to shoulder as the two greatest forces used by mankind in defeating those elements in civilization which have heretofore obstructed the road leading to international understanding and peace."

On a daily basis, however, radio—and particularly network radio—was looked to



The tube cometh. Experimental television was well on the way by the time BROADCASTING began reporting the electronic media in 1931, thanks to the groundwork of such pioneers as Vladimir K. Zworykin, shown here (in 1929) demonstrating a new cathode ray TV system he developed at the Westinghouse Research Laboratories. The Russian-born scientist applied for a patent on an electronic beam television pick-up tube in 1923. **Politics was first in line.** These General Electric television cameras, from wgy Schenectady, were said to be involved in the first TV remote when they covered New York Governor Al Smith accepting the Democratic presidential nomination in 1928.



primarily as a major source of entertainment. In November the *New York World-Telegram* polled 132 radio editors to select the most popular network shows and personalities. Guy Lombardo and Paul Whiteman were the leaders of the "foremost dance orchestras," Morton Downey, Bing Crosby and Rudy Vallee won as the "foremost male singers of popular songs," and Kate Smith, Ruth Etting and Mildred Bailey won as their opposite numbers.

The year's programming also was memorable for the beginning of Metropolitan Opera broadcasts on NBC with Milton Cross as host-announcer, a position he held until his death in 1974. Another program destined for longevity was the *March of Time*, begun March 6, 1931, as the handiwork of CBS, Time Inc. and BBDO.

Even though radio was an important source of entertainment, and even though the April 1930 census revealed that almost every other home in America contained a radio, and even though the networks were making money, Harry Shaw, owner of WMT Waterloo, Iowa, and by then the successor to Damm as NAB president, was careful to tell the Federal Radio Commission in December that more than half of the nation's stations were operating without profit. "These stations," he said, "are being faced with increased music license fees, the necessity for expenditures for new equipment and, in some instances, increased demands from local musicians unions."

Broadcasters, therefore, anxiously watched Congress and state legislatures for signs of increased interference with their business. Henry Adams Bellows, CBS Washington vice president, felt that "Danger Number One lurks in Washington, in the form of congressional encroachment on the functions of the Federal Radio Commission . . . Danger Number Two lies in the probability of ill-advised and misdirected action by state legislators."

Meanwhile, in December, the FRC ordered "drastic rule revisions," as reported by BROADCASTING, and simultaneously recommended to Congress amendments to the Radio Act of 1927. BROADCASTING's analysis cited the "bitter" recommendations: "A strict one-year limitation on station licenses, as against the three-year provision in the law, is the most important of . . . the recommendations . . . An anti-lottery law that would hamstring broadcasters, small stations and networks alike, to a degree that was not hoped for even by radio's most ardent enemies, is a second recommendation. The right to suspend broadcast licenses for 30 days . . . is a third important suggestion." On the "sweet" side, the commission relaxed the language, needed to identify electrical transcriptions, reduced the station identification requirement from every 15 minutes to every 30 minutes, and created procedures for licenses to be granted without formal hearings.

In its formal pronouncement on the

subject, the FRC issued a guarded, yet firm, warning against excessive commercialism. The commission cautioned broadcasters that the voluntary elimination of such "blatant" practices was necessary to stave off "proper legislation." It specified false, deceptive, exaggerated and offensive advertising, and commended to the attention of licensees the code of ethics that the National Association of Broadcasters had adopted on March 25, 1929.

In December 1931, however, broadcasters remained worried about the survival of radio. BROADCASTING summarized concerns about the new session of Congress by writing: "Legislative tomtoms already beating on Capitol Hill are calling into session next week the 72d Congress of the United States. To the radio world at large this heralds the renewal of much palaver about radio and more attempts to legislate for American broadcasting . . . [Broadcasters] are fearful lest Congress yield to the anti-radio campaigns now in swing, and they are not unmindful of the fact that radio is being ogled by a growing congressional element as a bouncing new political football . . . The danger is real. Were it not for the disturbed economic situation . . . Congress might blunder into the political radio morass camouflaged by these lobbying factions. Some members are already on the war-path, raising alternately the cry of too much commercialism and of monopoly . . . this Congress probably will not be disposed to accede to demands for government ownership, which in the last analysis is what the enemies of present radio want."

By the end of 1931 it was clear—to broadcasters, at least—that there were "enemies of radio" who advocated government ownership and other restrictions on commercial broadcasting. Besides these combative factions, other groups (such as ASCAP) and certain legislators (such as Representative Fess) appeared with demands that looked equally threatening. Legislators, educators, advertisers, ASCAP members, newspaper publishers and broadcasters readied themselves for 1932 as a year of fighting for their individual definitions and concepts of survival in a growing and powerful industry.

Stay Tuned

1. Who sponsored *Amos 'n' Andy*?
2. What congressman began hearings on the ASCAP copyright issue?
3. What kind of increase did E. Claude Mills, general manager of ASCAP, announce for June 1, 1932? (a) 50%. (b) 100%. (c) 300%.
4. Which sponsor was the first to take advantage of NBC's new policy allowing prices to be mentioned over radio during the day?
5. Who designed the directional antenna?

The answers in "1932."



RADIO CITY—An air view of the general development that will cover three square blocks from 48th to 51st Streets, between Fifth and Sixth Avenues, New York City. The view is from the east side of Fifth Avenue. This \$250,000,000 building project, the greatest in modern history, is being financed by John D. Rockefeller, Jr.

—Broadcasting, Nov. 15

THE FIRST 50 YEARS



OF BROADCASTING

TIMES were tough. More than 10 million were jobless in a population that totaled fewer than 125 million. And more than a million homeless people wandered from place to place.

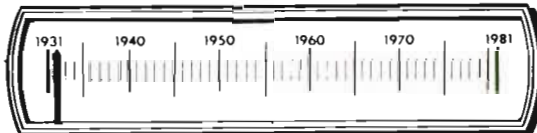
But for broadcasters, the beginning of 1932 was a time for guarded optimism. Despite the Depression, advertising on the air increased. Broadcasters' concerns about their future were principally aroused by such external problems as music licensing, federal regulation, the threat of international spectrum chaos and menacing moves against the medium by self-interest groups within the U.S. Yet the continued expansion of broadcast advertising was itself the subject of concern.

Early on, broadcasters received a warning from one of their own: Henry A. Bellows, CBS Washington vice president and former member of the Federal Radio Commission. In the Jan. 1 issue of **BROADCASTING** Bellows said:

"If the broadcasters . . . are so stupid as to fail to look beyond the hope of quick cash return, they may seriously injure and perhaps destroy their own business . . . If 1932 is a year of thorough housecleaning among the broadcasters, it will be a good year in itself and a long step toward better years ahead. If such a housecleaning does not take place, 1932 may see congressional action which will permanently cripple a broadcasting service that [is] . . . the most extensive, and the freest from artificial restraints in the world."

On Jan. 12 the Senate passed the Couzens-Dill Resolution, a fact-finding inquiry that authorized the FRC to determine to what extent broadcasting stations were being used for commercial advertising, whether advertising should be reduced or eliminated from radio, and the feasibility of government ownership and operation of broadcast facilities.

The federal threat did little to take the bloom off radio's advertising rose. In January, for example, N.W. Ayer and Son, a pioneer advertising agency, released a national survey designed "to take the guesswork out of radio as it affects advertisers." The advertising attention being paid to radio provoked a response from the press. Throughout January and February the *Ventura* (Calif.) *Free Press*, acting with the National Congress of Parents and Teachers and with Joy Elmer Morgan's National Committee on Education by Radio, argued



It was the last year of the GOP's 12-year run in the White House. "Brother, Can You Spare a Dime" was introduced in the stage revue, "Americana," and soon was to be the unofficial theme song of the Depression. A quarter of the farmers had lost their farms, and unemployment reached record numbers. The Army had marched across the Potomac to rout World War I veterans of the Bonus Army. Small wonder that the New Deal promises of Franklin Delano Roosevelt won him the Presidency in November. (Herbert Hoover, the man FDR drove from the White House, would in later years regain respect for contributions that included his early recognition of the American broadcasting system — such as, in 1957, the Distinguished Service Award of the National Association of Broadcasters.) Babe Ruth made his last World Series appearance as the Yankees beat the Chicago Cubs. And in BROADCASTING . . .

against radio by the "American Plan" and for public ownership and operation of broadcasting. These groups labeled radio a "commercial monopoly which is already going over the heads of parents in an effort to influence children in their homes." The National Committee on Education by Radio sponsored a bill in Congress that sought to allocate 15% of the broadcast channels for educational use [see 1931]. (A check of FRC records, as reported in the Jan. 1 issue of **BROADCASTING**, had revealed that commercial stations were devoting more than 10% of their program time to educational programs while educa-

tional stations were devoting less than 8% of theirs to that area.)

The alliance of the *Ventura* paper with the educational interests did not conceal commercial purposes. A commentary by Virgil Evans, managing director of WSPA Spartanburg, S.C., and WNOX Knoxville, Tenn., in the Feb. 1 **BROADCASTING** cited some telling statistics: "Newspapers lost in excess of 38% advertising revenues in 1930 from the peak revenues of 1929. During the same year radio gained approximately 97%. Newspapers took another nose dive in 1931 while radio went up another 50% over the 1930 figures. Local advertisers spent \$170 million over radio stations in 1931."

The increase in advertising as well as issues of wave lengths and copyrights spurred further government attempts to wrestle the new medium into regulatory control.

To stop "trafficking in wavelengths and licenses," the FRC adopted a requirement that station licenses include sworn statements of transfer terms. Beyond that, the FRC continued its inquiry "by going," as **BROADCASTING** wrote, "to the very root of the advertising problem. Aside from asking stations and networks precisely how many hours during a given week are devoted to sales talks or descriptions of commodities . . . the commission is soliciting the opinions of leading agencies and radio advertisers." Representative Ewin L. Davis (D-Tenn.) prepared a bill designed to curb excessive advertising on the air, require license fees to defray the cost of federal regulations and provide a solution to "the growing menace of Mexican-Cuban stations, backed by American capital, which are 'squatting' on or near U.S. and Canadian wave lengths."

Also on Capitol Hill, on Feb. 1, Representative William I.

Sirovich (D-N.Y.), chairman of the House Patents Committee, began hearings on the copyright issue. Sirovich said that he did not wish to dissolve the American Society of Composers, Authors and Publishers, which was demanding increased payments for music use, but he did want an "equitable readjustment" of copyright fees. On March 12 Sirovich announced that he would draft new legislation to protect broadcasters from what he called ASCAP's "racketeering tactics." Senator Clarence C. Dill (D-Wash.) introduced a copyright bill that "for the first time recognized radio as an entity" and imposed special restrictions on copyright owners that combined to issue licenses and charge royalties. The legislation also provided for a 10% tax on network and remote control originations.

The controversy between ASCAP and the National Association of Broadcasters continued to escalate. However, the NAB's hope for an equitable settlement

plus a sustaining license fee. This schedule would increase ASCAP's revenues from the \$960,000 it received from the flat assessments used in 1931 to about \$2.5 million, excluding the \$1 million expected in sustaining license fees. ASCAP also demanded the right to examine the accounting books of broadcasters. The battle lines became clear. "Killing the Goose," a BROADCASTING editorial of April 15, referred to the new fees as "akin to extortion" and said that "To call the new music copyright yardstick of ASCAP preposterous would be putting it mildly."

Meanwhile, broadcasters continued to encourage the innovative use of radio as an advertising medium while studying the issues of commercial advertising. In March, Federal Trade Commission Chairman William E. Humphrey praised the integrity of radio stations. He said that "while fraudulent advertising does exist in some programs and over some stations, it is not a condition that is common with the

records in audience support when the sponsors asked listeners to send in a Pepsodent carton if they liked the show. Harlow P. Roberts, advertising manager for Pepsodent, said that "*The Goldbergs* go on over the basic NBC Red network. Chicago is the farthest western outlet, yet we received letters from every state except Oregon, from every Canadian province except British Columbia and from 15 foreign countries. Explain that if you can." Also impressed with radio's advertising potential, Lehn & Fink, in an experimental program, placed all of its 1932 advertising budget for Pebecco toothpaste in radio.

Accordingly, it was small wonder that the toiletries and drug industry was the largest user of radio time in 1932. Led by Pepsodent, toiletries and drug concerns spent \$8,526,268 on CBS and NBC during the year—more than 20% of all network time sales.

The popularity of such programs as well as technical improvements continued to make radio an increasingly powerful force. The government's April radio census revealed that four million more U.S. homes were equipped with radios than in April 1930. That brought total homes with radios to 16,679,253—or more than 50% of all homes.

A new development, the directional antenna, designed by Raymond Wilmotte* for WFLA-WSUN Clearwater, Fla., and installed in April, permitted the station to reduce its 620 kc signal toward Milwaukee while utilizing higher ranges of power. Walter Tison, director of the station, found the shielded transmissions appealing because "the foreign situation is getting bad. Cuba had recently put into operation many new stations on almost all the so-called clear channels or split frequencies. Unless the American stations agree on something soon, it will mean a clear U.S. channel shared with a Cuban or Mexican station." An international radio conference in Madrid Sept. 15 discussed such issues as well as a proposal to enlarge the broadcast band, including a part of the longwave portion.

Other foreign issues concerned American radio. In March the U.S. radio commission established a new policy that allowed American broadcasters to transmit sponsored as well as unsponsored programs to foreign audiences. AT&T and RCA Communications Inc. incorporated these provisions into their transoceanic licenses.

With the nationalization of American radio still a possibility, Canada announced on Feb. 17 a major investigation to determine the future of Canadian radio. A widespread campaign by the Canadian Radio League sought support for nationalized radio. The CRL plan would establish at least seven 50 kw stations from



March 1932. This was the scene in a tiny room above a store in Hopewell, N.J., where CBS established temporary studios to cover the kidnapping of Charles A. Lindbergh Jr. L to r: Douglas Gilbert, CBS commentator; Don Higgins, CBS publicist, and J. McCafferty, field engineer. In the inset, upper right: Colonel H. Norman Schwarzkopf of the New Jersey State Police as he broadcast an appeal to the public on WOR Newark-New York.

was dimmed March 22 when Sirovich introduced a new and weaker bill to supersede his previous legislation. Except for a provision that reduced the infringement penalty from \$250 per incident to \$50, broadcasters felt the bill was "practically worthless."

Angered broadcasters offered harsh testimony to the House committee about the effects of the current copyright laws. Henry A. Bellows, chairman of the NAB's executive committee, said that there were major shortcomings in the Sirovich bill: It did not curb the activities of copyright owners, and it created a new copyright on phonograph records.

In April, E. Claude Mills, general manager of ASCAP, announced a 300% increase in the fees for broadcast use of ASCAP music—then, just about all the music there was, save for that in the public domain—to become effective June 1. ASCAP wanted 5% of the gross revenue from commercially sponsored programs

medium." Humphrey suggested that broadcasters voluntarily draft rules to control and eliminate false advertising.

The sponsor-developed radio drama increased in popularity and proved effective as an advertising tool. G. Washington's Coffee sponsored the *Sherlock Holmes* program on NBC, voted by radio editors as the best dramatic program on the air. *Happy Hollow*, a syndicated radio drama, shattered several precepts of radio advertising by proving that a radio serial could be based on homey characters in familiar situations, could give equal weight to music and to plot, could have advertising worked into the natural sequence of events and could run daily in half-hour segments for two years while still retaining its number-one position in popularity.

With its creation of *Amos 'n' Andy*, on NBC, Pepsodent proved that a well-written quarter-hour show could draw large audiences. *The Goldbergs*, another Pepsodent show about "real people," broke all

* Raymond Wilmotte has continued to make important marks on U.S. telecommunications. From January 1977 to July 1978 he headed the FCC's UHF Task Force and is now senior technical adviser in the Private Radio Bureau, where he works primarily on narrow-band land mobile radio services.

coast to coast and a number of smaller stations, and would compensate owners of private stations for their equipment.

Despite talk of the nationalization of American radio, in March William S. Paley acquired the Paramount Public Corp.'s half-interest in the Columbia Broadcasting System thereby attaining complete ownership of the network. Also in March radio news made important progress. The Lindbergh kidnapping case tested CBS, NBC and New York-area stations with their biggest news coverage job to date as they provided "round-the-clock" coverage of events. After a three-month trial period, United Press and KNX Los Angeles signed a three-year contract that enabled the station to use UP's wire service to broadcast four news programs a day. In a similar experiment, WCAU Philadelphia found that its agreement with the *Philadelphia Daily News* to broadcast two 15-minute segments of news increased both the paper's circulation and the station's popularity.

The Ventura Free Press, behind Editor H.O. Davis, however, accelerated its anti-radio propaganda by trying to gain support at the April convention in New York of the American Newspaper Publishers Association for a comprehensive reorganization of American radio that would, according to broadcasters, "limit, control, restrain and generally retard broadcasting development." Among other provisions, Davis's plan would dissolve the networks, severely limit radio advertising, and provide up to 25% of available channels for educational institutions.

Besides Editor Davis's plan, federal legislation and regulatory activity dominated the spring.

The 10% tax on networks was deleted

from the Dill legislation. The amended version of Representative Davis's bill emerged as an important piece of legislation that would establish a system of license fees intended to collect about \$670,000 annually to defray the cost of radio regulation, and would make it mandatory for political opponents and parties to be given equal opportunity for air time on stations.

W.M. Cheseldine, an Interstate Commerce Commission examiner, felt that broadcasting's rate structure was outside the range of the ICC's jurisdiction.

In recognition of radio's potential, Senator Dill introduced legislation to equip the Senate chamber for broadcasting at an estimated cost of \$30,000.

Both Senator Dill and Representative Davis appeared at the annual convention of the American Association of Advertising Agencies April 14-15 in Washington. Senator Dill spoke against government intervention in radio saying that "brains will win in this situation as it has in others." Representative Davis, chairman of the House Merchant Marine, Radio, and Fisheries Committee, supported the American system of broadcasting but remained skeptical of the industry's ability to regulate itself.

Throughout the second half of 1932 two forces continued to affect broadcasting—the Depression, which jeopardized marginal stations, and technological advances that continued to increase broadcasting's effectiveness and potential. In May broadcasters reported that business was on the upgrade even though several low-power stations remained economically threatened. As a result of increased revenues, the networks expanded their facilities, and a report in the May 1 issue of

BROADCASTING showed that in the first quarter of 1932 the networks "found their combined time sales 45.4% ahead of the same quarter the preceding year. NBC . . . sold \$8,071,839 worth of time to sponsors . . . which compared with \$6,116,072 during the same three months in 1931, a gain of 32%. CBS sold \$4,104,306 worth of time during the first quarter of 1932, as against \$2,142,573 during the same three months of 1931, a gain of 91.5%!" Despite the rise in revenue, CBS in May cut all salaries by 15% and released more than 100 employees.

At the May 3 annual meeting of stockholders of NBC's parent RCA, David Sarnoff, president, announced progress. Sarnoff reported that for the first quarter of 1932 RCA's gross income was \$20,585,222 with a net profit of \$503,223 in contrast to a deficit for the first quarter in 1931.

Broadcasters, station managers and transcription manufacturers looked to the 1932 political campaigns to produce needed revenues. The use of electrical transcriptions (a high-quality recording) in ads, for shows and for political announcements was becoming more popular. Scott Howe Bowen, president of a pioneer station representative firm that bore his name, declared that as long as the performance is professional the "listener is but little interested in whether live, breathing persons pour it into a mike for instant use, or whether they engrave it in wax for future reference." In May NBC lifted its ban on the use of recorded programs by its owned-and-operated stations, but still prohibited transcriptions on network programs.

The growing use of transcriptions bred new problems with copyrights. Although



Meet them in St. Louis. Among delegates at the National Association of Broadcasters convention in 1932 were (l to r) *Seated*—Lewis Allen Weiss, WJR Detroit (who later was to return to head Don Lee Broadcasting System, where he had served prior to 1932); Scott Howe Bowen, owner of the sales representation firm bearing his name; Earl H. Gammons, WCCO Minneapolis, later to be CBS Washington vice president;

Leo Fitzpatrick, WJR; Stanley E. Hubbard, KSTP St. Paul-Minneapolis, and J.O. Maland, who Des Moines-woc Davenport, Iowa; *Standing*—W.O. Pape, WAPI Birmingham, Ala.; A.J. Eaves, Western Electric Co.; I.R. Baker, RCA Victor Co.; Don Searle, KOIL Omaha; Kenneth Berkely, WRC Washington; Oscar C. Hirsch, KFVS Cape Girardeau, Mo., and I.M. Taylor, WEBO Harrisburg, Ill.

the NAB and ASCAP had declared a moratorium until Sept. 1 on the increased copyright fees, the Music Publishers Protective Association in June demanded from stations a fee of 25 cents for each composition on a copyrighted transcription.

Also in June, broadcasters reacted to the licensing fees proposed in the Davis bill by calling them "unwarranted, inequitable" and damaging to many smaller stations. On the brighter side for broadcasters, the FRC, in June, presented the results of its study and recommended continuance of the American system of commercial broadcasting.

At about the same time, however, the Canadian commission announced its intention to nationalize Canadian radio with a plan that "appears to be a sort of compromise between the British government's monopoly and the American plan." Under its plan, the Canadian government would operate several high-power and regional stations, but private broadcasters could operate local stations.

Other important legislative decisions continued throughout the summer. The Sirovich copyright law was killed in June. In July the State Supreme Court of Nebraska, ruling in conflict with the Radio Act of 1927, decided that a broadcasting station was equally responsible with its speaker for any libelous statements. This caused problems for the upcoming political announcements by placing broadcasters in the paradoxical situation of being accountable for libel but unable to prevent it, since the Radio Act of 1927 prohibited stations from censoring political speeches.

Despite this confusion, broadcasters still saw the upcoming campaign as a needed panacea. In June radio scooped the media world with its carriage of the Democratic and Republican national conventions. To broadcast 58 hours of sessions, NBC canceled 56 commercial programs and CBS reported more than 12 cancellations. The July issue of *BROADCASTING* said that "broadcasting proved its worth as a medium for arousing interest and getting out the vote. . . . From now until the November elections, politics will hold sway on the air. . . . The tremendous investments of time and money by networks and stations in the handling of the conventions at Chicago stadium may soon be compensated—to some extent at least—by the budgets which the national and local parties and their candidates will apply to the purchase of broadcast hours."

To cover the conventions, the networks used such technically innovative devices as lapel microphones, and a velocity microphone that improved studio pickup by increasing the fidelity of reproduction.

In August the Republicans announced their radio budget of \$300,000—\$200,000 for network time and \$100,000 for spot time on independent stations. In addition to the airing of political speeches, both parties used radio to solicit contributions.

Networks took steps to increase the effectiveness of advertising. In July A&P

was the first client to take advantage of NBC's new policy that permitted price mentions during daytime hours. By September both CBS and NBC allowed product prices to be quoted at night as well as during the day.

The economic situation of the U.S., however, continued to worsen. In August Frank T. Hines, head of the Veteran's Administration, endorsed job auctions over the radio. The FRC considered reducing the number of radio districts from nine to five in order to reduce employees and cut the commission's payroll by \$40,000. In an effort to restore confidence in financial institutions, Western banks began the unprecedented move of advertising on radio.

Broadcasters were still outraged by ASCAP's financial demands. In early August when Mills rejected an NAB pro-



A First Lady first. Eleanor Roosevelt, the wife of the President-elect, became a broadcaster on WEAJ New York and NBC Red Dec. 9 when she started a 12-week series, sponsored by Pond's Extract Co., New York, through J. Walter Thompson. The fees she received were donated to charity, half going to the New York State unemployment fund and half to her own charities.

posal that copyright fees be increased about 25% to \$1,250,000 for 1933 and 1934, negotiations between the two groups ended. ASCAP announced that it would begin negotiations with individual broadcasters, using the terms it proposed in April—a sustaining license fee plus 3% of a station's gross receipts for the first year, 4% for the second, and 5% for the third. In mid-August negotiations resumed with NAB still wanting a flat rate fee. In September broadcasters accepted "under protest" ASCAP's percentage fees on a gross receipt basis.

With those domestic issues temporarily resolved, the focus turned to international broadcasting as the fourth International Radio Conference convened in Madrid on Sept. 3. Several European countries attempted to convince the U.S. that a widening of the broadcast band below 550 kc would be mutually beneficial. The Canadian delegation, backed by Mexico and Cuba, presented a compromise plan to make available to North America seven additional 10 kc channels below 550 kc. American broadcasters favored the plan, but were unable to persuade the State Department to agree to it. Since the Navy

Army, Coast Guard, Departments of Commerce and Agriculture as well as certain shipping interests opposed the plan, the international committee scheduled a North American conference for 1933 to discuss reallocation.

Domestically, ASCAP and the upcoming elections continued to occupy broadcasters' attention. In September FRC Acting Chairman Harold A. Lafont asked broadcasters, many of whom remained confused by the Nebraska libel ruling, to allow political candidates access to radio as a "great political service." To protect stations from charges of libel resulting from political broadcasts, John W. Guider, acting chairman of the committee on communications of the American Bar Association, proposed a rule to release a station from liability whenever the management had "exercised due and reasonable care to avoid the utterance of defamation."

In October another endorsement of American radio appeared. The Department of Commerce's *Radio Markets of the World*, a biennial review of world radio, reported that those countries that allowed advertising on the air showed the greatest development in their systems of broadcasting.

Also in October, ASCAP's Mills and NAB's Oswald F. Schuette announced a compromise in copyright fees. Sustaining fees for 340 stations of less than 500 watts would be reduced 36%, and fees for stations in the 1 kw class would be reduced between 20%-30%, but Mills also moved to reduce fees for newspaper-owned stations. Mills offered to cut their sustaining fees in half and reduce the percentage fees because of the "substantial contributions to the promotion . . . of music made by newspapers." The NAB labeled the offer discriminatory and divisive.

Copyrights and the international frequency allocations occupied prominent places in the discussion at the 10th annual NAB convention in St. Louis Nov. 13-16. Senator Dill sent an unsolicited letter to *BROADCASTING* stating that: "This latest attempt of ASCAP to curry favor with the great newspapers of this country is a new illustration of their attempt to use every possible influence of public opinion to keep down opposition to their tyrannical and arbitrary use of the power which they exert by control of 90% of the copyrights on the most popular music. I sincerely hope that radio stations owned by newspapers will not be induced by this mess of pottage to endanger their birthright to run radio stations."

At its convention, the NAB organized to fight ASCAP. Alfred J. McCosker, president of WOR New York, was elected president, and with Schuette, director of copyright activities, continued the NAB fight for another year. The NAB platform called for greatly increased funds to fight relentlessly against threats to broadcasters. In December the NAB began its new approach to the music-licensing problems by urging several government agencies, including the Department of Justice, investigate ASCAP for restraint of trade and

discriminatory practices.

The year ended with other important developments. On Nov. 21 RCA and its subsidiaries willingly settled a pending antitrust suit. Under the terms of the agreements, General Electric and Westinghouse would divest themselves of their control of RCA which would become a completely independent company but would retain licensing rights for GE and Westinghouse patents as well as those of RCA. Some 4,000 pooled patents held exclusively by RCA became nonexclusive.

Also in November the American Bar Association went on record in opposition to broadcasts of sensational trials, and the Interstate Commerce Commission ruled that it had no power to regulate advertising rates since broadcasting stations are not public utilities.

Advertising on radio continued to increase in effectiveness. Beechnut, for example, announced the success of its use of electrical transcriptions to adapt ads for local markets. In a novel use of radio advertising, the Chrysler Corp. on Nov. 1 broadcast its annual trade meeting to introduce 75,000 Plymouth salesmen to the new 1933 cars. Using CBS Radio to link 25 cities proved less expensive than bringing all the dealers to one convention site. Chrysler also took the unusual step of buying \$500,000 worth of insurance in case the broadcast failed because of technical problems.

There were complaints about the com-

mercial volume in radio in 1932, but there was praise developed for radio's coverage of the political campaign. Senator Dill extolled radio for its fair coverage, saying that station managers had "observed the spirit as well as the letter of the law, and it is primarily for that reason that radio has rendered the greatest public service in this campaign that was ever rendered in the formation of the conclusions of the voters of a great nation. There has never been anything like it previously in this or any other country on earth." If radio's role in the campaigns increased its prestige, it did not always increase its profits. A BROADCASTING report in November argued that the presidential campaign caused "networks and stations a dead loss." Even though candidate speeches were paid for, the pre-emption of commercial spots and the need to make rebates to regular sponsors caused stations to lose money. In addition, there was anger among some listeners whose favorite programs were canceled. However, this and the sputters of the economy in 1932 did not stop the major national networks from chalking up a record aggregate gross of \$39,106,776 in time sales.

The year ended with yet another federal publication praising radio. The Federal Radio Commission's sixth annual report for fiscal year 1932, which ended June 30, appeared on Dec. 5. It noted progress in administrative, technical and judicial fields, and did not recommend any new

radio legislation.

Despite the continued progress, power and praise of the medium, BROADCASTING's closing editorial of 1932 warned: "The inclination to meddle with broadcasting, incited by professional reformers, wave grabbers and their ilk, is still there. The perennial siege of Congress hasn't been eliminated; it has simply been postponed. . . . It is the legislator's duty to protect his constituents. It is the broadcaster's duty to protect himself."

Stay Tuned

1. With what special phrase did the Music Publishers Protective Association label its records?
2. Which station was the first to broadcast daily news from Washington, D.C.?
3. What was the name of the press-radio agreement of December 1933?
4. Who was the head of the National Committee on Education by Radio?
5. What type of American music did Adolf Hitler ban from Germany's airwaves?

The answers
in "1933."

Radio "Scoops" World at Chicago Stadium

Fine News Coverage and Technical Work at Conventions Protend Lively Sponsored Campaigns on the Air

THE "RADIO ERA" in American politics, heralded in 1928 and gaining impetus in the intervening years as broadcasting proved its worth as a medium for arousing interest and getting out the vote, is now fully under way. From now until the November elections, politics will hold sway on the air, bringing to broadcasting an additional and much-needed source of supporting revenues.

The tremendous investments of time and money by networks and stations in the handling of the recently concluded Republican and Democratic national conventions at Chicago Stadium may soon be compensated—to some extent at least—by the budgets which the national and local parties and their candidates will apply to the purchase of broadcast hours.

Expenditures Undecided

EXACTLY how much the politicians will spend on radio, and how and where they will spend it, remain to be decided. At this writing they are busy clearing away the embers of their respective Chicago battles and organizing for the larger fray this fall. It may be stated, however, that both Republicans and Democrats plan to handle their radio "accounts"



CONTROL and announcing booths overlooking Chicago Stadium from which broadcasts of the national political conventions were carried to the listening world.

Networks and individual stations will be used in the national campaigning, and it is likely that transcriptions for the spot placement of particular speeches and programs will also be contracted

terprise, has ever had the advantage of such remarkable handling of a news event so that citizens in every nook and cranny in the land and people at the far corners of the earth could follow the momen-

Technically, the convention broadcasts brought forth the greatest advances yet recorded in the short history of remote broadcasts. Lapel microphones carried about the convention floors, parabolic microphones towering above the speakers' stand, studio and control booths in full view of the entire convention hall, improvised studios in hotel rooms—all were used to bring the proceedings in every detail to the listening world.

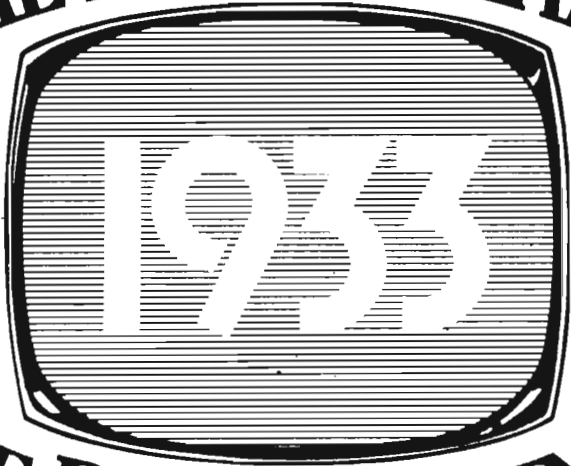
Some Criticisms

MECHANICALLY, the convention broadcasts represented a job amazingly well done. Fairly well done, too, were the descriptive and analytical features, though they lacked something. The criticism this observer would venture—and his views are strengthened by highly competent listener-critics whom he has consulted—is that the longer periods of the conventions, and occasionally some of the short periods on the air, were filled with too much "pap"—sheer time-wasting attempts at idle descriptions by announcers who plainly knew little or nothing about politics, about the political figures passing in review or about the political significance of what was transpiring before their eyes and back of the scenes.

In a word, there were not enough interpolations of the William Hard-Frederic Wile type of intuitive, keen, penetrating, brilliant analyses in the running commentaries.

Broadcasting, July 15

THE FIRST 50 YEARS



OF BROADCASTING

The sporadic sniping of newspapers at radio broke into wide open warfare in 1933. And a so-called truce in December only served to make broadcasters all the more rebellious about the terms dictated.

In addition, it was the year in which there were definite indications that the Federal Radio Commission was destined to be supplanted by yet another communications regulatory agency, the Federal Communications Commission.

For broadcasters and America, 1933 also brought the "fireside chat"—Franklin D. Roosevelt's recognition of radio as a catalyst to reunite an economically depressed nation.

It was a role that broadcasting willingly assumed, as exemplified by this headline in the Jan. 1 BROADCASTING:

"Broadcasters Accept Challenge of 1933; Business Prospects Held Favorable, Competition Keener; Improvement in Technique and Programs Foreseen." The word was "opportunity" and the hoped-for condition, "improvement." Optimism prevailed in the broadcasters' statements about the coming year and, as BROADCASTING noted, this feeling "should prove a tonic to broadcasters, agency radio executives and radio advertisers" who suffered through 1932, "the first year that radio really felt the effects of the Depression."

Radio entered 1933 with clearly defined adversaries. Not only was the dispute with the American Society of Composers, Authors and Publishers escalating but bad feelings had developed between radio and the newspaper and film businesses, both of which blamed radio for their shrinking revenues. Radio was by now so large that it attracted hyperbole in comments on its functions. Commercial broadcasting was described as venal, boorish, corrupt, tiresome. That was the picture that emerged from "American Broadcasting," published early in 1933 by the *Ventura* [Calif.] *Free Press*. However, equally detailed documentation showed that commercial broadcasting was varied, educational, cultural, magnanimous. That was the picture that emerged from "Broadcasting in the United States," published in 1933 by the National Association of Broadcasters.

While newspaper publishers and movie house owners were complaining about radio, radio executives warily contemplated



World leadership was changing in 1933. January saw Adolf Hitler assume power as chancellor of Germany. In March, Franklin D. Roosevelt brought his New Deal to the White House. In April, 3.2% beer was legalized and in December Prohibition went down the drain with ratification of the 21st Amendment. Chicago was host to The Century of Progress World's Fair.

America's bravado toward the Depression was epitomized by the hit song, "Who's Afraid of the Big Bad Wolf?" On Broadway, "Tobacco Road" began its amazing run of 3,182 performances, and Maxwell Anderson won the Pulitzer for drama. The Chicago Bears beat the New York Giants, 23-21, at Wrigley Field in the first National Football League championship game. And in BROADCASTING ...

the clout of ASCAP. In December 1932 the National Association of Broadcasters had started fighting back by encouraging the Department of Justice and the Federal Trade Commission to investigate ASCAP for possible violations of antitrust laws. In January, Oswald F. Schuette, the NAB's director of copyright activities, began a campaign to unite all of ASCAP's "victims," including broadcasters, hotels, restaurants, dance halls and amusement parks. At that time ASCAP demanded and received royalties from radio receiving sets in hotel rooms, small business establishments, drug stores, barber shops and boot-black stands.

An article in the January issue of *Fortune* and summarized in BROADCASTING revealed that ASCAP, before its rate hikes in 1931, utilized a budget of \$1,971,000 of which radio furnished \$939,000, motion pictures \$665,000, dance halls \$135,000, hotels \$89,000, restaurants \$79,500 and parks, carnivals, circuses and steamships \$63,000. NAB's Schuette felt that radio not only bore an inordinate share of ASCAP's financial burden, but also had undertaken an unfair portion of the battle. In unity, he hoped, lay victory.

Besides ASCAP's copyright demands, broadcasters now encountered problems with the Music Publishers Protective Association, a transcription copyright organization that insisted broadcasting stations should acquire MPPA licenses and pay fees for MPPA records and transcriptions. MPPA, however, maintained that those recordings be played only on stations with ASCAP licenses. The NAB objected to that restriction and felt it was another attempt at control by ASCAP, many of whose board members also were directors of MPPA. Schuette and the NAB retaliated by asking for government studies of MPPA's structure and fees.

The MPPA countered in January by labeling its records "Not licensed for radio broadcast." A. E. Garmaize, counsel for the Columbia Phonograph Co., rationalized MPPA's action: "The broadcast of our records places at the disposal of the public the labor, skill and money investment [of our company] ... for the sole benefit of the broadcaster, so that the broadcast of our records is a use of our property rights without our consent for the benefit of someone else without any com-

pensation accruing to us, the owners of the property rights. Broadcasting stations probably are not aware that they are violating our rights by the broadcast of our records, so that in order to give them notice that we reserve our rights and do not desire them to be violated, we have placed on the labels of all of our records the notice 'not licensed for radio broadcast.'"

Unconvinced by this reasoning and suspecting MPPA to be an ally of ASCAP, Schuette and the NAB maintained that MPPA's ban was illegal and was an attempt to force broadcasters to use transcriptions instead of records. If an advertiser or station used a transcription, MPPA collected 25 cents per number and 50 cents for a restricted number, but if a record were used, MPPA collected only two cents.

The NAB fought on. On Jan. 18 ASCAP announced willingness to reopen negotiations, but refused "under any circumstances" to deal with the NAB's Schuette. To facilitate continued discussions and to fortify its position, the NAB retained as its counsel Newton Baker, Cleveland attorney and secretary of war in the Wilson administration. Calling this "the biggest step forward in NAB history," BROADCASTING said that "it brings to radio fully as strong representation against the arbitrary onslaughts of ASCAP as that organization has had. ASCAP now has a foe worthy of the respect it has hitherto denied broadcasting, and radio now has an advocate who can really test and bring to task the legalistic shroud which Mr. [Nathan] Burkan [ASCAP counsel] has woven around his organization."

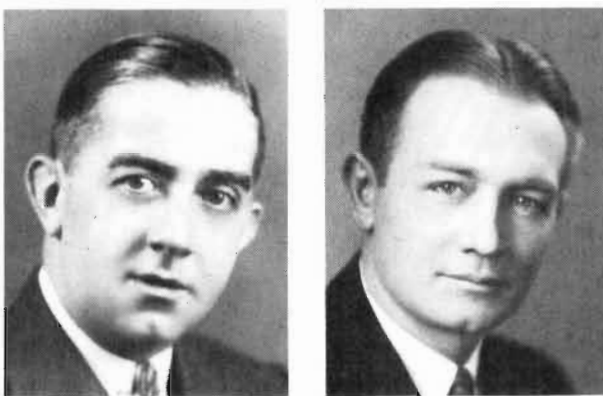
With radio programing proliferating and diversifying, music was becoming an ever more integral part of broadcasting. This much fought-over element provided what David Grosch, vocal instructor and radio personality in Kansas City, called "the essential atmosphere" of a program as well as an ad. "Say it with music," wrote Raymond Paige, then music program director at KHJ Los Angeles, "has gradually come into its own." "The modern trend in radio programs," said BROADCASTING in March 1933, "is to let music do most of the talking that was recently done by long-winded announcers. . . . Whereas, in the old days an orchestra and perhaps a soloist were linked with a commercial announcement more or less haphazardly, today the progressive program manager tries to adjust every program, even to the music, to the tastes of his audience."

These careful efforts to improve the effectiveness of programing and advertising worried newspaper publishers. Even though BROADCASTING's Jan. 15 editorial, "Can't Blame Radio," argued that the Depression and not radio was responsible for the losses suffered by other advertising media, BROADCASTING also noted "radio's steady progress, even through the Depression . . . [because of its] fundamental soundness as an advertis-

ing medium."

Radio's growing commercial acceptance prompted still other newspaper publishers to seek protective measures. James G. Stahlman, publisher of the *Nashville Banner* and president of the Southern Newspaper Publishers Association, urged newspaper publishers to try to gain control of the Federal Radio Commission. Stahlman warned that "newspaper publishers had better wake up or newspapers will be nothing but a memory on a tablet at [just opened in New York] Radio City."

While publishers like Stahlman fought radio, others, like William Randolph Hearst, sought to capitalize on radio's power. To boost circulation, the Hearst papers sponsored two 15-minute transcribed programs per week. Broadcasts included opera, jazz and romantic stories, as well as dramatizations of outstanding



At the NAB helm. At its October 1933 convention in White Sulphur Springs, W.Va., the National Association of Broadcasters voted not to change its leadership. That meant the reelection of Alfred J. McCosker (l), of WOR Newark, N.J., for a second term as president, and the continuation of Philip G. Loucks (r) as NAB managing director.

features from the *American Weekly*, the *Sunday* supplement that appeared in Hearst papers.

The newspapers' unhappiness with broadcasting continued to grow as radio increased its stature in news, both at the network and station level. Locally, for example, WIL St. Louis claimed the distinction of becoming the first station to broadcast daily news from Washington, gathered by an accredited Washington correspondent.

Election returns, inaugural ceremonies, major events and "fireside chats" provided networks and stations with important material that proved radio's special accessibility and unique powers. Both NBC and CBS utilized the largest staff of commentators, announcers and technicians in each of their histories to cover President Roosevelt's March 4 inauguration with broadcasts from the Capitol, the White House and from various points along the Washington parade route.

During the March banking crisis broadcasters placed radio's facilities at the disposal of the Roosevelt administration. BROADCASTING reported: "It was a period

of radio news reporting on a magnificent scale, with the networks sparing no effort nor expense to provide an intensive coverage of the Washington scene." NAB President Alfred J. McCosker added that besides providing facilities, stations must "radiate calm, confidence and good humor in our attitude and in our broadcasts [so that] the listening public—60,000,000 of our citizens—[will] become infused with the same spirit."

Radio's range and importance increased further with Roosevelt's "fireside chats" broadcast on March 12, May 7, July 17 and Oct. 27. The first, in which he announced the closing of banks to preserve the nation's economy, set the tone by projecting a new FDR.

While bringing the nation into the White House, Roosevelt also brought importance to radio as a news medium. Quoting from a CBS summary of the event, BROADCASTING said: "It remains for radio to thank the President. . . . What else could have won radio such gallant praise from the press. . . . It is hard to believe that any other drama could have called radio so urgently into the council and conference rooms of America—its force suddenly revealed, its promise newly seen, its influence on social and on business thinking so swiftly accelerated overnight."

Also, the Depression helped to accelerate radio's development as a major source of entertainment. Broadcasters were discovering new techniques in production. *Tarzan of the Apes*, a transcription program that first aired on Sept. 12, 1932, gained great popularity in 1933. The show, broadcast five times a week in 15-minute segments, made novel use of special effects.

According to Barton A. Stebbins, president of Logan & Stebbins, the agency responsible for *Tarzan*, the show's "sound effects are synchronized to a degree that could never be achieved before the studio microphone. All the birds and beasts of the jungle appeared in their own voices. Sound equipment was taken to zoos in all parts of the country where suitable animals were available. There, the operator waited hours and days recording the voices of tiny birds, lions or trumpeting elephants in all of their various moods. A tremendous collection of these sounds has been assembled and appropriate portions were synchronized on the transcriptions with fraction-of-a-second exactitude and with emotional quality that fit the story. *Tarzan* on the air was the jungle made audible."

Other popular shows included Caswell Coffee's weekly sponsorship of hour-long Gilbert and Sullivan operettas and WLS Chicago's Saturday night broadcasts of the *National Barn Dance* before a capacity crowd at the Eighth Street Theater.

Broadcasts of baseball and football continued to arouse interest as well as ire as the professional club owners, college groups and broadcasters argued over whether radio reduced or boosted box of-

fice receipts. Most club owners felt certain that radio caused a significant drop in attendance, but a few believed radio's spurring of interest in the games helped.

No one, however, was pleased with the drop-off in box office receipts. But there were those who perceived that the cause was more the Depression than radio. One such observer was David Driscoll, program director for KGDE Fergus Falls, Minn. "A diagnosis of the attendance slump is hardly necessary," he wrote in the Feb. 1 BROADCASTING. "Baseball was hard hit for the simple reason that the boys who ordinarily packed the grandstand and bleachers were out of work or simply could not afford the expense of entertainment. Baseball owners, like everybody else, cannot collect dollars when there are no dollars to collect. . . . Club owners are pricing down expenses right to the bone. Salaries of players will be cut as much as 40%." Baseball, regarded as distinctly a luxury, was in for a bad season.

Like business generally, the networks also had a bad season financially. Throughout the beginning of the year, network revenues continued to drop, reaching a new low in July. NBC and CBS had combined incomes for April 1933 of \$2,462,970 as compared to \$4,004,484 for April 1932, itself a bad year. Network revenues continued to decline. In June 1933 the networks collected \$2,065,195 as opposed to \$2,997,296 for June the year earlier, and in July 1933 the network revenues totaled \$1,809,473, down from \$2,416,616 in July 1932.

Because of the economy, and despite shrinking network budgets, radio's popularity increased. For people who had little or no money to spend on sports events, shows and movies, radio grew in importance as a source of entertainment.

L.B. Wilson, president of WCKY Cincinnati and owner of the Wilson movie theaters—a "showman of 23 years experience"—analyzed the situation. "Radio," he said in the March 15 BROADCASTING, "is successfully competing with the theater. Hard times have added millions of persons to the radio audience, while taking millions from the [theater] audience. You can get Eddie Cantor on the air for nothing. It costs you 50 cents or more to get him at the theater. You may need the 50 cents for food or clothing. So the theater loses a patron and the radio gets a listener. In previous depressions, the theater was not so badly affected. There was no radio, and people had to have something to get their minds off their worries."

The more people listened to radio, the more other issues entangled themselves with the simple pleasures of entertainment and news. In late February, the secretary of the Navy, Charles Francis Adams, banned Navy and Marine band broadcasts because of pressure from the musicians' union. While thousands of musicians were without work, the service bands played without pay. In March, Adolf Hitler banned American jazz from Ger-

many's airwaves, particularly the work of black orchestras and singers, because he felt such music was detrimental to his intended goals.

In America, the proponents of educational radio still felt themselves to be the guardians of American cultural standards despite a Federal Radio Commission report to the Senate stating that educational broadcasting could be entrusted to commercial stations. From 1927 to 1933, there had been a steady decline in the number of exclusively educational stations—95 to 39—with 12 selling time.

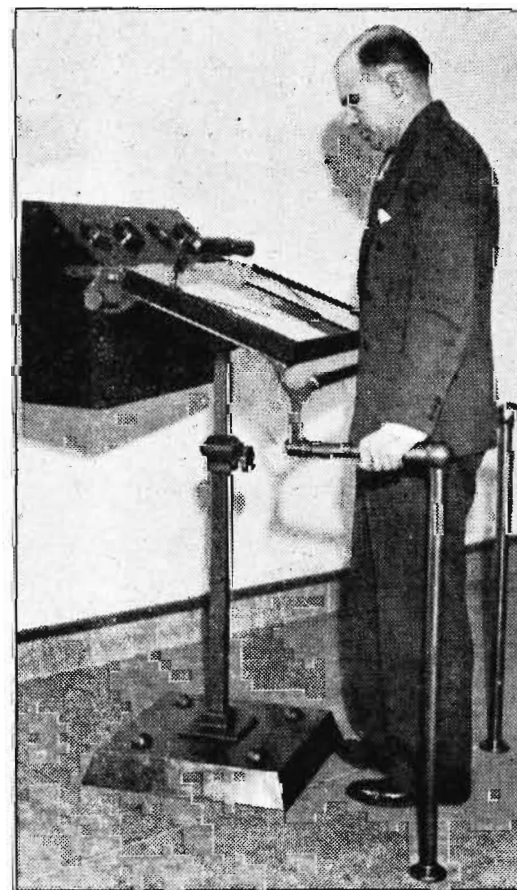
According to BROADCASTING, the decline was caused by a lack of financial support and listener interest. According to Joy Elmer Morgan, the forces of commer-

cialism, if not greed, had won out. Although admitting defeat, Morgan's National Committee on Education by Radio would not accept death. In April the committee formed the American Listeners Society intended to "supply machinery through which listeners might exert an influence in determining the nature and content of radio programs." Implying that this group had little power and less reason for existence, BROADCASTING reported that "the most prominent of educators now are associated with the National Advisory Council on Radio in Education, directed by Levering Tyson, which has cooperated with stations throughout the country in offering educational features."

BROADCASTING, in a Jan. 15 editorial,



The radio Presidency. FDR's White House years were an era of close rapport with America via radio. It started with his March 4 inaugural broadcast and his first "fireside chat" March 12. The photo above was taken on May 7, 1933, when Roosevelt broadcast his second fireside chat, a report on the state of the nation and a thank-you to the radio audience for the unexpectedly large amount of mail that flooded the White House after his first fireside chat. The fireside chat term is generally attributed to Harry Butcher, then director of the CBS Washington office at wjv (now retired in Santa Barbara). In a discussion with CBS Washington newsman Ted Church, Butcher felt it would be more friendly to use that description than to say the broadcast originated from the diplomatic reception room. Marvin McIntyre, FDR's appointments secretary, later said that the President was captivated by the term. Bob Trout, then a CBS newsman (and now with ABC Radio), was the first to use the phrase on the air. The photo at right shows the specially designed microphone stand that was presented by CBS to FDR and used for the first time at his inauguration. Herbert Glover, CBS director of news broadcasts, grips the side bars that supported the disabled President.



wrote: "That educational stations, by and large, are misfits in American broadcasting, commanding little financial support from their own institutions and having negligible listener appeal, is reflected in the official records of the radio commission. . . . How can Joy Elmer Morgan . . . and his group of misguided pedagogues justify their silly demand for more wavelengths for educational stations . . . ? How can they have the audacity to oppose commercial broadcasting when some 30 educational stations have sold out—voluntarily—to commercial groups. . . . It is one thing to present well-organized educational programs over commercial stations which have the audience. It is another to attempt to cram education down the public's throat over more stations that have no listener appeal, as is proposed by Mr. Morgan's National Committee on Education by Radio."

Network receipts from time sales continued to decrease. In January, Frederic R. Gamble, executive secretary of the American Association of Advertising Agencies, urged that broadcasters provide agencies with a cash discount for bills paid promptly. As a result of decreased revenues, many stations tried unusual plans to increase sales. For example, KOIL Omaha created business by selling time not only to individuals but also to groups of tradesmen such as barbers, beauticians, florists and grocers. With revenues down, some broadcasters looked to the legalization of beer as a potential source of new advertising.

In an economy move in April, NBC implemented its second pay cut by decreasing all employe salaries of over \$1,000 a year by 10%. NBC's first salary cut had been in September 1932. Also in April 1933, NBC discontinued its Pacific Coast Gold network to save line costs and had its Orange network absorb some Gold programs.

Comedian Ed Wynn, whose Texaco-sponsored hour on NBC was declared the most popular network program, announced in January that he would head a third network, the Amalgamated Broadcasting System, which would revolutionize the handling of commercial programs and station relations. Originally scheduled to begin Feb. 15, the network encountered financial and organizational problems, but finally started in September.

Wynn, who deplored the increase of commercialism on radio, aspired to "bring the theater to the air," and to return some of the business he felt that radio had taken from newspapers and magazines. "What I am going to do," he said, "is throw millions of dollars back to the newspapers and magazines." Wynn called his new network the "new deal" in radio and planned to limit commercial credits to 30 words at the beginning and end of each program, to prohibit price mentions, and to refer listeners to sponsors' ads in newspapers and periodicals.

Curtis B. Dall, President Roosevelt's son-in-law (he was married to FDR's daughter, Anna), became chairman of the

board and on Sept. 25 Wynn's network began a four-hour inaugural program with a 14-station hookup.

Others besides Wynn wanted changes in radio. Some were motivated by anticommmercialism and others were moved by hopes of economic improvement in a continuing Depression. In February, with the support of the Roosevelt administration, Representative Sam Rayburn (D-Tex.) proposed a bill to abolish the FRC in favor of creating a federal agency that would have jurisdiction over all communications. This bill, however, was withdrawn for rewriting. Also in February Representative Hampton Fulmer (D-S.C.) introduced a bill, sponsored by interests opposed to commercial radio, that requested a two-year inquiry into the "future administration, management, control and financing of radio broadcasting."

During a March special session of Congress, Representative Rayburn reintroduced his bill although it appeared unlikely that any radio legislation would be enacted at that session.

Also reintroduced at that time was the so-called Davis omnibus bill which had passed both Houses but had been pocket-vetoed by President Hoover. (The earlier bill had been offered by Representative Ewin L. Davis [D-Tenn.], chairman of the House Merchant Marine, Radio and Fisheries Committee. The new bill was submitted by his successor as chairman of that committee, Representative Schuyler Otis Bland [D-Va.].) Among other amendments to the Radio Act of 1927, the bill would have allowed the licensing of stations under 100 watts without regard to quota restrictions and would have required that rates charged by stations to political speakers not exceed the rates charged to commercial advertisers.

Other changes affecting radio were proposed by Secretary of Commerce Daniel C. Roper, who at the request of the Roosevelt administration submitted a plan to reorganize radio legislation by providing one communications body. Roper's recommendations formed the basis for the abolition of the FRC and the creation of the FCC under the Communications Act of 1934.

Among the other changes on Capitol Hill with the new Roosevelt administration, Clarence C. Dill (D-Wash.) became chairman of the Senate Interstate Commerce Committee. Also new to that committee was Wallace H. White Jr. (R-Me.), prominently identified with previous radio legislation in both branches of Congress.

On May 8 the U.S. Supreme Court conferred upon the FRC absolute powers in distributing frequency assignments when the court upheld the commission's decision to delete WIBO and WPCC, both Chicago, which operated in "overquota" areas, and to give the 560 kc regional channel to WJKS Gary, Ind.

While many broadcasters railed against the perceived injustice of the commission, many newspapermen rallied to fight what they perceived to be the injustice of radio's

encroachment upon news reporting.

Throughout 1932 and 1933 radio stations had broadcast news of important events—the election returns, the Roosevelt inauguration, as well as the President's speeches. KFOX Long Beach, Calif., for example, kept broadcasting throughout an earthquake. When the Navy dirigible Akron crashed in early April, the networks provided immediate coverage. Newspapers became anxious.

In Sioux Falls, S.D., a judge granted the Associated Press a permanent injunction against the unauthorized broadcasting of its news dispatches by KSOO there.

As a result, broadcasters felt the need for their own news services, and a tenuous truce between newspapers and radio was shattered. A headline in the May 1 BROADCASTING read: "AP and ANPA [American Newspaper Publishers Association] Declare War on Radio," and the story reported: "An open break between broadcasting and the press, with newspaper publishers in general casting aside entirely the proved fact that they can use radio cooperatively to their own promotional ends and profits, appears to be the design of the radio resolutions adopted by the Associated Press April 24 and the American Newspaper Publishers Association April 26 at their annual meetings in New York."

The AP membership voted to ban network broadcasts of AP news and to limit local broadcasts to brief bulletins that credited the member newspaper. The ANPA recommended that newspaper listings of radio programs would now be considered as advertising and printed only if paid for.

Despite these actions, radio news broadcasts were not drastically affected. The United Press and the International News Service did not follow AP's example, and the networks established their own correspondents in key cities. A May 15 editorial in BROADCASTING summarized the situation as having "not very greatly altered the functions of either the networks or stations. . . . Radio people generally seem quite indifferent about the actions taken at the recent press meetings. The networks and their commentators have found legitimate ways of getting what they want and need without press association help, for the press by no means can have a monopoly on news."

Radio's efficacy as a news medium was further demonstrated on May 7 when Roosevelt used radio to deliver another fireside chat. BROADCASTING wrote, "That the President should again use radio as the primary medium for contacting his 'American family' is another great tribute to radio for which the broadcasters owe the chief executive their heartfelt thanks."

Besides recognizing radio as an important political vehicle, Roosevelt's New Deal utilized broadcasting, and his National Recovery Administration (NRA) affected the industry. In June Roosevelt signed the industrial recovery public works bill which was intended to revive business and to aid employment. Each industry was

to design its own plans for organization and self-regulation. In addition, the bill authorized a \$3.3-billion public works project.

"Every element in the business of broadcasting," wrote BROADCASTING, "and that includes agencies, stations and allied enterprises as well as the world of industry generally . . . becomes immediately and vitally affected by President Roosevelt's gigantic industrial recovery program." The program was presented by President Roosevelt over a nationwide radio hookup on July 24. As businessmen, broadcasters felt that the NRA would stimulate business and create renewals of advertising accounts. As employers, broadcasters pledged to create more jobs and to negotiate contracts that complied with NRA guidelines. As media representatives, broadcasters offered the practically unrestricted use of radio facilities to promote the NRA campaign.

In August and September the networks experienced increased advertising business which George F. McClelland, executive vice president in charge of sales for NBC, attributed to Roosevelt's industrial recovery drive. Delighted, broadcasters continued to help by contributing more time for NRA messages. NBC and CBS established regular NRA broadcasting periods, NBC at 10:15 on Sunday nights and CBS at 10:30 on Thursday nights. W.B. Dolph, radio director of NRA's public relations bureau (later to become a broadcaster and manager of a prominent radio commentator, Fulton Lewis Jr.), considered broadcasters' backing to be "100%."

Another sign that the Depression might be easing was the FRC's termination in August of the short broadcast day. Previously, stations, upon application, could operate less than the minimum two-thirds of their licensed hours; about 40 stations had taken advantage of the waiver. After August the FRC cut off applications for this privilege.

The NRA continued to affect broadcasting. A new broadcasting code was drafted in September by the NAB. It was the subject of an NRA hearing in September, revised in October, signed by President Roosevelt in November and enforced starting Dec. 11. It provided for the adoption of a 48-hour week for technical personnel and outlawed rate cutting, lotteries, song plugging and the acceptance of per inquiry business. The code also created a minimum wage of \$40 a week for technicians, \$20 a week for announcers and program-production employees, but \$15 a week if there were fewer than 10 such employees at a station.

BROADCASTING analyzed the code as "designed to lift the industry by its bootstraps out of objectionable and unfair trade practices. . . . The code is unquestionably the most drastic and far-reaching measure ever devised for regulation of broadcasting."

While these regulatory discussions proceeded, the FRC prosecuted 60 unlicensed

Texas stations that had challenged the FRC's right to regulate them. The 60 "outlaw" stations, as they were called, argued that since they broadcast entirely intrastate they were outside federal jurisdiction. The NAB's spokesman, Philip G. Loucks, its managing director, urged the FRC to prosecute the stations, arguing that they violated the law, competed unfairly with licensed stations and created interference. In August, the Department of Justice filed a suit against 18 persons in connection with the outlaw stations, and in November, George B. Porter, acting general counsel of the FRC, promised that federal authorities would actively prosecute the outlets.

Besides such domestic issues of channel

tions. All things considered, it is fortunate that the conference agreed to disagree."

While the international conference created no changes in the broadcasting structure, other issues such as the warfare with ASCAP and with newspapers as well as the cumulative effects of New Deal reforms on employment and advertising portended change. To counter ASCAP, the NAB created the Radio Program Foundation and in July acquired 123,000 compositions of the Ricordi catalogue which it offered to members for monthly royalties between \$2.50 and \$25. BROADCASTING called this the "first tangible step toward releasing the broadcasters from the ASCAP grip."

Just as ASCAP's demands led to the



The early days of radio's Huckleberry Finn. His name was little known outside the Baltimore-Washington area when Arthur Godfrey conducted a highly successful *Breakfast Club* for NBC-managed WMAW Washington. Devices, such as membership certificates for listeners (above), built record audiences. However, his unexpected antics—before irreverence to the establishment was tolerated on air—led to a split with WMAW. CBS's WJVS, just two blocks away, readily engaged Godfrey for its morning show and a late-night show. Commentator Walter Winchell, while dialing up distant stations, picked up a Godfrey broadcast. The New York columnist-network broadcaster reported to the nation on the refreshing manner of the man in the middle of the night. After that, it was a short trip to New York and national stardom, first with CBS Radio and later CBS Television.

allocations, there were international problems as well. The first North American Radio Conference on allocations, held in August, aborted when Mexico refused to compromise its demands for 12 AM clear channels with the American delegation's offer of three or four channels. BROADCASTING analyzed the situation: "Broadcasters are heaving sighs of relief, though mingled with regret. They are relieved because the immediate danger of a reallocation here is eliminated. They regret the failure because the way is open for more and bigger Mexican stations to preempt channels and cause even more serious interference with American sta-

formation of alternative music associations, the newspaper publishers' demands spurred the growth of radio's own news services. By October CBS organized the Columbia News Service with Paul W. White as general manager. This represented a direct answer to AP's and ANPA's edicts barring use of their news on radio. General Mills sponsored CBS news broadcasts twice a day.

NBC, meanwhile, let A.A. (Abe) Schecter organize a one-man news department. His chief tool was the telephone, and he was able to supply enough material for Lowell Thomas's NBC program and some material for Walter Winchell's Sun-

day evening program on that network.

A lull in the press-radio war came when a truce was declared in December. But the terms were so restrictive that broadcasters almost immediately rebelled and in the early months of the next year began establishing their own news organizations.

BROADCASTING reported that the Dec. 11-13 meeting in New York that drew up the truce was called "in a spirit of friendly cooperation and mutual recognition of one another's place in the economic sphere."

A 10-point plan, to be submitted to AP's board of directors, proposed that the press associations (AP, INS and UP) drop their policies of refusing to provide service to broadcasting, furnish two five-minute daily summaries to radio, and protect broadcasters with special bulletins. In return, radio was to agree to broadcast one morning summary after 9:30 a.m. and an evening summary after 9 p.m. Also, news broadcasts were not to be sold.

The plan further called for CBS to withdraw from the news agency field and dissolve its Columbia News Service corporation as well as for NBC to agree not to enter the news collection field.

The services to radio were to be provided by a new organization, the Press-Radio Bureau, composed of representatives from newspaper groups and broadcasters. The bureau got under way in March of 1934, but under heavy fire not only from broadcasters but from Capitol Hill.

Newspaper publishers felt threatened by radio competition not only for news but also for advertising—and with reason. Malcolm Muir, deputy administrator of the NRA, expected a renaissance in advertising, but with radical change in its distribution. He wrote: "Old market evaluations, old methods of distribution and old advertising policies are out. The New Deal . . . means new consumers, new trading areas, new merchandising methods. It means specifically that advertising as a great and constructive force in merchandising should at last come into its own. You and I know that the price-cutter was the biggest builder of profitless prosperity. . . . I know of no force [advertising] that can be used more effectively to re-create confidence . . . to unlock the pocketbooks of those who have been afraid to buy, to tap the resources of those new income classes created by the New Deal. I am not referring to a 'buy-now campaign' or any other such 'ballyhoo' but to that intelligent, constructive force, 'advertising,' which can do so much to create demand through an awakened and revitalized America."

Others, too, had their eyes on advertising, but from another perspective. Rexford Guy Tugwell, assistant secretary of agriculture, encouraged the Food and Drug Administration to prepare a new bill calling for precise information in ads about food, drugs and cosmetics.

The adverse reaction to the bill initially came more from the manufacturers, and then from broadcasters. BROADCASTING's Sept. 15 analysis conceded that the bill

sought to place responsibility on the advertiser or manufacturer rather than on the medium. BROADCASTING also expressed the belief that the elimination of "chiselers" from the food, drug and cosmetic fields would benefit advertising in the long run, despite short-term losses.

Tugwell, himself, defended the legislation in BROADCASTING, arguing: "this bill would put responsibility where it belongs, in the advertising business. The man who knows best whether a product is truthfully or falsely represented is the manufacturer or advertiser himself. Any attempt to raise standards by federal legislation must place responsibility on the shoulders of manufacturers."

Since revenues from food advertisements provided networks with their number-one source of income, and revenues from drugs and toiletries number-two, broadcasters paid attention to the bill. Advertisers and drug manufacturers soon began to pressure broadcasters on the evils of the new bill. For example, Frank Blair, president of the Proprietary Association (drug manufacturers), introduced his refutation in BROADCASTING with the following: "Radio broadcasters must be deeply interested in legislation, which, if enacted, would cripple or destroy industries—food, drug and cosmetics—from which is derived a large part of radio broadcasting's revenue."

The NAB declared war on the Tugwell bill, and opposition to it mounted so much that by December the bill was revised. BROADCASTING's Dec. 1 editorial stated that "these developments are reassuring. Only by a united front on the part of the groups affected can safe and sane legislation be obtained." Others, however, felt that the bill's revisions rendered the proposed law virtually powerless.

Meanwhile, November brought two other developments related to advertising: Ed Wynn's Amalgamated Broadcasting System went bankrupt from lack of advertising, and George F. McClelland, former NBC executive vice president, announced plans for another network, probably to be called the Associated Broadcasters Inc., to start in the fall of 1934.

Another development concerned the possibility of hard liquor advertising on radio following passage of the 21st Amendment. William S. Paley, CBS president, decided that CBS would advertise wine but not hard liquor because the network felt advertising of the latter was inappropriate in a "medium which enters the homes of so many millions of persons and which carries its messages to groups of listeners of every conceivable assortment."

Precisely because radio was a medium that entered the homes of millions, it enjoyed increasing prestige and power in 1933 despite copyright, news and other problems. NBC moved into its new headquarters at Radio City in New York during October and November. M. H. Aylesworth, first NBC president who inspired the project, characterized the move

into the 400,000 square feet of space, the world's largest broadcasting plant, as "the passing of another milestone in radio progress."

In his congratulations to NBC, President Roosevelt wrote: "Radio is an invaluable instrumentality for public service. Its values to the country are manifold—educational, recreational, entertaining, and serving the common needs of the people and the government. . . . Despite the splendid advancement made in recent years in the science of radio, I do not concede that it has yet been developed to the point where it approaches a full utilization of opportunities that it has in store for service to mankind. It is my judgment that nothing since the creation of the newspaper has had so profound an effect on our civilization as radio."

With such praise and with such promises came inevitable conflicts. "In the public interest" was destined to remain a tricky phrase to be defined by broadcasters, public interest groups, legislators and others to their mutual satisfaction.

The year ended with hints of important changes as President Roosevelt studied Secretary Roper's report recommending that all communications activities be consolidated under one government agency. With Roosevelt's NRA backed by radio and designed to encourage economic growth, broadcasters felt, as an editorial title in BROADCASTING suggested, that "Radio [was] Doing Its Part." An editorial pointed out: "Business is getting better in radio. . . . From the high tides that ran in 1932, to the ebb of the first six or seven months of 1933, the ship bearing revenues into radio's coffers now seems to be running into flood tides. . . . it looks as though the best winter season in radio's brief history is here."

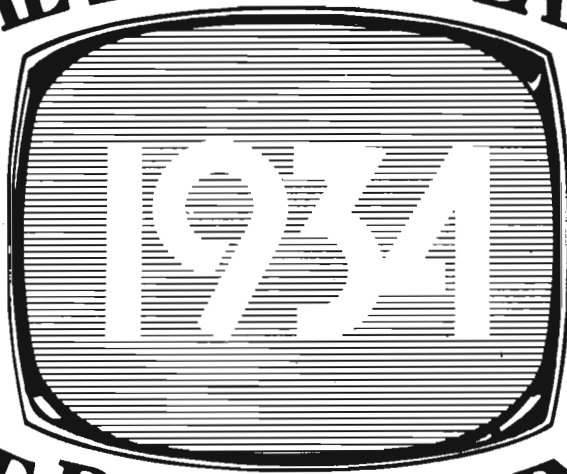
Looking ahead to better times, it concluded: ". . . Radio can count more friends than ever. Radio is doing its part, with its earnings, its satisfied employes and its improved and improving methods. Its record in Depression and recovery is one of which it may well be proud."

Stay Tuned

1. What were the basic provisions of the Wagner-Hatfield broadcasting bill that "threatened" radio's structure?
2. Name the seven original members of the FCC.
3. Who began Transradio Press and why?
4. What four stations formed Mutual Broadcasting System?
5. Name two top male singers and two top comedians.

The answers
in "1934."

THE FIRST 50 YEARS



OF BROADCASTING

IN 1934 President Roosevelt called for a Federal Communications Commission. Congress responded by creating one.

Broadcasters wanted static-free programming. Edwin H. Armstrong perfected frequency modulation.

Radio listeners demanded more news. Broadcasters organized their own news services.

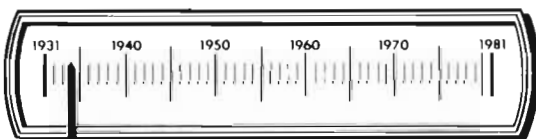
Sponsors encouraged new networks. Entrepreneurs formed the Mutual Broadcasting System.

The National Association of Broadcasters intensified its efforts to counter escalating music copyright demands. The Department of Justice filed an antitrust suit against the American Society of Composers, Authors and Publishers.

As the Depression abated for broadcasters, advertising revenues rose, and the New Deal took a firmer hold. Radio entered what some later called its "golden age"—a time after conceptual immaturity but before the competition of television and the interruption of World War II. In this same time beyond its genesis, radio grew as the word of politics, the voice of free entertainment, the promulgator of news and the prophet of a new age beyond unemployment, bread lines and static.

Dun & Bradstreet predicted 1934 would be the best year for radio since 1930, saying that radio "is now on a more stable basis than at any time in its history, and fully capable of keeping pace with any industry in the recovery movement." With 60% of U.S. homes (17,948,162) having radios as of Jan. 1, 1934, and with 1.5 million car radios as of June that year, radio enjoyed a prodigious reach over a widely spaced, diversified and growing audience. Prior to the Communications Act of 1934, federal regulation of the communications industry had been parceled out to a number of agencies. The newly envisioned Federal Communications Commission, said Herbert Pettey, secretary of the predecessor Federal Radio Commission, would monitor the "600 broadcasting stations . . . 30,000 telegraph and cable offices . . . more than 16 million telephones connected by 80 million miles of line . . . [and] that developing newcomer, television, with all of its yet untold possibilities and potentialities."

With the creation of the FCC on July 1, all of these com-



A first-class letter cost three cents and a carton of cigarettes went for \$1. Congress devalued the dollar by reducing its gold content 40.92% and forbade the export of silver. Dust storms and drought decimated the nation's farmlands. In Chicago, gangster John Dillinger was gunned down by the FBI outside the Biograph theater. In Europe, Austrian Chancellor Dolfuss was assassinated by Nazis in an attempted coup d'etat masterminded by an Adolf Hitler who proclaimed himself "Der Fuhrer." Rodgers' and Hart's "Blue Moon" and Peter DeRose's "Deep Purple" were among the musical escapes from reality offered on radio, while the inescapable realities of life continued to be brought home in FDR's fireside chats. And in BROADCASTING . . .

munications facets came under the control of one body of seven members appointed by the President and confirmed by the Senate. Even though the new act abolished the five-member Federal Radio Commission, most provisions of the Radio Act of 1927 remained, with regulation consolidated under FCC jurisdiction. Despite this similarity, many in the broadcasting industry resisted the notion of more legislation and the thought of increased government control for a privately owned business—especially one turning a profit in a depressed economy.

BROADCASTING summarized those feelings in a February editorial: "Broad-

casting is an industry without a parallel insofar as government relationship with business is concerned. Although privately operated, it is governmentally regulated. Therefore, it lends itself admirably as ammunition for political oratory. It also is excellent material for reformers, who otherwise would be crusading against cigarettes or the use of lipstick. It is so close to the masses of the people that the agitator can always get some kind of an audience."

Creation of the FCC was proposed in early 1934 by President Roosevelt. He acted on the recommendation of an interdepartmental committee on communications that examined the role of nine government agencies involved in radio at that time.

Senator Clarence C. Dill (D-Wash.) introduced a Senate bill (S. 3289) toward that end. It would abolish the Radio Act of 1927, combine the duties of the different agencies in the new FCC, and set up rigidly defined radio and television divisions in the new agency.

Representative, later Speaker, Sam Rayburn (D-Tex.) introduced a House version (H.R. 8301) that would replace the FRC with the FCC and modify the Radio Act of 1927 without abolishing it.

A Senate-House compromise, as S. 3285, was passed by both houses. It was signed into law by FDR on June 30.

Among the more controversial amendments proposed during debate on the Communications Act was one by Senators Robert F. Wagner (D-N.Y.) and Henry D. Hatfield (R-W.Va.) that "would uproot the existing broadcasting structure by or-

dering cancellation of all station licenses within 90 days and requiring a new allocation under which 25% of all facilities would be given to religious, educational, labor and similar so-called nonprofit organizations." For various reasons, including the proponents' unorganized lobbying, the amendment was defeated 42-23 as the Senate decided that educational allocations should be left to the new FCC.

After such a prologue, the FCC began July 1. Eugene O. Sykes of the Federal Radio Commission was the chairman. Thad H. Brown, also from the radio commission, along with Paul A. Walker, Norman S. Case, Irvin Stewart, George Henry Payne and Hampson Gary filled out the roster. There were three divisions, for broadcasting, telephone and telegraph, each with two members plus the FCC chairman. The broadcasting division consisted of Gary (chairman) and Brown plus Sykes. The new FCC had a staff of approximately 600, almost triple that of the FRC.

Broadcasters' fears that a new regulatory agency in Washington could be a forerunner of extensive change for radio were alleviated somewhat at the first meeting of the new commission on July 11. It was unanimously voted that the status quo be retained for communications and that

the new body move cautiously in revising federal regulation.

Despite its self-proclaimed role of guardian of the status quo, the FCC in the year's second half began to explore areas for change in radio. One was proceedings to revise the quota systems, under which radio stations were granted to five separate regions of the country under a formula in which population and station power were dominant factors. Another was a review of the clear-channel structure in which a major study was to determine coverage of higher-powered radio outlets and the service afforded listeners.

Two of the early FCC proclamations concerned the proposal to reserve 25% of the radio band for educational purposes and the revision of the quota system. During 10 days of FCC hearings in October on the "25% proposal," BROADCASTING reported that "educational groups . . . saw their ambitious project blasted out of the sphere of practicability from every point of view by nearly 100 witnesses. . . . Building what undoubtedly is the finest record of testimony ever prepared in support of the American system of broadcasting, broadcasters were joined by many leading educators, clergymen, authors and other personalities identified with art and industry in espousing maintenance of the status

quo."

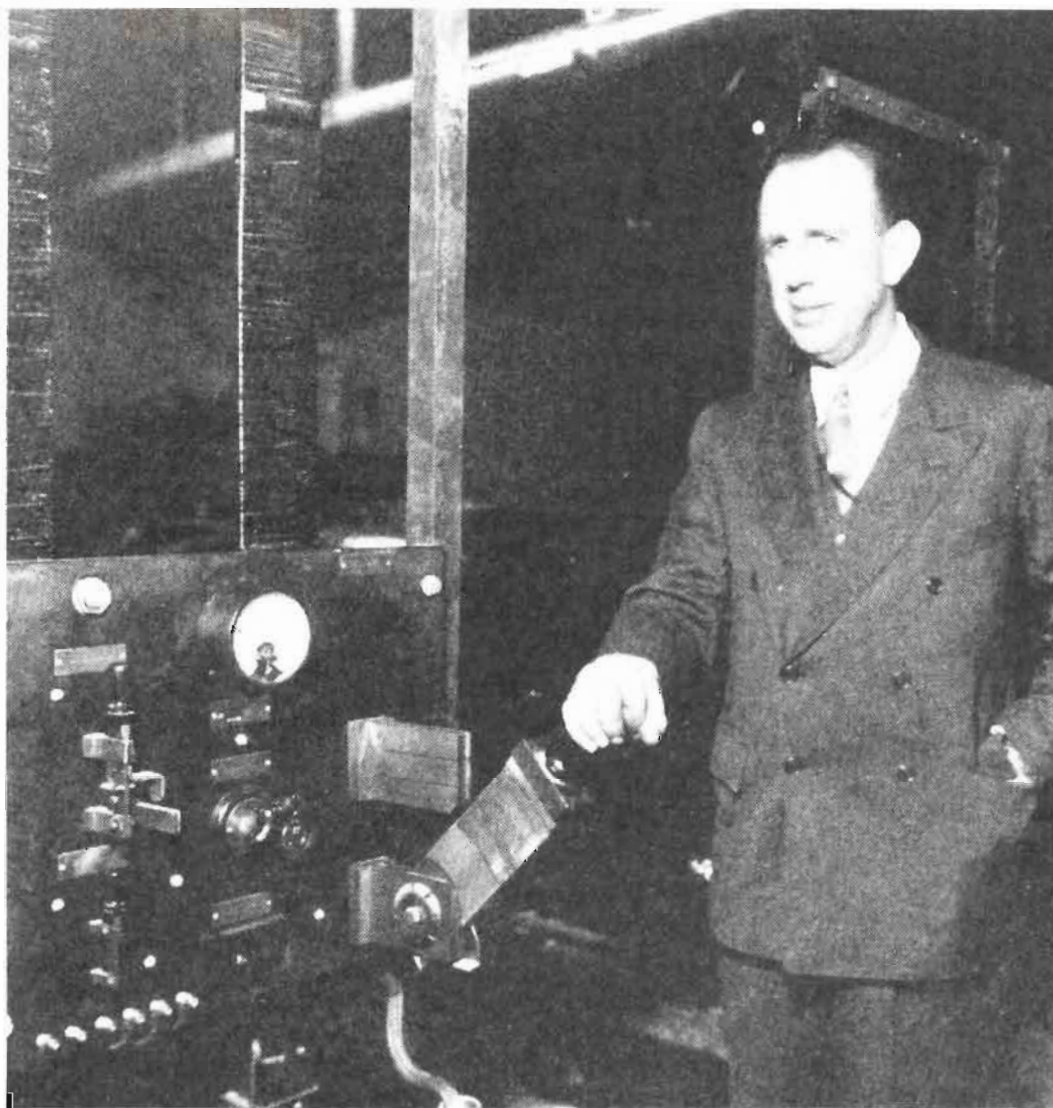
H. L. Mencken, for example, testified: "It would be very imprudent to assume that stations controlled by pedagogues and theologians would engage in any worthwhile cultural propaganda. Neither class has any active interest in the fine arts, or in ideas in general. . . . The theologians naturally give their chief concern to their own dogmas, and are far more interested in making converts than in spreading the general enlightenment. As for the pedagogues, their first and almost only purpose is to raise more and more money." Based on arguments such as this, the 25% proposal was defeated.

After the FCC altered the quota system in October, BROADCASTING called the revisions "the most sweeping change in the system of allocating broadcasting facilities since the nationwide shift of 1928 . . . [these changes] will open the way for substantially increased facilities generally throughout the country." The new rules permitted some stations higher power and additional time while also enabling 100 watt stations to obtain licenses more easily without being counted in state quotas.

Besides public reorderings, internal forces in radio were effecting or promising change. Edwin H. Armstrong had developed the frequency modulation limiter. Armstrong, who had applied for the first four patents on his FM system in 1930, received them after Christmas 1933, and demonstrated his system to David Sarnoff of RCA in early 1934. Despite RCA's enormous investment in AM radio, Sarnoff invited Armstrong to install equipment in RCA space on the Empire State building and to work with RCA engineers in broadcasting experimental FM. Still not publicly demonstrated, these experiments confirmed an engineering breakthrough although it was years before FM was to be incorporated into radio's scheme of things and then only after bitter disputes between Armstrong and Sarnoff over patents.

Other areas of change during 1934 included radio news. The so-called truce the preceding December at the Biltmore hotel in New York only served to strengthen the determination of some broadcasters to fight the Biltmore agreement's repressive conditions. The agreement had stipulated networks and stations were to dissolve their own news-gathering services and use the reports of the Press-Radio Bureau which began operation in March. But others chose to exercise their prerogative to broadcast their own news from their own sources.

Under the Biltmore agreement, the Associated Press, United Press and the International News Service were to provide stations with material for two five-minute news broadcasts each day, plus bulletins of "transcendent importance" to be broadcast "in such a manner as to stimulate public interest in the reading of newspapers." In February, CBS and NBC promised not to gather news, not to sell commercial time for news broadcasts, and not to air the Press-Radio Bureau's morning



500 kw wallop. Wlw Cincinnati became the most powerful station in the world in 1934—if only for an experimental period—when it began transmission with 500 kw in its after-midnight operations. Throwing the switch during a test: Powel Crosley, president of the licensee, Crosley Radio Corp.



Splawn

Rayburn

BROADCASTING

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VOL. 6 No. 12 WASHINGTON, D. C., JUNE 15, 1934 \$100 PER YEAR—15¢ A COPY

FCC Replaces Radio Commission July 1

By SOL TAINSHOFF

President to Make Recess Appointments to 7-Man Agency; All Present Commissioners Believed to Have Chance

Highlights of Communications Law

1. The Federal Communications Commission of seven members takes effect July 1 at which time the Federal Radio Commission is dissolved.

2. Appointments of new commissioners will be made by President Roosevelt after a recess adjourns, and will show the company or recess appointments until the new Congress convenes next January.

3. The Commission is authorized to divide itself into divisions to handle specific activities such as broadcasting and telephone, telegraph and radio communications.

4. Each division will have a director appointed by the commission, and each division will have full jurisdiction over matters assigned to it except that matters not so assigned may be handled with full Commission.

5. Except for a full domain over matters, generally known as interstate or long distance, the law reserves substantially the Radio Act of 1927 as amended to the Radio Commission which provides for an equitable distribution of broadcasting facilities among the commercial and private stations, in accordance with the public interest, and subject to such other conditions as may be prescribed by the Commission.

6. Proprietary interests in broadcasting are prohibited.

7. Authority of the Commission to issue subpoenas is extended to cover matters of which the law did not speak.

8. Foreign stations in American territory are prohibited subject to specific Commission authority.

9. Foreign stations in American territory are prohibited subject to specific Commission authority.

10. The Commission is authorized to institute modification of station licenses and to institute suspension on its own motion.

11. The Commission must report to Congress by Feb. 1, 1935, on suggested amendments to the law. It is ordered to study the proposed that Congress should have precedence of law to support relations educational and similar organizations and report by Feb. 1.

12. Appellate divisions are allowed to allow applicants to appear from decisions during compliance periods. Federal courts are authorized to enforce compliance with the law and Commission regulations.

REGULATORY control of radio communications will be transferred to a new agency, the Federal Communications Commission, July 1, 1934, according to a law signed by President Roosevelt after a recess adjourns. The Federal Radio Commission, which has been in existence since 1927, will be dissolved at that time.

Following the signature of the law, the President will make recess appointments to the seven-member Federal Communications Commission. It is believed that the President will make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

Recess Appointments

THE President of the new Commission, created as it will be such as to include representatives of all phases of radio and wire communications, will make recess appointments until January. The appointments that will be made by the President will be subject to confirmation by the Senate, although the President should have the power to re-appoint any of the appointments.

It is believed that the President will make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

The House version of the law provides for the President to make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

It is believed that the President will make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

group. Each provision of the bill is accompanied by a list of the names of the members of the new Commission who will be given recess appointments to the new Commission until after the adjournment of the House conference and will further the legislation of the new Commission. It is believed that the President will make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

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CHANCE FOR DISSENT

THE new Commission will be a somewhat new agency and because the appointments will not be made immediately in Congress, the situation is believed to have been favorable to the existing Commission. It is believed that the President will make recess appointments to the new Commission and will make the appointments until after Congress adjourns in January.

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Founding fathers. Key to enactment of the Communications Act of 1934 were Senator Clarence C. Dill (D-Wash.), Representative Sam Rayburn (D-Tex.) and Walter M.W. Splawn. Dill—who had co-authored (with Wallace H. White Jr.) the Radio Act of 1927—introduced the Senate version of legislation to supplant the Federal Radio Commission with the Federal Communications Commission. Rayburn offered the House version, and Splawn—former special counsel to the Rayburn committee on transportation and communications, wrote a 331-page report analyzing communications companies and recommending provisions for the Rayburn bill. BROADCASTING announced the new FCC in its June 15 issue, and later ran a picture (below) of the new FCC at its first meeting on July 11 (l to r): *seated*—Commissioners George Henry Payne (R), Irvin Stewart (D), Thad Brown (R), Eugene O. Sykes (D-chairman), Paul A. Walker (D), Norman S. Case (R) and Hampson Gary (D); *standing*—General Counsel Paul D.P. Spearman, Secretary Herbert L. Pettey and Chief Engineer C.B. Jolliffe. Salary for each commissioner: \$10,000 annually.



news before 9:30 a.m. or its evening news before 9 p.m.

Many independent stations disagreed with this suppression of news and curtailment of advertising. When the Press-Radio Bureau began in March, it faced competition from cooperative radio news-gathering services for independent stations; these stations allowed their news to be sponsored. Instead of accord, the Biltmore agreement had created antagonism.

KFI Los Angeles established its own news service with plans for exchanges of news with other stations. So did John

Shepard III, president of the Yankee Network in New England. He refused to curtail services, saying: "It seems to me that any station which had been broadcasting a greater amount of news through the cooperation with local newspapers than is to be allowed under the [Biltmore] plan is definitely agreeing to curtail its service to the public. . . making agreements not in the public interest, convenience and necessity. . ."

Harry R. Daniel formed the Continental Radio News Service Inc., headquartered in Washington. Stanley Hubbard of KSTP St. Paul organized the Radio News Associ-

ation of Washington. Arnold Kruckman headed a new American Radio News Service, also based in Washington. Herbert Moore began the Transradio Press Service, based in New York.

M. H. Aylesworth, NBC president and an orchestrator of the Biltmore plan, defended the intent of the agreement. He told the American Newspaper Publishers Association that the networks "did not desire to enter into the collection of news unless forced to do so. . . Mr. Paley [William S., head of CBS], Mr. McCosker [Alfred J., head of Mutual] and I were in no position to bind the radio stations of

this country nor were the representatives of the press associations and the publishers in a position to bind the newspapers or the press associations of the country. We endeavored to arrive at an understanding . . . to experiment together with a cooperative program which would take nothing from the radio listener in the way of public service . . . or deprive the newspapers of their chosen field in collection and dissemination of news. I think we accomplished this purpose."

Senator Dill, a long-time supporter of broadcasting, criticized the Biltmore treaty. He predicted noncompliance by radio stations and suggested to the news-gathering associations "that they cannot do more to popularize their own newspapers than to allow a larger use of their services than five minutes twice a day. . . . I believe they are in a position to combine with the news-gathering agencies of America and the world to give to the American people the greatest news service ever known to the human family. No suppression of this kind can long keep the people from securing the service from the radio stations which those stations are able to give."

Moved by the potential of broadcaster competition, the Press-Radio Bureau by April included in its releases news other than that culled from the morning and evening papers in order to satisfy the approximately 125 NBC and CBS stations using the service. Despite the improvement, critics and commentators, including CBS's H. V. Kaltenborn, pronounced the bureau a failure.

Even so, the war of news worlds continued. In October, BROADCASTING editorialized: "Somewhere there is an answer to the news-by-radio problem. With some 100 radio stations owned and operated by newspapers, with many more stations already having satisfactory tie-ups with newspapers, and with most radio managers still unwilling to risk an open break with the American press, the problem presents so many sides that the National Association of Broadcasters committee to be formed to recommend on it faces trouble no matter which way it turns."

As it turned out, the independent news organizations grew in importance and eventually eclipsed the Press-Radio Bureau.

In 1934, the broadcasting industry moved out of the slump of the Depression. For the first quarter of 1934, RCA had a net profit of \$1,235,725 as compared with a loss of \$478,164 in the same period in 1933. For the first half of 1934 radio networks chalked up record time sales: CBS grossed \$7,872,000, a 67% increase over the same period of 1933; NBC grossed \$13,599,354, a 35% increase over 1933.

In April a BROADCASTING editorial reminded the public that three out of every five homes in the U.S. had a radio, and noted that "old radio owners spent \$65 million on new sets, while \$50 million more was spent for new tubes in 1933.

This total expenditure was greater than the subscription sales for all national weekly and monthly magazines combined during the same year!"

Such statistics encouraged more third-network ventures despite the 1933 failure of Ed Wynn's Amalgamated Broadcasting System. By March four different third-network plans existed: Broadcasting Stations Corp., headed by George F. McClelland, former vice president and general manager of NBC; WMCA New York, operated by Federal Broadcasting System with John T. Adams, president; a George Storer group that included CKLW Detroit-Windsor, Ont.; WSPD Toledo, Ohio, and WWVA Wheeling, W.Va.; General Broadcasting System, headed by Paul Harron and involving a half-dozen stations from New York to Washington. When Storer became president of Broadcasting Corp., WMCA's efforts at networking were subsumed by the Broadcasting System Corp.

In June, Storer announced the formation of the American Broadcasting System because "(1) other chains have little time left to sell; (2) competition is healthy for business, and (3) present costs are much too high for any but large advertisers. It is for these brief but potent reasons that we are forming, in a sane and sober manner, a third chain of radio stations . . . The stations selected to form the ABS will cover 50% of the entire audience of the U.S. at a cost far below anything ever before attempted in radio."

On Oct. 14, ABS, with 14 stations from New York to St. Louis, began broadcasts without advertisers. By November ABS had its first commercial sponsor, the Adam Hat Co., and planned expansion.

Using a different strategy of a mutual organization to lure advertising and audiences from the established networks,

WOR New York, WGN Chicago, and WLW Cincinnati in October formed what was the beginning of the Mutual Broadcasting System. It originally was called the Quality Group. WXYZ Detroit was an optional Quality outlet.

"The name of this network," explained W. E. Macfarlane, of the *Chicago Tribune's* WGN, "clearly describes our plan of operation. Through this new organization we will endeavor to make suitable time arrangements for advertisers seeking to broadcast in important markets through the use of a few stations having high power and a vast listening audience. . . . Each station will remain independent and make its own decision in accepting programs. Each station will receive its card rates for the time less agency commission, making no additional charge to the advertiser for transmission lines. Thus, we believe, we have established a truly mutual arrangement between a group of independently owned stations."

As Storer and Macfarlane realized, radio advertising was reaching an ever-growing audience. Despite the Depression, 16 million listeners were added to the world radio population, making the total at the beginning of 1934 more than 176 million. As 1934 started, there were approximately 45 million receiving sets in use worldwide, compared with 40 million a year earlier.

Within the U.S., national advertisers in 1934 spent \$349,055,000 in newspapers, magazines, network broadcasts, outdoor boards and car cards. Newspapers accounted for 46.7 cents of the advertiser dollar, magazines 32.5 cents, and broadcasting 12.2 cents, up 1.5 cents from 1933. And BROADCASTING in September reported Association of National Advertisers findings that revealed that radio was the best dollar-for-dollar advertising buy.



Under the wings of the Blue Eagle. Ironclad rules to prevent manipulation of radio rates were among subjects discussed at a January 1934 meeting of radio's Code Authority. Seated (l to r): William R. Farnsworth, deputy NRA administrator; John Elmer, wcbm Baltimore; John Shepard III, Yankee Network, chairman of the Code Authority; Harry Shaw, wmt Waterloo, Iowa; Edward W. Nockels, wcfb Chicago, and John Kiernan, wlwl New York. Standing: I. Z. Buckwalter, Mason-Dixon Group; M. R. Runyon, CBS; Frank M. (Scoop) Russell, NBC, and James Baldwin, executive officer of the Code Authority. NAB President Alfred J. McCosker, WOR Newark, N.J., and a member of the Code Authority, was not present when the picture was taken.

In April J. Walter Thompson Co. announced that its accounts increased their expenditures on network radio by 515% between 1929 and 1933.

With the increased revenues came increased concern over profits and profiteering. The National Recovery Administration Code Authority for broadcasting in January outlawed per-inquiry advertising and contingent business. To combat false and misleading advertising, the Federal Trade Commission in June required stations, networks and transcription companies to periodically send copies of all commercials to the FTC to assure that food and drug advertising was truthful. Congress considered the Copeland-Tugwell bill that would have required precise information in ads for food, drugs and cosmetics (see "1933"). However, food and drug manufacturers fought against it. Broadcasters were worried about its impact

boost of nearly \$3 million. That such a load would prove ruinous to a majority of independent stations and wreak untold hardship within the industry is obvious." Even though Clarence Darrow, head of the NRA review board, called for Rosenblatt's removal for such a suggestion, Administrator General Hugh S. Johnson (Rosenblatt's father-in-law) defended Rosenblatt, who maintained his position.

After a four-year campaign, the NAB felt it made progress in its struggle against exorbitant copyright charges. On Aug. 30 the Department of Justice filed a suit asking for the dissolution of ASCAP as an illegal monopoly under the Sherman anti-trust law. The Music Publishers Protective Association and 125 other organizations and individuals were named as defendants in the suit. Broadcasters estimated that during the 1933 fiscal year (Sept. '33-Aug.

the present system of paying ASCAP a percentage. . . ."

Technical developments added to the affirmation of radio's golden era. To accommodate expected high-fidelity broadcast transmissions, the broadcast band was widened in January to include three new channels for experimental operation—1530 kc, 1550 kc and 1570 kc. Also in January, WLW Cincinnati tested its new 500 kw transmitter, billboarded as the world's most powerful, and RCA, experimenting with television, tested facsimile transmission in the ultrahigh frequencies.

Philco introduced a new high-fidelity receiver in September. RCA Radiotron Co. in October announced the development of a tiny "acorn" tube for amateur radio's exploration of the short, ultra high frequency, or microwave, reception and transmission. WOR Newark, N.J., in November conducted detailed experiments to determine what effects a high-frequency radio field had on human, animal and vegetable life.

Although the Institute of Radio Engineers predicted that television was five years away, the National Television Corp. experimentally telecast on a six-inch-square screen black-and-white television images that were "visible in a well-lighted room and . . . capable of being seen by a large number of lookers-in at the same time."

Surveys of radio entertainer and program appeal had become increasingly important in the 1930's and were conducted by newspapers, magazines, networks and stations. Some examples:

A survey of farmers in 42 states by *Electricity on the Farms* showed three favorite radio programs: *Amos 'n' Andy*, *Chase and Sanborn's Eddie Cantor*, and *Lowell Thomas* (news).

The *New York World Telegram's* radio editors poll found Bing Crosby and Guy Lombardo maintaining, respectively, first and second positions as the most popular male singers, while Jack Benny, Eddie Cantor and Joe Penner were the three favorite comedians, replacing the previous year's choices of Jack Pearl, Ed Wynn and Gracie Allen.

A four-year CBS study of program types aired between 6 and 10 p.m. revealed the dramatic sketch to be "the real leader among the many types of radio programs," while jazz was found to be losing air time. In 1931 the dramatic sketch occupied 24% of CBS's evening hours, 17% in 1932, 23% in 1933, and 22% in 1934. Jazz orchestras occupied 19% of CBS time in 1931, 10% in 1932, and 13% in 1933 and 1934.

The radio musical comedy became a genre encouraged by many, including M. H. Aylesworth of NBC (Red and Blue Networks) and William S. Paley of CBS.

Sports occupied more air time too. For the first time the World Series was sponsored nationally and carried by three networks plus independents, representing a total of 180 outlets. The Ford Motor Co. paid \$100,000 for these broadcasting rights.



Right type for typewriters. When Time Inc. opted to march away from sponsorship of the *March of Time*, Remington Rand took its first step into the ranks of institutional radio programming. Remington Rand's advertising manager, E.H. Ensinger, wrote a feature article for BROADCASTING in 1934, in which he told how the CBS news feature, still produced by Time Inc., became a radio success story in the sale of typewriters. The feature included this typical scene from a news dramatization. Seated in the right foreground is Don Stouffer, director of the show. Harry Von Zell, then the booming "Voice of Time," is at the mike. Von Zell was preceded in that role for a short time by Ted Husing, later to gain fame as a CBS sports announcer.

on radio. (In July 1934, drugs and toiletries, for the first time, provided more advertising revenue for radio than any other categories of sponsors.)

Throughout 1934, Congress revised into oblivion aspects of the bill objectionable to the drug companies and to the broadcasters.

During 1934 broadcasters revised and debated their own code of behavior, which was under the National Recovery Administration's auspices, to resolve such problems as technicians' wages, artists' and performers' fees, as well as NRA Division Administrator Sol A. Rosenblatt's startling suggestion that the industry adopt a 30-hour week with a 10% wage boost. Such a policy would, BROADCASTING advised, "saddle upon all stations a 25% personnel increase and an annual payroll

'34), with ASCAP royalties at 4% of net fees plus a sustaining fee, ASCAP collected between \$1.75 million and \$2 million in broadcast royalties.

BROADCASTING pointed out that the "third year of the existing extortionate contracts with ASCAP" would become effective on Sept. 1, when ASCAP would demand 5% of net receipts plus a sustaining fee. Calling the Justice suit "a masterful presentation of the facts," BROADCASTING editorialized: "The suit itself provides a remedy. That remedy is for the dissolution of ASCAP as such and for the creation of a free music pool open to all composers, authors and publishers, at whatever price they may fix for their works, and open to all public performers on an equal basis. That means a 'per piece' method of royalty payment, as opposed to

Of great technical and programing interest to the nation were the Byrd Antarctic expedition's weekly broadcasts on CBS (began Nov. 18, 1933, from sea). Out of every 100 words spoken, 67 were intelligible, according to a contemporary account.

After the frozen Antarctic, radio conquered the air. During a National Geographic Society-Army Air Corps flight in August, two-way radio communication, using an NBC short-wave radio, was almost continuously maintained between a station in South Dakota and a plane that flew to Nebraska.

To create better communication and programing on land, NBC in April entered the transcription field as a recorder of spot programs. The newly created NBC Electrical Transcription Service wanted to make "program talent of network caliber available for local and sectional use. . . . By supplementing NBC coast-to-coast service with high-quality transcription programs, it is felt that a material contribution will be made toward the improvement of associated stations' programs, thus increasing the value of these stations in their respective territories."

Throughout 1934 radio increased its own value as an integral part of the American lifestyle and also as a commercial pursuit. Network broadcasting's gross revenues increased by 35% over 1933 as NBC and CBS received more than \$42,800,000 for the year as compared with \$31,600,000 in 1933, and \$48,100,000 in 1932.

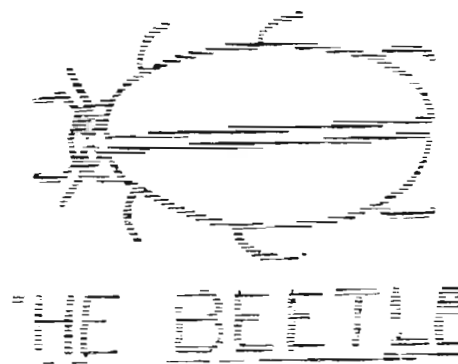
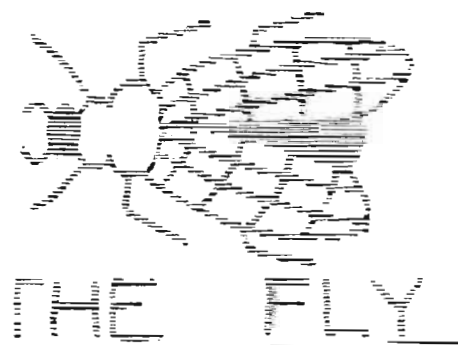
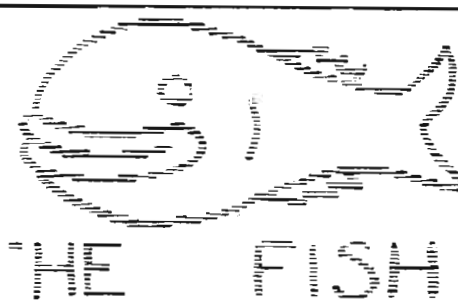
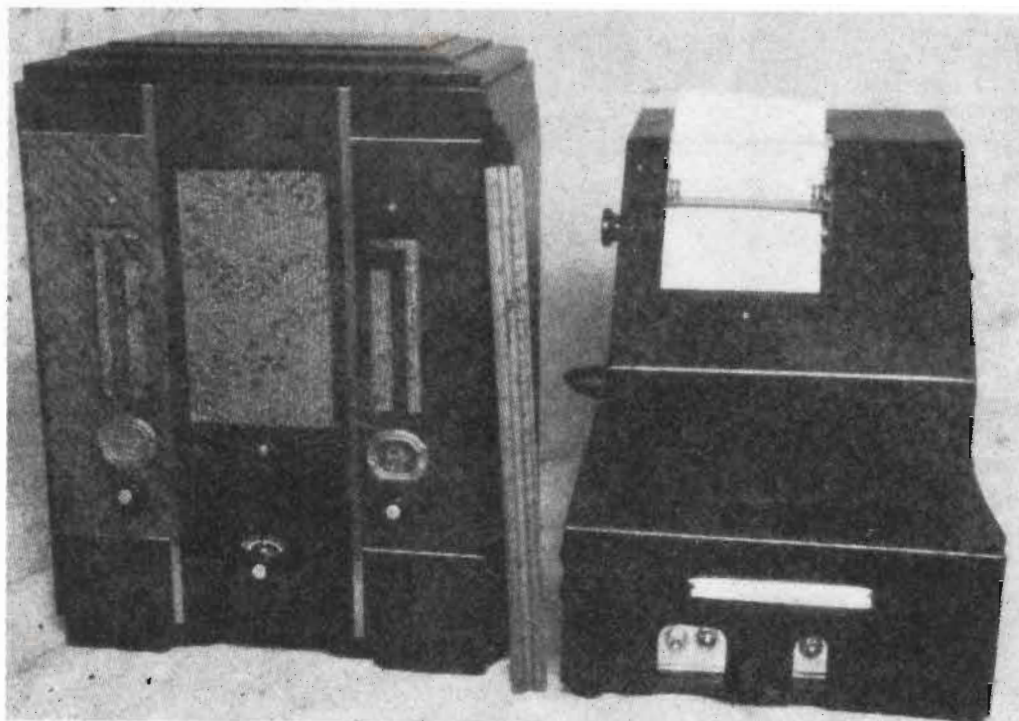
With Armstrong's incipient public demonstrations of FM, television's embryonic development, and world politics' increasingly strident state, broadcasting was on the verge of turning into a business of delight and necessity in a world of increasing complexity of nations and economies.

Stay Tuned

1. What broadcast development, besides FM, was supposed to be more important than television?
2. What news group fed the incorrect verdict in the Lindbergh case?
3. What long-running music show began in 1935?
4. What organization sued for more than \$1 million damages from Associated Press, United Press, International News Service, NBC, CBS and the American Newspaper Publishers Association?
5. What network officially died in 1935, despite the longevity of its name?
6. Who took over the chairmanship of the FCC in 1935?

The answers
in "1935."

Newspaper Station Broadcasts Facsimiles

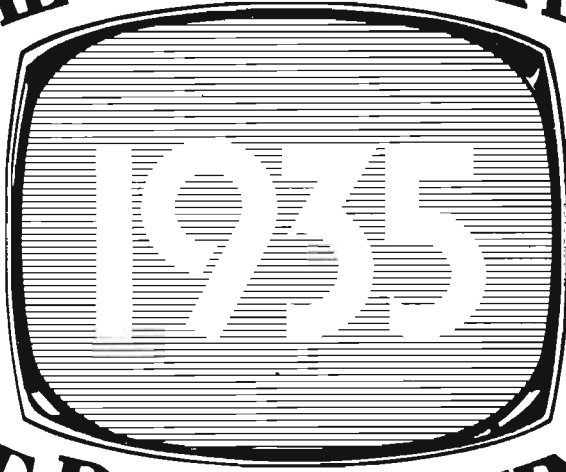


FIND
YOUR
FAVORITE
COMIC
CHARACTERS
IN THE
MILWAUKEE
JOURNAL

RADIO FACSIMILES—Above is the radio pen reproducer demonstrated by John V. L. Hogan, inventor, standing beside a table model radio receiver from which it operates. The 1-foot rule shows the relative heights. Shown also are samples of comic strips received on this reproducer during demonstration April 9 of transmitting and receiving apparatus ordered by WTMJ, Milwaukee.

A DEMONSTRATION of a new high speed facsimile radio system was given April 9 at the St. Moritz Hotel, New York, before members of the Radio Commission, radio engineers and representatives of the New York and technical press. The demonstration was presented by John V. L. Hogan, New York consulting engineer and inventor. It consisted of an hour's program during which a coordinated facsimile and sound program was received in the hotel from experimental stations W2XBR and W2XAR on the 1550 and 1594 kc. channels.

THE FIRST 50 YEARS



OF BROADCASTING

A significant court victory for broadcasters in the last days of 1934 presaged a year in which they made considerable gains in the press-radio war. But on the music copyright front, radio made little progress in 1935, despite a move by the Justice Department to crack down on the American Society of Composers, Authors and Publishers.

Among other significant events of 1935, the FCC, under a new chairman, began to clean house in communications. On the technical side, RCA took television out of the laboratory for a \$1-million field testing program. And facsimile threatened to nudge FM into the background.

An insight into the status of TV was offered by Dr. O. H. Caldwell, a former member of the Federal Radio Commission and then editor of *Electronics* magazine. He reasoned that the only thing retarding the development of television in the U.S. in 1935 was the money "to finance the construction and equipment of image transmitters. To provide television programs throughout the country would require an initial investment estimated at \$50 million to \$200 million or more."

Caldwell suggested that the government finance such a project in the public interest. He said: "Television transmitters really have a sounder claim to government financing, in the present unemployment situation, than do other enterprises that have received generous federal aid. Each television transmitter built will be the means of initiating the manufacture of thousands of television receivers, involving new factories, restoring employment and injecting new impetus into the machine of national business."

His plea went unanswered: No federal seed money appeared for television in the U.S. The British Broadcasting Corp., however, announced in February the allocation of between \$875,000 and \$1 million to build a TV station in London with a signal radius of up to 30 miles. It was to start in the fall.

Television in the U.S. got its big boost in May when RCA's David Sarnoff announced a \$1-million, three-point program to establish an experimental transmitting station, to manufacture a limited number of receivers and to develop a format for



The Social Security Act of 1935 was signed, and the Works Progress Administration (WPA) was created. Labor strife grew as bushy-browed John L. Lewis became principal architect of the Committee for Industrial Organization, a CIO that was to have conflicts with the American Federation of Labor (AFL) before their eventual merger. Half-empty movie houses offered giveaway dishes and other attendance lures; those who did attend saw Victor McLaglen become a surprise Oscar winner for his role in "The Informer." A new reference tool for radio, the first BROADCASTING YEARBOOK, appeared in February. Will Rogers and Wiley Post perished in an Alaska plane crash on Aug. 15. Less than a month later Huey (Kingfish) Long (D-La.) was assassinated in Baton Rouge. Dutch Reagan was the top sportscaster at WHO Des Moines, Iowa, and 11-year-old Jimmy Carter was attending the Plains, Ga., public schools. And in

BROADCASTING ...

television programs. But he cautioned the public that, "as a system of sight transmission and reception, comparable in coverage and service to the present nationwide system of sound broadcasting, television is not here nor around the corner." By mid-July, the RCA president-NBC chairman advised that "all that can be done with television short of actual and studied experience with it in the field, has been done." As opposed to the 30-line picture of a few years previous with a frequency of 12 per second, RCA engineers produced a 343-line picture with a frequency of 60 per second. Small images and a signal range of not more than 25 miles remained problems, as were the shadows on TV screens caused by airplanes overhead and the static caused by passing automobiles' igni-

tions as well as other disruptive electrical factors.

Harry Boyd Brown, national merchandise manager of the Philco Radio and Television Corp., said that Philco could begin production of a "perfected" TV set retailing at \$275 within 30 days. He added, however, that the market wasn't ready. "The sets would all be turned back to dealers within a week because the proper type of program has not been developed," he said.

With no short-range prospect for television development, other venturers searched for the next breakthrough in broadcasting. The hunt was on for a means to capitalize on the established radio audience in 21,455,799 U.S. homes, 69.4% of the nation's households (nearly 2.3 million of those homes having two or more sets). To that total could be added the 1.8 million car radios in 1935.

Some venturers placed their bets on facsimile, the transmission of fixed images to treated paper on facsimile receivers in the home and elsewhere.

The Radio Manufacturers Association in January formed a special committee to coordinate facsimile research and to consider its service possibilities as well as its "romantic appeal." William G. H. Finch, assistant chief engineer of the FCC, received patents for a facsimile receiver weighing only 14 pounds and capable of reproducing half-tones as well as black



Call to Prall. The resignation of FCC Commissioner Hampson Gary in December of 1934 enabled President Roosevelt in early 1935 to call on a close personal friend, former Representative Anning S. Prall (D-N.Y.), to finish Gary's term. Here Prall takes the oath of office, administered by FCC Secretary Herbert Pettey, on Jan. 19, 1935. Later in the year, Prall was reappointed to a full term and named commission chairman.

and white images.

In a Jan. 1 editorial, *BROADCASTING*, with more certitude than prescience, hailed facsimile as "a medium of practical picture broadcasting—a phase of the visual art that is destined to develop far ahead of the over-ballyhooed television. . . . To the advertiser, facsimile will provide a means whereby he can show his merchandise visually to all within the living room. There will be sound accompaniment too, so he can describe his wares while his audience views them." *BROADCASTING* also warned that the "broadcasters of today, naturally, should be the facsimile broadcasters of 1937 and 1938. . . . But there will be plenty of others who will try to elbow into this field, jealous of the progress of sound radio and the opportunities many of them muffed a decade ago."

There were several problems to be worked out in facsimile transmission, but its proponents were undeterred. Facsimile had been used to transmit weather maps to ships at sea. RCA, while investing heavily in television, hedged its bets by announcing in its annual report that it would plan a high-speed, ultra-short-wave facsimile circuit between New York and Philadelphia by the end of the year.

Broadcasters speculated about the day when entire newspapers could be delivered to readers by "radio-photography." In fact, in October RCA executives discussed that possibility with the managers of New York newspapers such as the *Herald-Tribune*, *World-Telegram* and *American*. With the entry of the Scripps-Howard newspaper

organization into the broadcast field in September, observers felt that the facsimile reproduction of newspapers was imminent. On Dec. 3 the FCC authorized two experimental facsimile stations: WOR Newark, N.J., and the Yankee Network, Boston. At the same time, RCA's Sarnoff blessed the technology with the assertion that "facsimile broadcasting into people's homes will be the next important development in radio. . . . In a relatively short time, facsimile transmission will be in practical use."

With all the attention to TV and facsimile, Dr. Edwin H. Armstrong felt FM was being elbowed aside. Just before Sarnoff announced his TV plans in April, he asked Armstrong to remove his FM equipment from RCA space on top of the Empire State building. With RCA heavily invested in television and in AM, the company lost interest in the perfection of FM.

To promote the capability of his invention, Armstrong staged a public demonstration of FM before a November 1935 meeting of the Institute of Radio Engineers. In a 17-mile transmission from Yonkers, N.Y., to the meeting in New York City, engineers heard, as Lawrence Lessing, Armstrong's biographer, described, "a life-like clarity never heard on even the best clear-channel stations in the regular broadcast band. . . . A glass of water being poured before the microphone in Yonkers sounded like a glass of water being poured and not, as in the 'sound effects' on ordinary radio, like a waterfall. A paper was crumpled and torn; it

sounded like paper and not like a crackling forest fire. . . . The secret lay in the achievement of a signal-to-noise ratio of 100-to-1 or better, as against 30-to-1 on the best AM stations."

As anticipated by Sarnoff, experimental FM radio and television soon began to fight for the same space in the broadcast band. In the fall of 1935 Armstrong won from the FCC space for 13 of his 200 khz channels but only five were suitable for existing transmission and the 13 channels were in three widely separated places in the spectrum.

The press-radio war in 1935 was characterized by a growing broadcaster offensive and some concession by newspaper groups. The position of the Press-Radio Bureau, the organization foisted on broadcasters in late 1933 as a so-called truce move, was weakened in late 1934 when Federal District Judge John C. Bowen in Seattle ruled that once news had been printed in newspapers, it could be broadcast without restriction. The Dec. 17 ruling dismissed an Associated Press suit against KVOB Bellingham, Wash., in which it was alleged that the station "pirated" news from AP members.

Despite some liberalization of Press-Radio Bureau rules, competing independent news services, particularly Herbert Moore's Transradio Press, continued to challenge the truce. In February, Transradio almost doubled its foreign news service by acquiring rights to news of Reuters, the British service. In addition, Transradio enhanced its journalistic image considerably by accurately reporting the verdict in the Lindbergh case when the Associated Press, through the Press-Radio Bureau, fed stations an incorrect verdict. The bureau incorrectly said the jury had appended a recommendation for mercy to its finding that Bruno Richard Hauptmann was guilty.

Radio's journalistic role continued to grow. By April Transradio received a significant number of offers to sponsor news. In May United Press and International News Service offered their news to stations. And the Associated Press relented and allowed its member papers to provide news for local, but unsponsored, broadcasts. In October, Esso signed to sponsor UP news on NBC owned-and-operated stations, but AP reaffirmed its ban against the use of its news on sponsored broadcasts.

With broadcast news being aired, one analyst, Gilbert Cant, reported that "the confusion was worse than ever before, and . . . the whole maneuver was dictated by jealousy of Transradio [which] had almost a monopoly on profit-making distribution of news to stations. . . ." To compete with Transradio, Malcolm Strauss announced plans to start Inter-Continental Communications Inc., an independent service based in New York. Also, to compete with the Press-Radio Bureau, Frank Wright announced plans to start the American Broadcasters' News Association in San Francisco as a news service exclusively for radio. And sportscaster Clem McCarthy in

A Thousand Dollars a Minute



No biz like radio biz. When KFWB Los Angeles celebrated its 10th anniversary in 1935, owner Warner Bros. dipped into its stable of movie stars to participate in "the highest-priced program ever broadcast." In a BROADCASTING ad, it showed part of its star-studded line-up (l-r): Mr. and Mrs. Pat O'Brien, Dick Powell, Joan Blondell, Phil Regan, Maxine Doyle (rear), Frank McHugh and Lyle Talbot.

May organized Air-Sports Inc. of New York to supply radio stations with a daily sports bulletin service.

Transradio captured attention May 21 when it filed a \$1-million damage suit against the three major press associations, NBC, CBS, and the American Newspaper Publishers Association, claiming they violated the Sherman and Clayton Acts and the Communications Act in their press-radio actions of 1934. In answers filed in September, NBC and CBS denied a contention in the suit that between them they controlled almost half of the 40 clear channels. They also denied that the press-radio program committed them to a policy of not gathering their own news.

Over on the sales side, broadcasting in general, and the networks in particular, had record profits in 1935 despite the demise in April of Storer's American Broadcasting System (but not its stations). Together NBC and CBS had time sales of \$48,786,735 in 1935 as compared with \$42,659,461 in 1934. Mutual Broadcasting System grossed an average of about \$165,000 each month for October, November, and December and between \$58,000 and \$75,000 for July, August and September. Radio's total gross time sales equalled \$87,523,848, a 20% increase over the preceding year. Nationwide network advertising amounted to \$50,067,686, a 13% gain over 1934, while regional network advertising experienced the heaviest gains with a gross volume of \$1,110,739, a

54.7% increase over 1934. Local advertising increased by 20% over the 1934 figures. Compared to radio's 20% yearly gain, newspaper advertising revenues rose by 5.8%, and magazine advertising by 5.9% over 1934 figures.

With rising interest in broadcast advertising, broadcasters, advertisers and advertising agencies recognized the need for more accurate audience counts. Representatives of the National Association of Broadcasters, Association of National Advertisers and American Association of Advertising Agencies began work on an independent audit bureau. One of the first in-depth listener studies appeared in 1935 when the Yankee Network funded an experimental survey of program popularity in the Boston area. It was devised by Robert F. Elder and L. F. Woodruff of the Massachusetts Institute of Technology, and utilized meters attached to radios in 1,000 sample homes.

The Washington shadow lengthened over broadcasting in 1935 with more regulatory moves by the FCC, Federal Trade Commission and Congress.

Anning S. Prall, a personal friend of President Roosevelt, was named to the FCC in January. He succeeded Hampson Gary, who resigned. Following Prall's elevation to the chairmanship in March, the commission started to clean house. Citations were sent to 20 stations for broadcasting certain personal medical care products. There was a conference with net-

work heads on good taste in advertising. There was a call for a national meeting to work out better cooperation between broadcasters and networks.

On the advertising front, there was almost immediate effect: NBC and CBS, as well as a number of independent stations, refused to renew laxative accounts.

On Capitol Hill, further attempts were made to pass the Tugwell-Copeland bill that covered claims made in advertising but they stalled.

In October and November the FCC, which had permitted Crosley to experimentally operate its WLW Cincinnati with 500 kw, proposed a study of the feasibility of allowing 25 more superstations. The inquiry was to go on intermittently for years. High power was never authorized, and Crosley lost a fight to keep its superpower.

In other important federal rulings, a 0.5% tax on gross income imposed by the state of Washington on radio stations was declared unconstitutional, and in June the U.S. Supreme Court ruled the National Recovery Administration to be unconstitutional. With that, the NAB's embattled Code Authority disappeared, though James W. Baldwin, the Code Authority's executive officer, urged "all members of the radio broadcasting industry [to] . . . retain the status quo. . . . Otherwise, only chaos can result."

As in earlier years, chaos and charges were rampant in the copyright situation. New groups appeared regularly in 1935 to

THE SOUL OF RADIO

FOLLOWING is the address of James M. Cox, former governor of Ohio, 1920 Democratic presidential nominee, and now publisher of newspapers in Ohio and Florida on the occasion of the dedication of WHIO, affiliated with his *Dayton Daily News*, on Feb. 9:



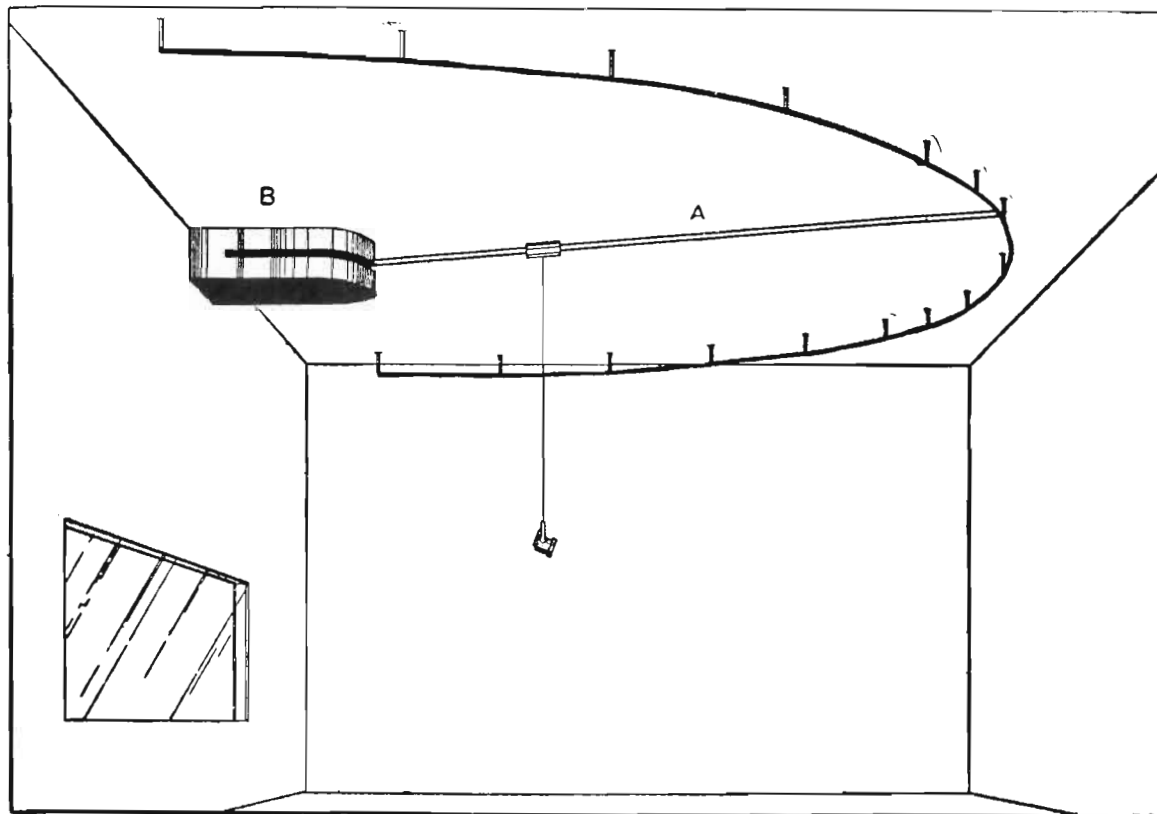
Gov. Cox

"The voice of radio as we hear it this evening takes its flight through the heavens in an historic setting. The antennas of the new station rise imperiously between the banks of the Great Miami and Mad rivers. Here it was that Tecumseh, the greatest Indian of all time—statesman, orator, warrior—followed the pursuits of peace and combat. Within sight are the fields now historic where Wilbur and Orville Wright gave to man the wings of the air that have carried him around the planet.

"In this inspirational scene we build a giant structure of steel and wires and insulators and all the magic devices of this scientific age. And now it takes the tongue of man and the melodies of poetry and music.

"Birth is always a solemn thing and our emotions are deeply stirred as WHIO is announced as a new thing of life. May I express this christening sentiment—that the voice of this Miami Valley empire will always be an instrument of dignity, culture and practical service; that it will carry the light of joy to places that are dark; that it will build a love for goodness and beauty; that it will plant in the hearts of men a philosophy that will help them to see Divinity in sunshine and shadow; that it will sense its obligations to the more than a million people who are by common interest to be our immediate radio fireside. In brief, may WHIO in its long watches of the night and in its endless days be conscious ever of its duty to God and humanity."

Blending Fourth and Fifth Estates. When Governor James Cox dedicated WHIO(AM) Dayton, Ohio, affiliated with his *Dayton Daily News*, it was another step forward into the media world for the Cox company, better known in earlier days for its newspaper holdings.



An end to rigid mikes. Greater flexibility in positioning microphones was the result of a development described by Dramin D. Jones, chief engineer of WAAT Jersey City, N.J., in *BROADCASTING* Feb. 15, 1935. An accompanying diagram showed that repositioning could be accomplished by pushing buttons that would activate the turret assembly (B) which could move a mike either to the front or rear on a boom (A). For sideways movement, the boom could be turned 180 degrees on the semicircular ceiling fixture.

claim "rewards" from broadcasting's golden age. In March the American Society of Recording Artists, reputedly headed by Al Jolson, argued that since broadcasters played 25 million hours of phonograph music, the society should receive fees from 5 cents to 30 cents for each use of a record. This would have meant a total royalty of between \$5 million and \$8 million as opposed to ASCAP's \$2 million.

Angered, but not unduly worried, broadcasters felt reasonably secure in the knowledge that there was "no legal right for such collections," especially since they already were paying ASCAP for the right to use its music whether live or on disk. Meanwhile, Fred Waring and a group of 100 radio artists established the National Association of Performing Artists to stop the broadcasting of their records without their permission.

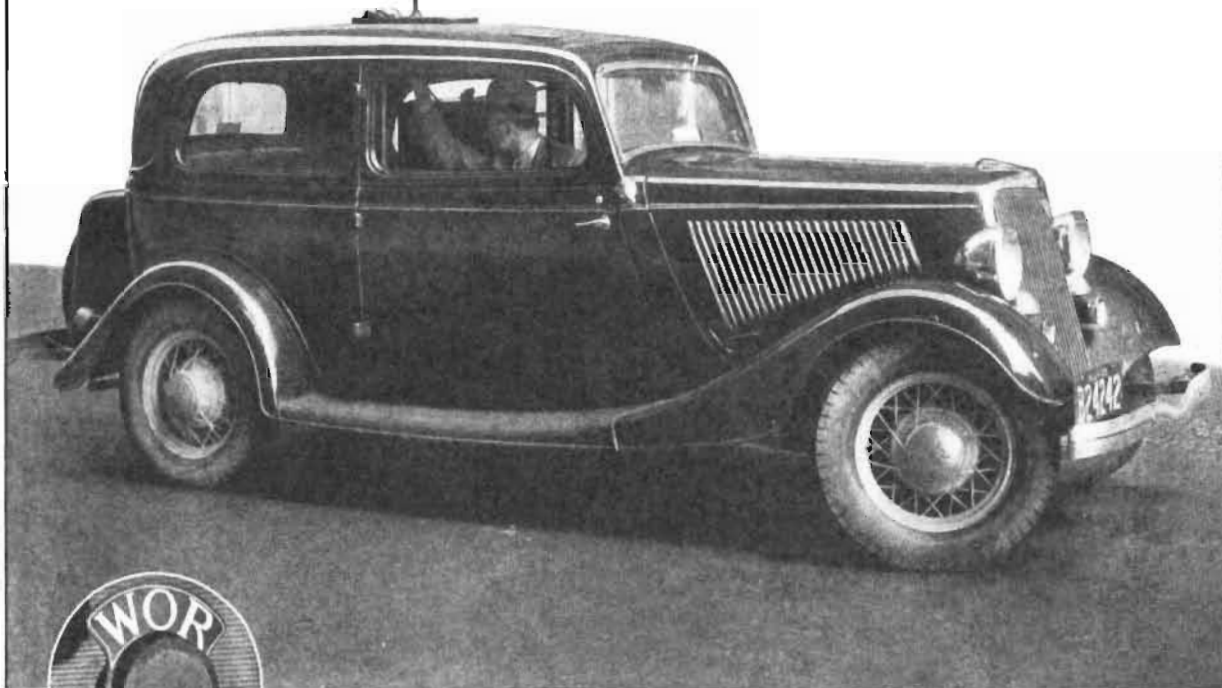
On June 11 the federal antitrust suit against ASCAP went to trial. In July, the state of Washington issued an injunction against ASCAP to prevent the collection of royalties within the state on the grounds that ASCAP was a monopoly in violation of state law. But just when some broadcasters thought ASCAP was being brought into line, NBC and CBS buoyed ASCAP and embittered other broadcasters by signing a five-year extension of contracts under then existing ASCAP rates.

Warner Brothers added more music confusion when it announced in July that it would withdraw five of its music publishing firms, contributing 25%-40% of ASCAP's catalogue, from ASCAP as of Jan. 1, 1936. Broadcasters feared the need to choose between the Warner and ASCAP catalogue or that they might not have access to either. In a Dec. 1 editorial, *BROADCASTING* declared that "the worst has happened on copyright ... and little short of chaos prevails in Tin Pan Alley. ... It is impossible to foretell what the outcome of the music turmoil will be. It may mean the breaking of ASCAP. New litigation to test the validity of the Warner Bros. houses attempting to license music without the consent of its authors and writers, who happen to be ASCAP members, is a foregone conclusion. It seems anybody's guess now what will ultimately happen."

What continued to happen in other programming was the predictable repetition of the popular. News broadcasts increased, and radio maintained its prominence as a purveyor of political speeches. Besides President Roosevelt and his cabinet members, the Rev. Charles Coughlin and Senator Huey Long (D-La.) continued to reach America through radio. In March Coughlin claimed that eight million people had joined his League of Social Justice since its inception in late 1934 and by mid-1935 Long counted 8,000 Share-Our-Wealth clubs throughout the U.S.

Besides political content, 1935 had interesting developments in programming. As a result of the big band popularity, *Your Hit Parade* began in 1935 a run that eventually took it into TV with live perfor-

6,436 MILES —after **2 MILLIVOLTS!**



The result of Mr. Felix' survey—combined with a mail analysis and sundry other information—will appear shortly in book form.

WOR

Edgar H. Felix, noted radio engineer, has completed a field intensity survey of the area served by WOR's new 50,000 watt high fidelity transmitter. It took him and his Ford (both are shown here) 6,436 miles and 4 months. Up hill and down dale he mapped the wily millivolt at hundreds of locations along the Atlantic Seaboard. An exhaustive hunt for facts—and an exciting map for buyers of radio time!

Bamberger Broadcasting Service, Inc. Eastern Member of the Mutual Broadcasting System... WGN, Chicago... WLW, Cincinnati... WOR, Newark... WXYZ, Detroit... (starting Sept. 29) CKLW, Windsor-Detroit



Gear of the year. The engineers were busy in 1935 and used paid space in BROADCASTING to herald their accomplishments. At left, WOR Newark, N.J., spotlighted its field intensity survey of the area serviced by its new 50 kw transmitter. Above: RCA Victor's new velocity microphone is promoted with the added attraction of singer Harriet Hilliard, accompanied by Ozzie Nelson's orchestra. Other major broadcast equipment firms in 1935 included Blaw-Knox, Collins Radio, Western Electric's Graybar, IT&T's Federal Telegraph Co., and Gates Radio & Supply Co.

mances of orchestras and singers. *Major Bowes and His Original Amateur Hour*, begun in 1934 on WHN New York, moved to the NBC Red network in March 1935 and on to success as the most popular program on radio.

Prestige drama, or the presentation of works by poets and other literati, increased as did the action programs such as *Gangbusters* which recreated true crime stories. The soap opera, women's serial drama, significantly increased in popularity in 1935 bringing heartache and despair to ever-increasing daytime audiences. Daytime serials introduced in 1935 included *The Story of Mary Marlin* (which ran on NBC until 1945 and was revived in 1951-52 by ABC) and *Backstage Wife* (which began on Mutual before shifting to NBC in 1936 and continuing until 1959).

Radio Guide's listeners' poll chose Jack Benny as the most popular radio performer, *One Man's Family* as the most popular dramatic program, *Amos 'n' Andy*, George Burns and Gracie Allen, and Jack Benny and Mary Livingstone as the favorite teams, *Showboat* and *Rudy Vallee's Program* as the favorite musical programs, and Wayne King and Guy Lombardo as the most popular orchestras.

While stations and advertisers focused on measuring the quantity of listeners, groups emerged that felt obligated to comment on the quality of programing.

Besides educational groups, such as Joy Elmer Morgan's National Committee on Education by Radio, which met its demise in December due to a lack of funds, there was the Women's National Radio Committee which emerged with a program study plan and a group of awards. On the premise that mere popularity was not the end-all, the Women's National Radio Committee, chose General Motors' Sunday Night Symphony Hour on NBC as the best musical commercial program, *The March of Time* on CBS as the best non-musical commercial program, *Columbia Concert Hall* on CBS as the best musical sustaining program, and *You and Your Government* on NBC as the best nonmusical sustaining program. In another attempt at program monitoring, the Philco Radio and Television Corp. founded the Radio Institute of Audible Arts to "further the advancement of radio and to secure for every listener the full benefits and satisfaction that can be derived from the radio."

NBC, in June, entered the transcription field with the establishment of Thesaurus, a recorded library service of musical numbers, dramatic skits, comedy teams and other entertainment to be offered to advertisers and syndicated to both affiliated and unaffiliated stations. The period engendered competition in that type of programing. By October the Associated Music Publishers Inc. offered its own transcription library to compete with those

of the World Broadcasting System, Standard Radio, as well as NBC's Thesaurus.

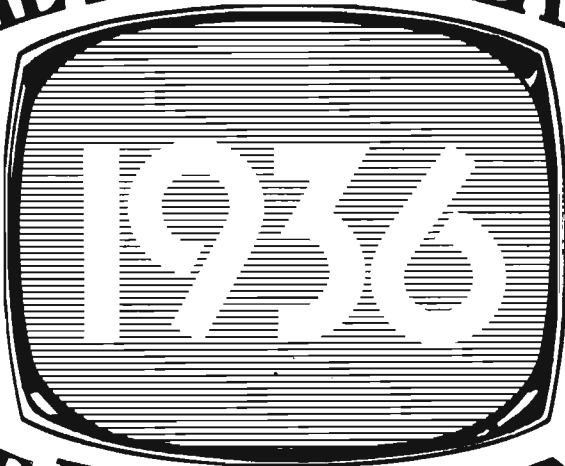
Everything—profits, programing, and competition—appeared to grow in 1935. In five years, NAB increased its membership from 42 stations to almost 400. The number of AM stations rose to 585 with FM stations becoming a distinct possibility. In 1935 the public bought over \$367 million worth of receivers and tubes and paid \$150 million for the electricity and batteries needed to operate the 28.5 million radio sets in use by the end of the year.

Stay Tuned

1. What amendment to the Communications Act was repealed and what did this empower?
2. Name the series of political sketches created by the Republicans for radio.
3. How did William Randolph Hearst retaliate against radio for CBS's airing of a speech by Earl Browder, Communist party secretary?
4. What network celebrated its 10th anniversary?
5. What senator began to talk about the "monopoly control of public opinion" in relation to newspaper ownership of radio stations?

**The answers
in "1936."**

THE FIRST 50 YEARS



OF BROADCASTING

It was the best yet of broadcast times. Broadcasters, at the start of 1936, looked back at the just-completed year when radio time sales totaled \$87.5 million, and looked forward to billings of at least \$100 million in the current year. To add to their contentment, the market was growing: There were 22,869,000 radio homes in the U.S.; three out of every four families owned a receiving set.

As a growing business in an otherwise depressed economy, broadcasting was attracting more entrepreneurs and increasing attention from the FCC.

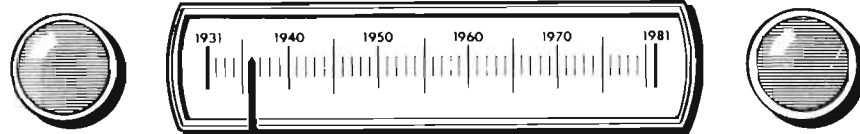
In a realignment of forces in 1935, some newspaper groups changed from critics of broadcasters into station owners with such rapidity as to alarm Senator Burton K. Wheeler (D-Mont.), the new chairman of the Senate Interstate Commerce Committee.

On the technical side, the prospect of growing demands in the spectrum moved the FCC to order allocations hearings to accommodate existing and new services. In the beginning, there had been just AM radio. Now there was the prospect of television, facsimile or FM.

The first need, the FCC and some broadcasters felt, was to remove the restrictions on new radio stations created by the Davis Amendment to the Communications Act. The FCC in February asked Congress to repeal the Davis Amendment, which required the allocation of stations equally among five radio zones under a "quota system" of distribution. With the law's repeal on June 5, the FCC was empowered to license stations according to technical feasibility rather than population.

FCC Chairman Anning S. Prall declared: "The new law does give the FCC greater freedom in considering applications for increased facilities, and it will do its utmost to improve service in the public interest, convenience and necessity." Some broadcasters remained skeptical as they feared governmental interference under the guise of "public interest" and worried about territorial encroachment.

BROADCASTING's editorial on the Davis repeal prefaced its views by accepting Prall's statement that the FCC would not abuse the new law, but admonished: "We know that inevitably



The Chinese had welcomed in the Year of the Rat, but not the invading forces that touched off their war with Japan. America also turned uneasy eyes to the other side of the world where Germany occupied the Rhineland, the Italians annexed Ethiopia and the Spanish Civil War began. At home, FDR was re-elected in a landslide victory over Kansas Governor Alf Landon. Disaster struck the Southeast U.S. when 22 tornadoes in a two-day period killed 498 people and caused \$21.8 million in property losses. It was the year in which the Boulder Dam was completed; Rudy Vallee made a national hit of "The Whiffenpoof Song" by performing it on his NBC network show, and Margaret Mitchell's "Gone With The Wind" was published. But the real-life romance of 1936 came when Edward VIII abdicated his throne for an American, Wallis Warfield Simpson, and explained his decision to the world via radio. And elsewhere in

BROADCASTING ...

there will be pressure, political and otherwise, to ignore technical limitations and sound economics for the licensing of additional stations. Only by turning deaf ears to these entreaties can any great good come from the new law. If improperly administered, repeal of the provision can easily become a Frankenstein monster that will turn upon broadcasting and reduce it to an impotent, interference-ridden industry."

The FCC's allocations hearings stirred uneasiness among some broadcasters. To many, heavily invested in AM radio, FM loomed as an investment-devouring prospect of monstrous proportions.

Prior to the hearings, the FCC in May adopted new rules and regulations for experimental bands. These rulings of July 1 affected approx-

imately 275 licensed stations. In that group were 21 visual broadcast stations that included experimental television and facsimile broadcasting, 56 broadcast pick-up stations, 12 relay or international stations, 17 special experimental stations and 167 general experimental stations. Among the changes, the FCC established provisions for the future commercial use of these services, for the extension of the licensing period from six months to one year, and for the reservation of frequencies on the spectrum for "apex" (ultra-high-frequency) broadcasting.

In July BROADCASTING's headline on the conferences read: "Opening of New Radio Frontiers Portrayed, Billion Dollar Industries Seen in New Broadcast Fields By Industry Leaders at FCC Ultra-Shortwave Hearing." Such monetary projections brought out the territorial protectiveness and homesteading instincts of established broadcasters who felt that they deserved most, if not all, of the priority space in the new spectrum because of their past public service, their ready investment capital, and their readier sense of a good business deal.

The propagation of superpower clear-channel stations, such as the 500 kw WLW Cincinnati, experimental authorization, remained another source of contention at these hearings. For example, CBS President William S. Paley testified for tight

controls or elimination of superstations because they make "the big fellow stronger," and the "little fellow weaker" while "the increased card rate necessary to a 500 kw station will tend to make it a prohibitive medium for local advertisers." Unchecked, it was felt by many, superstations might eventually weaken network clout.

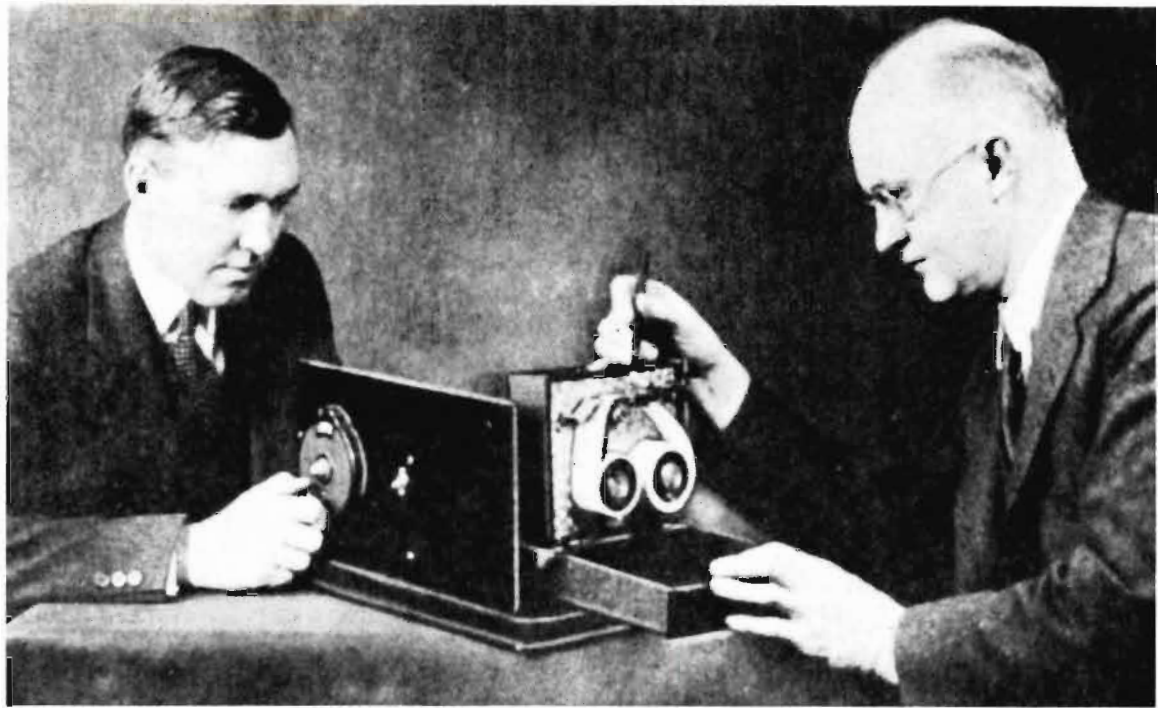
Regional stations opposed superpowers because of their possible competition for the best advertising dollars. Paul D. P. Spearman, chief counsel for the National Association of Regional Broadcast Stations, predicted the "financial ruin" of local stations because of superstations. Spearman argued that "since regional stations constitute close to half of all the stations in the country; do half the combined business; serve the social and economic needs of local trade areas, and cater to the cultural and business needs of these communities," the regionals should have their power increased.

In fact, radio in 1936 was "still a large town or city service" since 43% of all stations were in markets of 100,000 people or more, as were 60% of the regional and 90% of the clear-channel operations. Local stations, usually of 100-250 watts, served smaller communities, 75% of which had populations under 10,000.

While the FCC did not produce new policy in 1936, the rumors circulated for eventual "evolutionary" and not "revolutionary" changes.

In a third push that year, the FCC began a three-year inquiry into AT&T's rate structure. All stations were sent a four-page questionnaire on every aspect of telephone line services. In January, WCOA Pensacola, Fla., in the first formal complaint ever filed about charges for broadcast lines, asked the FCC to force AT&T to reduce its rates. AT&T subsequently voluntarily lowered its rates by eliminating back-haul charges.

The 1936 political campaign enabled



Logging the listeners. The quest for more accurate audience measurements in 1936 prompted A.C. Nielsen Co. to offer counts via the Audimeter. The meter device, which attached to radio receivers, had been developed at the Massachusetts Institute of Technology by Professors Robert F. Elder (left) and L.F. Woodruff.

radio to add to its journalistic stature, while chalking up substantial time sales. The Democrats, Republicans and minor parties spent an estimated \$2 million for their 1936 radio campaigns. The political spending in October, just before the elections, helped boost combined gross receipts for CBS, NBC and Mutual to \$6,722,926, the largest monthly total in network radio's 10-year history. This was a substantial contribution to the over-all radio times sales of \$11,514,505 in October, another record.

The radio networks in 1936 required the parties to pay much of their money in advance since the Democratic National Committee had taken until February 1936 to pay CBS \$47,000 and NBC \$54,000 due from its 1932 campaigns.

Besides generating revenues, the paid political commercials produced several in-

teresting situations for broadcasters. For example, the Republicans, instead of buying air time merely for speeches, invented *Liberty at the Cross-Roads*, a series of sketches designed to portray political issues through dramatic techniques. The networks initially refused the series. They reiterated their policy of selling time only after the conventions to announced political candidates for debates and speeches, but not before the conventions and not for drama. "To accept such dramatic programs," Lenox R. Lohr, who succeeded M.H. Aylesworth as president of NBC in 1936, explained, "would place the discussion of vital political and national issues on the basis of dramatic license rather than upon a basis of responsibly stated fact or opinion." WGN Chicago, however, aired the program in January and other stations followed shortly, thereby nullifying the networks' edict, and adding show business techniques to the field of political oratory.

Using another technique, Republican Senator Arthur Vandenberg of Michigan in October caused a minor furor when he "debated" recorded excerpts of President Roosevelt's speeches. At first, CBS canceled the program as a violation of its no-transcription rule, but then allowed the program to be aired. The broadcast and the resultant confusion created news headlines and charges of deception from all sides.

Placing the Vandenberg incident in perspective, BROADCASTING editorialized: "The Republicans got a tremendous publicity break for themselves—and we rather suspect that's exactly what they wanted. As for radio itself, it will weather this political storm. . . . Any congressional investigation will do no more than kick radio about a little more, and any such investigation will also prove that radio definitely intends to maintain its status as a nonpartisan and independent medium."

At times radio delivered on that ideal in



The new life of Riley. NBC's new president, Lenox Riley Lohr (left), accompanied by RCA President-NBC Chairman David Sarnoff, went to Washington Jan. 4, 1936, to meet government officials and attend an informal party with Washington newspapermen and radio editors as well as members of the radio legal fraternity.

advance of the public's readiness for such unbiased air treatment. When Earl Browder, Communist party head, in March broadcast a speech over CBS, the network ran into a storm. There were pickets in New York, refusals by the Yankee Network and other affiliates to carry the speech, and vituperative condemnations from many quarters. The Hearst papers were in the vanguard of the attack. One Hearst editorial argued: "Perhaps it is truly about time that the U.S. government took over the broadcasting systems of the nation in order to protect itself and the public against subversive misuse of them." Apparently in the spirit of further reprimand, the Hearst chain also temporarily dropped all radio news, except for paid radio logs, from its papers, and reassigned its radio editors to other departments.

Despite public interest in such "vital issues," broadcasters were aware that listeners still had a relatively low tolerance for the disruption or delay of their favorite programs. Considering the added demands for time by yet another political party, the Rev. Charles Coughlin's National Union for Social Justice, BROADCASTING wrote: "Though we hate to see regular program schedules so greatly disrupted by political demands for time . . . the stations and networks will be obliged to make favorable periods available for these candidates and their spokesmen on an equal basis. . . . And we hope the party leaders don't overlook the fundamental fact of radio—that what the American people want first of all is entertainment via the loudspeaker and that the less they disturb regular schedules the less resentment they arouse."

Those regular schedules included radio stars Eddie Cantor for Pebecco toothpaste, Ed Wynn for Plymouth-Chrysler, Kate Smith for A&P and an expanding schedule of soap operas. Also, there was more focus on other domestic and international news events, much of it because of concern about the increasingly tense state of European politics.

Radio's reporting potential, however, had received a setback in December of 1935, when Judge William Denman of the U.S. Circuit Court of Appeals reversed the ruling in the Associated Press case against KVOs Bellingham, Wash. Judge Denman held that the pirating of newspaper news by radio "may damage the complainant's papers' business of procuring or maintaining their subscriptions and advertising." For those reasons, Denman ruled that broadcast news taken from newspapers constituted unfair competition (see 1935).

Late in 1936 KVOs attorney William H. Pemberton took the case before the U.S. Supreme Court, arguing that a radio station does not compete with a newspaper and that the fundamental issue remained "whether a news item published in a newspaper has been dedicated to the public and whether a radio station can give excerpts of a news item to the public." AP countered by claiming that KVOs's

"unlawful piracy . . . constituted unfair competition and improper use of another's property." On Dec. 14, the Supreme Court threw out the AP suit against KVOs, saying that AP had failed to show damages of more than \$3,000, the minimum needed for federal jurisdiction. The high court did say that it looked with disfavor on the KVOs method of buying newspapers and reading items on the air.

Meanwhile, Transradio, United Press and the International News Service continued to sell news to radio stations. In July 1936, UP became the first news service to transmit copy that was especially written and edited for radio delivery. Radio news moved more and more into an expected share of broadcasting's time. At times, it was to create scheduling problems. One example was when CBS's H.V. Kaltenborn traveled to the French-Spanish border to report on an actual battle in progress in the Spanish civil war. However, mindful of listeners' unrest and advertiser disruption, CBS refused to broadcast Kaltenborn's report until after all the scheduled sponsored programs had been aired, thus causing Kaltenborn to wait behind a haystack in a live battlefield for an unsponsored slot.



From London's Broadcasting House. The former Prince of Wales made this first address as England's new King Edward VIII, to his subjects "all over the world." His later address in 1936, explaining his abdication, was one more vividly recorded in radio annals.

Despite such deference to the prearranged, often the greatest leaps in creativity and profits were made at CBS. Aside from its foreign reports, the network drew accolades for its prestige drama series, *The Columbia Workshop*, and the presentation of New York Philharmonic concerts. These and other innovative programs paid off in added listeners and revenues. CBS gross billings reached a record \$2 million in March, more than NBC's monthly gross.

In the mid to late 1930's, stations increased their sports coverage, produced more quiz shows, aired radio versions of King Features Syndicate's comic strips and columns and listened more to the rest of the world. For example, on its first Atlantic crossing, the German zeppelin Hindenburg originated broadcasts to the U.S. and Germany. And, in what may have been the largest world audience to that date to listen to a speech, King Edward VIII broadcast his abdication address to Europe and the

U.S. via the BBC and the empire short-wave system.

In August the Olympics in Berlin were broadcast by an elaborate shortwave system involving 40 countries.

The innovations in programing, however, did not entirely defuse the advocates of educational radio. In late December of 1935, the FCC Broadcast Division played midwife to yet another educational radio group, the Federal Radio Education Committee, made up of 40 representatives who were, as BROADCASTING wrote, "some of the best minds in the fields of education, broadcasting, religion and social welfare. . . ."

With 38 AM educational stations on the air in 1936, and with the new FCC-fostered educational committee, commercial broadcasters hoped that they and educators could turn their sometimes disparaging remarks into profitable and mutually satisfying programing, but the battles continued throughout 1936. Educators wanted the FCC to allot fixed times for educational broadcasts, and the National Association of Broadcasters refused to be pinned to such dictates because "a program which does not pay dividends to the station or to a sponsor is

considered a liability."

What was profitable was profitable. Exceeding earlier expectations, broadcasting accumulated a record of total gross time sales in excess of \$117,000,000. With broadcast advertising growing into a major force, broadcasting and advertising executives formed a Joint Committee on Radio Research to do for radio data what the Audit Bureau of Circulations did for newspaper data: collate and authenticate. To refine ratings, A.C. Nielsen proposed attaching an audimeter to a sample of radio sets. Rights to the device, developed at the Massachusetts Institute of Technology, had been acquired by Nielsen.

In radio music the copyright battles continued. Warner Brothers had withdrawn its musical catalogue from ASCAP to offer it directly to stations in late 1935. When the networks rejected Warner's offer, Warner Brothers, by mid-March, filed 97 infringement suits against CBS, NBC, and several independent stations for more than \$3

million. By May the number of suits rose to 180 and the damages asked to \$4 million. ASCAP claimed the right to more than 350 numbers published by Warner Brothers and began assisting stations with their defense. With the confusion mounting, WMEX Boston became the first station to receive a blanket insurance policy from Lloyd's of London to cover the station in case of any copyright infringements.

However, Warner in June withdrew 40 suits and by August returned to ASCAP, dropping all its suits. The return to the fold seemed due to, as BROADCASTING reported, "the relatively inconsequential revenues the big motion picture concern has been able to realize from those stations signing its proffered contracts; to the enormous expense of collecting, checking and suing; to the fear that many of its infringement suits might not hold up in court . . ." Despite this prodigal's return, the NAB reiterated the need for broadcasting's own music catalogue and organized an 800-hour library of public domain music, expected to be ready Jan. 1, 1937.

Speaking for the medium, BROADCASTING argued for change when it editorialized: "The copyright owners, principally ASCAP, are still possessed of the same arbitrary powers over broadcasters and other users of music. They are the dictators in the field of American music performance, with all of the arbitrary powers that dictatorship connotes."

With Warner's return to ASCAP, broadcasters had to pay just one major copyright fee, but they had to pay ASCAP what it demanded—five-year contracts for 5% of gross receipts.

And those receipts continued to grow because there were more radio sets and more listeners than ever before. The Mutual Broadcasting System grew into a larger national system when, in August, MBS acquired five Midwestern affiliates—KWK St. Louis; KSO Des Moines, Iowa; WMT Cedar Rapids, Iowa; KOIL Omaha, Neb., and KFOR Lincoln, Neb. When the Don Lee Broadcasting System affiliated with MBS in December, the combined system stretched from coast to coast. This

relatively young network ended the year with a gross of \$1,987,572, a gain of 53.7% over 1935.

Other groups tried new structures to challenge the existing networks. Samuel Insull, Midwest utility executive (who later was disgraced in the collapse of his empire), opened the Affiliated Broadcasting Co., headquartered in Chicago, in April with a 20-station, four-state hook-up broadcasting 15-1/2 hours a day, seven days a week. Remington-Rand Inc. underwrote in June what BROADCASTING called "the biggest hook-up of regional networks and stations in radio history" when it sponsored a dramatized new program, *The News Comes to Life*, on 51 stations.

Network expansion took another step forward when CBS purchased KNX Hollywood for \$1.3 million, the biggest station sale to date, and designated it as its clear-channel key in Los Angeles. CBS expanded its affiliations to end 1936 with 97 outlets and a whopping \$23,168,148 in gross receipts, with NBC Red boasting of \$22,645,527, and NBC Blue, \$11,878,423.

AND THEY CALL BROADCASTING A MAN'S GAME!



FEMININE SIDE OF RADIO—Among women radio station managers are: Top row (left to right) Mrs. Edythe Fern Melrose, WJAY, Cleveland; Mrs. Jessie Jacobson, KFBB, Great Falls, Mont.; Miss Bernice Judis, WNEW, Newark; lower row, Lillian E. Kiefer, WMBQ, Brooklyn; Marie W. Vandergrift, WPAY, Portsmouth, O.; Joy True, KOH, Reno, Nev.; Mrs. R. W. Britton, KGBU, Ketchikan, Alaska.

DEADLIER than the male may be the female of the species—but they do make good radio station managers, we are told on competent authority. A survey by BROADCASTING discloses that among the 630-odd stations in the United States there are about a dozen women managers, who in several cases are also station owners. Most of them are married, and happily, according to our reports.

Modesty may have accounted for the failure of some of them to respond to our request for photographs, but the best list we could compile of women top executives of American stations, besides those pictured above, is as follows:

Mrs. Margaret Haymond, KMO, Tacoma, owned by Kari Haymond; Mrs. W. J. Virgin, owner and man-

ager of KMED, Medford, Ore.; Mona J. Pape, WHBL, Sheboygan, Wis.; Bertha Jackson, WCAX, Burlington, Vt.; Mrs. M. J. Milberne, WCNW, Brooklyn; Mary E. Beehler, KGEK, Sterling, Col. There may be a few others we haven't heard about, but if they are they have been appointed since our 1936 Year Book was published.

There are, of course, quite a few women commercial managers—and mighty good sales executives they are, too, we are told. And there are even more women program directors, but only a handful of regular announcers are females for the peculiar reason that, except for specialty programs, they don't seem to click with the

American audiences as they do in Europe.

It was with regret that BROADCASTING learned of the retirement of Mrs. J. L. Bush from the active management of WDZ, Tuscola, Ill., one of the oldest broadcasting stations in the United States, which recently was sold to a new corporation headed by Edgar Bill, operator of WMBD, Peoria, with Clair Hull, of WMBD, as the new manager. Mr. and Mrs. Bush, however, retain a 25% interest in the station.

Also, we learned that Elsie L. Budd is no longer manager of WLNH, Laconia, N. H., a post she held when the former manager died suddenly last year. Miss Budd, however, continues with the station as its assistant treasurer.

[Then—prior to restraints on more than one affiliation in a market, NBC operated two networks, with two outlets in many communities. NBC Red affiliates usually had better facilities and commanded prime rates, while NBC Blue affiliates served as a supplementary service.]

Such time sales figures commanded attention. In the mid-thirties newspaper groups changed their stance on broadcasting and became station owners. The *Washington Post*, Scripps-Howard, and Hearst, among others, acquired broadcasting stations, and grudgingly terminated the press-radio feud of the early thirties.

Heralding the April convention of the American Newspaper Publishers Association in New York, BROADCASTING headlined, "Press Drops Cudgels, Ends Radio Feud, Decides Newspapers and Broadcasters Are Allied." BROADCASTING editorialized: "The publishers have come to the viewpoint that most of us in radio have held and preached for years—that there is room in the news and advertising fields for both; that radio must be maintained as free as the press."

By October, Hearst Radio Inc. had transformed itself into the third largest owner of broadcast stations with most of its purchases in 1935 and 1936. NBC owned or managed under lease 15 stations, with CBS and Hearst owning or managing 10 stations each.

The Mason-Dixon Group (Steinman newspapers) formed the next largest newspaper-broadcasting organization with stations in Lancaster, York, Hazleton and Easton, all Pennsylvania, and in Wilmington, Del. The McClatchy newspapers of California followed with stations in Sacramento, Bakersfield, Fresno and Stockton, all California, and Reno. Next came the Gannett newspapers which owned WTHH Hartford, Conn., and held partial interests in stations in Rochester, Albany and Olean, all New York. By October 1936, approximately 185 stations were affiliated in ownership with newspaper publishing groups.

This pleased some. But the trend alarmed Senator Wheeler, chairman of the Senate Interstate Commerce Committee. Late in the year, he called for guidelines that would prevent the "monopoly of public opinion and advertising." Wheeler declared that "it is against public policy for newspapers and broadcasting stations to be controlled by the same outfit. It tends to give newspapers a monopoly not only of public opinion but of advertising, and that, in my opinion, constitutes unfair competition in interstate commerce."

No such restrictive legislation materialized in the 1936 Congress. BROADCASTING spoke for a large segment of radio when it wrote that Wheeler "is on the wrong track . . . If there should develop situations wherein stations, by virtue of newspaper ownership, plead only one political cause or shut off competing advertisers, we believe the law provides redress either to the courts or to the FCC." Nevertheless, the issue was to be resurrected in future years and continued to today.

Wheeler proclaimed concern about another issue: the growth of network power. Wheeler saw a threat in network alliances with clear-channel stations. "It is nonsense," he preached, "for networks to say they should have them [clear channels] to perform service to listeners. I think they should have a few key stations for the purpose of furnishing programs from important talent centers. Otherwise, if the present trend continues, they are going to have a complete monopoly of radio broadcasting in this country. The time to stop is now, for their own good as well as the good of the public and of the industry."

BROADCASTING concurred, saying: "There is no doubt that if network acquisitions of stations continue at the pace they have in the past, there will be repercussions of a serious nature. It is unhealthy in this day to concentrate ownership of too many important stations in the hands of individual groups."

NBC, the biggest of those hands, applauded itself in 1936 for its 10 years of existence by hosting "the biggest radio gathering in radio history" on Nov. 9. It broadcast the opening ceremonies over the NBC-Blue network. David Sarnoff, RCA president and NBC chairman, spoke well of broadcasting's past and augured more



POPPELE'S LATEST—Jack Poppele, WOR chief engineer, recently elected to the board of directors as well as secretary of Bamberger Broadcasting Service, devised this midget microphone preamplifier for the Democratic convention. It weighs less than three pounds, measures less than 5 inches the longest way, has a net gain of 90 db, provides a linear response from 20 to 20,000 cycles and combines a two-circuit mixer with a three-stage, audiofrequency amplifier. It incorporates new AmerTran mid-gate audio transformers and RCA acorn tubes.

good in the future, declaring that "anniversaries are unimportant if they serve only to commemorate past achievement. They must contain the promise of new and greater things. . . . We now begin the second decade of this new art by dedicating it to the achievement of television, the broadcasting of sight. It is the only prophecy I shall indulge in tonight—that during the next 10 years the millions who now listen in their homes to this celebration will be able to see as well as hear by radio."

Sarnoff knew first hand about the potential of the visual electronics medium and had devoted \$1 million of RCA money to the development of television. The race was on. In June the Don Lee Broadcasting System upstaged NBC by airing the first public demonstration of cathode ray television in the U.S., a projection of 300-line images at 24 frames per second. By July RCA field tested its television system by broadcasting from New York's Empire State building. In August the Philco Corp. demonstrated its system of television, a 345-line image on a 9.5-by-7.5-inch screen broadcast over a seven-mile area; that same month Philco also sought an injunction to restrain RCA in its effort to get trade data.

However, Europeans seemed ahead of the Americans. To test the EMI and Baird

receivers, the British Television Advisory Committee authorized twice daily television broadcasts within an experimental area in London. The Germans' ambitious attempts to televise the 1936 Olympics met with less success as they used a definition of 180 lines with 25 frames a second.

The age of television seemed almost possible. With model television sets existing, with experimental broadcasts, and with the successful field tests in December of AT&T's coaxial cable between New York and Philadelphia, "sight radio" seemed indeed in sight. Predictions varied. Some like Dr. Alfred N. Goldsmith, consulting engineer and former chief engineer of RCA, said television would be a "commercial fact" by 1938.

To work, television, as David Sarnoff knew, needed more than technical success. "There is television," he reasoned, ". . . preparing to deliver its programs with the speed of light into the center of every home. Perfect distribution! But television's problem of program production is a different matter. It is still unsolved. . . . Television broadcasting will constantly demand more and better writers, musicians, actors and scenic designers—new thoughts, new words, new songs, new faces, new backgrounds."

After all the year's public demonstrations of the art's new toy, BROADCASTING in its Dec. 15 editorial cautioned that ". . . television, like fate, is certain to come. . . . But how and under what conditions remained to be ascertained. Even at this late date engineers are almost daily learning new things about the quirks and intricacies of ultra-high frequencies . . ."

Television was to be the next dimension in broadcasting by the American plan of sponsorship. With RCA, Philco, and others aligning themselves by Christmas of 1936 to protect their present and inherited interests, broadcasters rested on a good year.

Stay Tuned

1. Who succeeded Anning Prall as the new FCC chairman?
2. Who on Capitol Hill pressed for a study of newspaper ownership in broadcasting?
3. How many stations existed, and how many of these were associated with newspaper interests?
4. What disaster occurred in Lakehurst, N.J., and who made the memorable broadcast recording of the happening?
5. What important Archibald MacLeish work aired in March, and for what was the play noted?
6. What character debuted on the *Jack Benny Program*?

The answers
in "1937."

THE FIRST 50 YEARS



OF BROADCASTING

As part of radio's golden age, 1937 provided its fair share towards the bonanza. There were increased profits, better programming, technical improvements that included advances for the new media and a more orderly rearranging of the spectrum.

The year was also known for periodic outcries for probes or reform of broadcasting, none of which had materialized by the end of 1937. It was also a time when organized labor made substantial gains in organizing broadcast personnel. And James C. Petrillo, then head of a Chicago musician's union, sounded notes of warning to broadcasters that were subsequently to become a cacophony of demands.

As part of the golden age, the cycle of more and better seemed unstoppable. By Jan. 1, 1937, four out of every five U.S. homes had radios, creating a total of 24.5 million radio homes. In addition, there were 4.5 million auto radios. By the end of the year, those totals had increased to 26,666,500 radio homes and five million auto radios. Total radio sets in use in that one year increased from 33 million to 37.6 million.

To set manufacturers, it meant that in 1937 the public bought 8,064,780 radios for \$450 million, 91 million radio tubes for \$85 million, and 1.75 million car radios for \$87.5 million.

Advertising grew with the audience and increasing program popularity. Radio in 1937 collected in excess of \$140 million in advertising revenue, a 19% increase over 1936 sales.

Broadcasting's improving financial position, coupled with the expansion of the labor movement everywhere, inevitably led to the creation of broadcasting's first year of the union.

Employees, clearly aware of the Wagner Act (1935), organized in increasing numbers. When the American Guild of Radio Announcers and Producers, headed by Roy S. Langham, was established at CBS, BROADCASTING recorded in its April 15 issue, "Organized Labor Movements Make First Inroads on Radio." By May 4 other unions attempted to organize workers. Just as the American Radio Telegraphists Association (CIO), International Brotherhood of Electrical Workers



FDR was foiled in his attempt to "pack" the Supreme Court. That court itself (a) upheld the Wagner Act, strengthening the position of labor and spurring unionization that sometimes erupted in violence, and (b) ruled that the Social Security Act was constitutional. (Workers began paying a maximum of \$30 a year under a plan that envisioned maximum monthly payments of \$41.20 to retirees in 1940.) Aviatrice Amelia Earhart and navigator Fred Noonan disappeared on a flight over the Pacific, stirring speculation about possible Japanese involvement that continues to this day. Relations with that country worsened in December when the Japanese sank the U.S. gunboat, Panay, in China's Yangtze River. But America was even more concerned by the growing dominance of Adolf Hitler in Europe. At home, Gardner Cowles Jr., president of Iowa Broadcasting Co., published a new monthly pictorial news magazine, LOOK. It cost a dime. And in BROADCASTING . . .

(AFL), Actors Equity Association (AFL) and the Newspaper Guild (claimed by both AFL and CIO) began drives, NBC and CBS countered by agreeing to a 40-hour week for their engineers. NBC also instituted a five-day week for all announcers, production and sound-effects personnel.

Unions proliferated and often overlapped. ARTA, which had threatened to strike at WHN New York, sought all station employees between clerical and executive status. According to Merwyn Rathborne, president of the union, ARTA's goal would "not be achieved until every station is staffed with completely unionized personnel."

IBEW, spirited by the slogan "Where electricity goes, so goes the union," sought radio technicians. The Actor's Equity Association

claimed all radio performers including announcers. (It excluded musicians, who had their own union.) In August, Actors Equity suspended its efforts in radio in deference to the Associated Actors and Artists of America, which in turn chartered the American Federation of Radio Artists (AFL), a group for all radio performers except musicians. By December AFRA claimed to have signed 70%-90% of the radio artists in key cities.

While the American Newspaper Guild accepted radio news editors and commentators as members, it made no attempts at active recruitment because, as Morgan Hull, guild organizer, reasoned, their numbers were too small. The American Advertising Guild came into existence to represent members of agency radio departments not included in other unions.

Jurisdictional disputes were rife. For example, throughout July, August and September, WHN New York was caught in a struggle between the International Alliance of Theatrical and Stage Employees (AFL) and Motion Picture Machine Operators (AFL) which threatened to strike if station employees joined the CIO-affiliated American Radio Telegraphists Association. The struggle abated only when, in late August, the National Labor Relations Board intervened to certify ARTA as WHN's exclusive bargaining agent.

The Chicago Federation of Musicians, then headed by

James C. Petrillo (later to head the national union of musicians), in October established a union to compete with AFRA to enlist Chicago announcers, producers and sound-effects personnel. It succeeded in obtaining a 20% pay increase for members at CBS-affiliated WBBM Chicago. The Chicago Federation of Musicians, also in November, threatened to strike if a new contract with NBC and Mutual there was not negotiated by Jan. 15, 1938.

Meanwhile, the American Federation of Musicians, under Joseph N. Weber, threatened to strike nationally if stations failed to increase their employment of live musicians. A compromise was reached late in September when network affiliates agreed to spend an additional \$1.5 million on staff musicians.

The FCC, in 1937, realigned itself and took steps towards realignments in the spectrum. That included adjustments to permit American broadcasters to technically co-exist better with radio operators in other North American countries.

Internally the commission abolished the three separate divisions (broadcast, telephone and telegraph). Allocations proceedings were opened for television and proved highly complex. Initial actions looked toward TV on 19 channels, each 6000 kc in width. Seven were to be used experimentally. In addition, the FCC set aside 75 channels in the band from 41,020 kc-43,980 kc for aural or "apex" broadcasting, though Edwin H. Armstrong's FM was not specifically mentioned. These decisions, BROADCASTING wrote, established "radio history" because "In staking off the range from 30,000 to 300,000 kc ... the FCC removed these bands from a nonclassified category and assigned them to services, both regular and experimental ... In so doing, the FCC gives impetus to experimentation in future broadcasting, both aural and visual. ... The ultra-high allocations constitute another tribute to the United States as the nation in the forefront of radio development and research."

These new allocations were supported by a new FCC chairman, Frank R. McNinch, who was named to that post following the death on July 23 of Chairman Anning S. Prall. McNinch took office in October and promptly abolished the FCC's three-division structure; now, the seven member board would regroup as a single decision-making body. McNinch reasoned that "experience has shown that to subdivide a small commission has a divisive effect and tends away from cooperation and mutual understanding."

Presenting another unified front, the delegates to the North American Radio Conference in Havana agreed at their March conference on the technical principle of broadcast allocations among nations to minimize interference, thereby enabling allocations agreements to be created at the December Inter-American Radio Conference. BROADCASTING applauded the December agreements: "Adopting a drastic plan of allocation, which, in the main, safeguards the position of the U.S.

from the standpoint of station assignments available to it, the conference ... agreed to a project which requires a reshuffling of portions of the band to make possible designation of exclusive and semi-exclusive facilities to Canada, Mexico and Cuba, as well as shared facilities with Haiti, the Dominican Republic and Newfoundland—all parties to the agree-

ment."

The major networks' size and revenues, continued upward in 1937, even though Ed Wynn's suspended Amalgamated Broadcasting System was revived in March as the cooperatively organized Midwest Broadcasting Co., only to fall by the wayside again.

MBS, which added 10 more outlets in

"NOW HE BELONGS TO THE AGES"



GUGLIELMO MARCONI

ALL OVER the civilized world, and especially among radiomen young and old in his native Italy and in the lands of his greatest achievements, England and America, heads were bowed with grief as the magic medium of his own creation—Radio—on July 20 flashed the news of the passing of Guglielmo Marconi. He died of a heart attack that morning in Rome at the age of 63 after an illness of only a few hours, and just after he had sent a telegram to his youngest daughter Ellerta who was celebrating her seventh birthday.

Few great inventors have lived to see such great results of their first modest efforts and fewer yet have been honored in life and death as Marconi was honored. American radio spontaneously expressed its mourning in silent periods and in programs narrating his achievements. Premier Mussolini knelt 15 minutes before his bier as the body lay in state before being borne away for burial in his home city of Bologna, Italy. Kings and queens, presidents and dictators, industrialists and artists, expressed their great grief at the passing of one of the truly great men of our time.

Guglielmo Marconi always bore himself with the simplicity of greatness. Even in 1895, when he first felt he had conquered space his unaffected announcement simply read: "I have discovered how to telegraph without wires." Four years later he was demonstrating his wireless in this country for the first time from a vessel chartered by a New York newspaper to follow the America's Cup Races. The demonstration was so convincing that within a year two vessels of the American Navy were equipped with wireless, the beginning of American radio. Perhaps it is significant that, where he sent his stories by code from a vessel to a land station, the America's Cup Races of 1937, scheduled to start off Newport July 31, are being covered by announcers and engineers in similar vessels and in airplanes—but their voices go directly into the homes of the nation and the world.

Marconi was the true pioneer of the radio as we know it today, and even to his dying day was pioneering the new vistas of television and the ultrashort waves. His "firsts" would fill a bookshelf. It was given to others to refine his methods—and American inventors like DeForest developed code wireless into voice broadcasting—but it was Guglielmo Marconi who really was responsible for the beginnings of the world's great communications and broadcasting services of today.

The American broadcasting industry mourns his passing and repeats, with heartfelt conviction, the eulogy expressed for one of America's own great men: "Now he belongs to the ages."

March-April for a total of 51, ended the year with gross revenues of \$1,949,654, an increase of 2% over 1936.

CBS, which added KIRO Seattle, WMAZ Macon, Ga., and WCOC Meridian, Miss., as affiliates in March, had 105 stations by August and plans for a Pacific Coast network and a \$2-million Hollywood studio. With the coronation of King George VI on May 12, CBS began daily service from its international shortwave bureau, powered by a 40 kw transmitter. The newly augmented CBS grossed \$28,722,118 in time sales for 1937, up 24% from 1936 despite the lack of political time sales that it enjoyed in the 1936 presidential election year.

NBC had 126 stations by June, including six signed to take the NBC Blue into the South and Southwest. NBC Blue grossed \$11,479,321, down 3.4% from 1936, but NBC Red grossed \$27,171,965, up 20% from 1936.

In addition, the Don Lee Broadcasting System, the MBS Pacific Coast segment, added 13 affiliates on the West Coast in September, becoming the largest regional network in the U.S.

Several members of Congress became interested in network activity. Representative William P. Connery Jr. (D-Mass.) in January introduced a resolution calling for an investigation of network broadcasting because he felt the networks were "grabbing up" stations so that "independents hardly count any longer." Representative Richard Wigglesworth (R-Mass.) in February vehemently denounced the networks as monopolies and accused the FCC of permitting trafficking in licenses. Senator Wallace White (R-Me.) in July asked that the Senate Interstate Commerce Committee "make a thorough and complete investigation of the broadcasting industry . . . and of the acts, rules, regulations, and policies of the FCC. . . ." Among the issues he cited were alleged political actions by the FCC, the extent and effect of newspaper ownership of broadcasting stations, and the extent and effect of chain operations. By August BROADCASTING headlined, "Thorough Senate Probe Seen Certain." The Senate Committee on Audit and Control blocked a \$25,000 initial appropriation but Senators White and Burton Wheeler (D-Mont.) vowed to pursue the inquiry in the next session of Congress.

Meanwhile, several legislators joined forces to support an inquiry in the 1937 Congress into newspaper ownership. Senator Wheeler, Representative Wigglesworth, and Representative John Dingell (D-Mich.) [late father of Representative John Dingell (D-Mich.), slated to be chairman of the Commerce Committee in the next Congress] requested the FCC to supply them with data on the sale of stations and on networks and newspaper ownership of stations. Representative Otha D. Wearin (D-Iowa) in February introduced a bill to prevent newspaper ownership of stations, and Senator Wheeler, also in February, drafted his own

measure to divorce stations from newspaper ownership in order to prevent "monopolies in public opinion."

Neither passed. Because radio had proved its impartiality in the 1936 election, the motives for the newspaper ownership ban were questioned. BROADCASTING called it "political," since the move appeared governed "by an overpowering desire to prevent publishers from dominating the editorial policies of radio stations as they do those of their newspapers." Most broadcasters concurred with those goals, but felt that the apparatus already existed to insure station impartiality without severing stations from newspapers. By May, records showed that of the 700 licensed radio stations, newspapers held interests in 209, of which 25 were minority interests. Whether Congress had the authority to sever newspapers and radio stations, and whether the two should be separated, continued to occupy Congress throughout 1937.

Transradio, in June, settled out of court and for an undisclosed sum, the 1935 \$1.5-million suit that it had initiated against Associated Press, United Press, International News Service, American Newspaper Publishers Association, NBC and CBS for conspiracy in restraint of trade. The settlement led to Transradio's expansion into facsimile and recorded features. First new feature was "Meet the Headliners," a series of recordings of newsmakers along with commentaries. To facilitate use by small radio stations, Hearst's International News Service began transmitting broadcasts by shortwave.

Such services exemplified the increasing importance of broadcast news. Enticed by radio's headline summations, and impressed by radio's spontaneous coverage of political events, the public wanted more. With Europe embroiled in war, CBS aired broadcasts by H. V. Kaltenborn and Edward R. Murrow, and hired William L. Shirer. Radio reporting of spot news events grew.

News writers formed their own group, the Association of Radio News Writers, to encourage high standards.

BROADCASTING theorized that for Roosevelt's inaugural on Jan. 20 the networks and stations assigned more radio equipment and personnel than had ever before been assembled to cover one event. NBC used 97 engineers and announcers and more than 150 pieces of equipment, while CBS set up 26 pickup points and had H. V. Kaltenborn and Boake Carter riding around in shortwave-equipped automobiles.

To cover the devastating Ohio river floods of 1937, stations went to 24-hour service, which, as BROADCASTING wrote, proved "the unselfishness of broadcasters when put to trial, for they are casting aside all thoughts of business and self in their magnificent efforts to aid in the rescue and relief work, to raise funds for the Red Cross, to help one another in picking up and relaying messages and reports from the danger fields."

SCREEN TREAT



"DUTCH" REAGAN

QUITTING the air for the films is an unusual departure from routine, especially for a radio announcer. One of the first announcers to land a movie contract and "go Hollywood" is Ronald (Dutch) Reagan, 26, sports announcer of WHO, Des Moines. He leaves June 1 to join the Warner Brothers artist staff in Hollywood.

Handsome young Mr. Reagan's contract, calling for an initial six-month salary of more than \$200 per week, came as a result of a screen test taken in an unguarded moment while he was in California in March on his annual tour of the Chicago baseball clubs' spring training camps to gather broadcast material. He is a former Eureka (Ill.) College football and track athlete, unmarried, 6 feet tall and looks a bit like Dick Powell.

—Broadcasting, April 15

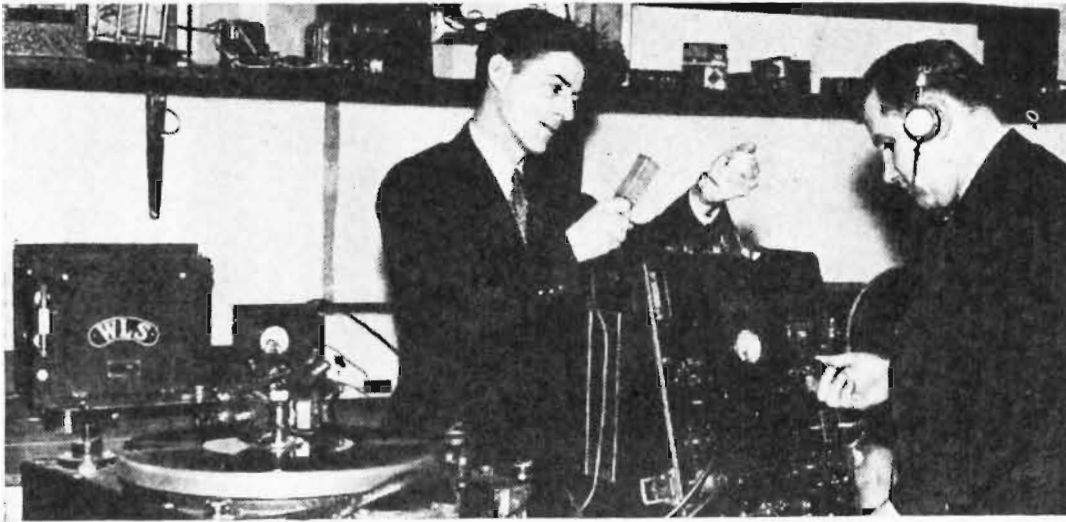
King George's coronation in London proved to be one of the clearest international broadcasts, but the early morning hour, due to the time differential, lessened the potential audience for the more than 400 North American stations that reported the proceedings.

With the force of eyewitness reporting, the crash of the German dirigible Hindenburg as it was about to land at Lakehurst, N.J., added to radio's image as a powerful spot news medium. The most remembered account of the crash belonged to Herb Morrison of WLS Chicago, who was on routine assignment to make a recording of the dirigible's landing. NBC aired the broadcast, thereby breaking its then ban on use of recordings.

But radio suffered the loss of coverage of court trials. Provoked by the journalistic tumult occasioned by the Bruno Hauptmann trial for the kidnapping of the

WLS SCOOPS THE WORLD

Dramatic On-the-Scene Transcription of Lakehurst Dirigible Blast Makes Radio History



TRAGEDY RECORDED—Herb Morrison, announcer, and Charles Nehlsen, engineer, show equipment they used to record the *Hindenburg* disaster May 6 for WLS at the scene of the dirigible crash.

—Broadcasting, May 15

Lindbergh baby, the American Bar Association invoked Canon 35, which barred microphones and photographers from courtrooms.

There were programing innovations. WJ Detroit announced a method to provide "balanced programing" by planned variety in an evening's schedule and the retention of programs in assigned slots whether sponsored or not. W. J. Scripps, general manager of wj, said "the radio industry stands today at the parting of the ways—on the threshold of a glorious listener satisfaction or on the abyss of listener boredom and indifference."

Listener satisfaction was the aim of a CBS and NBC Shakespearean rivalry. When CBS announced a Shakespeare series to include Burgess Meredith as Hamlet, Edward G. Robinson as Petruchio in *Taming of the Shrew*, and Walter Huston as Henry IV, among other notables, NBC announced its own Shakespearean series to star John Barrymore. When CBS scheduled its program on 93 stations—the largest line-up ever for a sustaining series—at 9 p.m. on Mondays, NBC Blue scheduled its series at 9:30 p.m. on Mondays.

Serious drama continued to thrive in the rivalry between the major networks. NBC produced four Eugene O'Neill plays. CBS continued the *Columbia Workshop*. Archibald MacLeish's "The Fall of the City" proved to be one of *Columbia Workshop's* more important offerings for 1937. Aired March 4 from the Seventh Regiment Armory in New York, the program involved innovations in sound effects and production, and introduced a young Orson Welles as a new, powerful voice in radio.

The network rivalry produced other windfalls. Because CBS broadcast the New York Philharmonic, NBC sought Arturo

Toscanini for its house symphony. Because CBS aired *American School of the Air*, NBC created *University of the Air*. And to compete in poetry programing, NBC sup-

plied listeners with Alfred Kreyborg's *Fables in Verse*.

Other programing highlights of 1937 included the addition of Eddie (Rochester) Anderson to the *Jack Benny Program*, the sustaining broadcast of the World Series for lack of a sponsor, the first appearance of Benny Goodman on the networks, the controversy that surrounded an NBC broadcast by General Hugh Johnson discussing venereal disease, and a broadcast of lessons by Chicago stations after an epidemic of infantile paralysis closed the schools.

Continued problems centered on copyrights, and other continued promises focused on facsimile and television. Definitive solutions to all of these were still coming. In a test case brought by the National Association of Performing Artists, a Pennsylvania appellate court ruled that artists had a property right in their recorded performances.

ASCAP escalated what many broadcasters labeled its "extortionate" fees by hinting at a 70% increase. In an attempt to contain ASCAP, the states of Montana and Washington passed bills making "per use" payment of music mandatory, and industry forces urged the revitalization of the government's antitrust suit against ASCAP.

BROADCASTING encapsulated the music



BUFFER WARNS ACTORS—Microphone crowding and backing away by actors appearing in the NBC Shakespearean cycle has brought the inventive genius of John Swallow, Hollywood studio manager, into full play. He has designed a "square-fence" called a "microphone buffer" built by NBC, which is so arranged as to keep actors at correct distance from the microphone during the broadcast. By this means the voice is pitched correctly and it assists those appearing in the cast to keep in the correct dramatic mood, with the shoving around at instigation of control room manipulators eliminated. Buffer is made of iron pipe and so successful has it proven that NBC at its Hollywood studios will use it for all dramatic presentations. Photo shows the microphone buffer in use during a recent Shakespearean broadcast. Pictured are (left to right), William Farnum, Elaine Barrie, John Barrymore, Henry Hunter and Mary Forbes.

—Broadcasting, July 15



1937-38 NAB OFFICERS AND BOARD—Seated, left to right: Harold V. Hough, WBAP, Fort Worth, re-elected treasurer; John Elmer, WCBM, Baltimore, president; John J. Gillin Jr., WOW, Omaha, first vice-president. Standing, left to right: T. W. Symons Jr., KXL, Portland, Ore.; Theodore C. Streibert, WOR-Mutual; Gene O'Fallon, KFEL, Denver; Gene Dyer, WGES, Chicago; Arthur B. Church, KMBC, Kansas City; L. B. Wilson, WCKY, Cincinnati; Ralph R. Brunton, KJBS, San Francisco; C. W. Myers, KOIN-KALE, Portland, Ore. (retiring president); F. M. Russell, NBC, Washington; Joseph O. Maland, WHO, Des Moines, Herb Hollister, KANS, Wichita; John F. Patt, WGAR, Cleveland; Harry C. Butcher, CBS, Washington; Edwin W. Craig, WSM, Nashville. Missing are William J. Scripps, WWJ, Detroit, second vice-president, and Edward A. Allen, WLVA, Lynchburg.

—Broadcasting, July 1

situation this way: "At this time radio is being raided from all sides. ASCAP isn't alone in demanding its pound of flesh, organizations having been formed to exact from radio more tribute on performance of phonograph records on the ground that the performer has an 'artistic right'. And . . . unionized musicians are on a rampage for a guaranteed return of 10% of the collection of all stations for local musicians. . . . Uncle Sam may be wrong in its anti-ASCAP suit. The only way to get the answer is to procure a final adjudication. . . . Only in that way can equity and justice prevail in the music field, and the onslaughts of other groups with itching palms inspired by ASCAP's scintillating

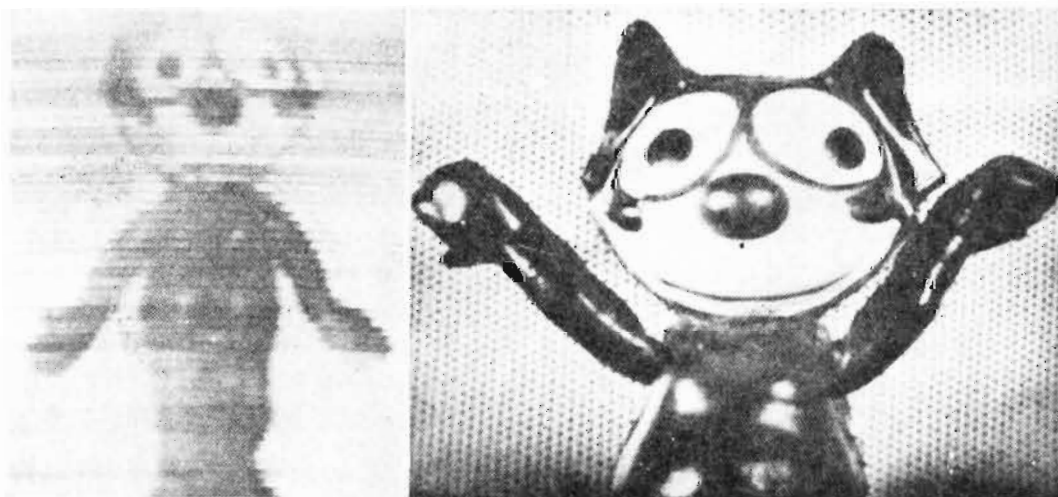
success, be thwarted." But no decision was made in 1937 and the copyright problems continued—as did technological developments.

The FCC, in October, authorized WGH(AM) Newport News, Va., and WHO(AM) Des Moines, Iowa, to experiment with facsimile broadcasts from midnight to 6 a.m.

Significant developments in television included the testing of 441-line images by RCA-NBC, the adoption of a 441-line standard by the Radio Manufacturers Association, the demonstration of projection television by RCA, with images enlarged to 8 by 10 feet, the request for an experimental video station in New York by CBS,

and the demonstration by Bell Laboratories of television transmission over a 90-mile coaxial cable connecting New York and Philadelphia.

To the enlightened, television was seen as the new dimension and the new battleground. AS BROADCASTING reminded those who peered too longingly at the house that radio built: "Engineers engaged in this visual research are radio engineers . . . The companies footing the research bills likewise are in the aural broadcasting . . . The broadcasters themselves are nurturing this development, properly preparing to take over the obligation of television broadcasting when the time arrives."



TELEVISION PROGRESS—From 60 lines to 441 are indicated by these photos of the projected images of Felix the Cat as broadcast over the RCA-NBC experimental station atop the Empire State Bldg. in New York. Photo at left shows how the image, projected off film into the Iconoscope, looked on the Kinescope cathode-ray screen when built up at the rate of 60 lines per frame, now an antiquated process. The other picture shows the same shot built up at 441 lines, the RMA standard which is expected to be the way the public will first see television. RCA-NBC are now engaged in test broadcasts of 441-line images but only a few have been permitted to see the results.

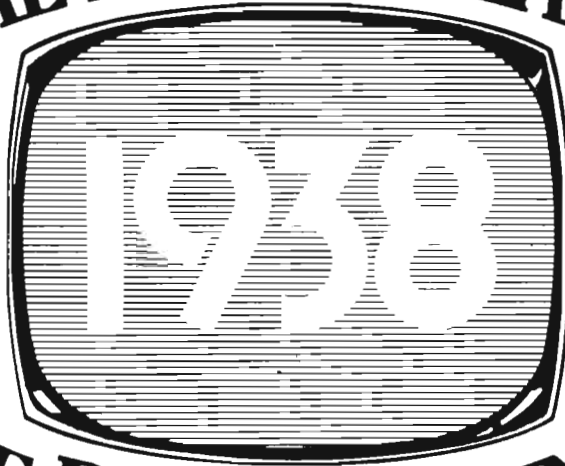
—Broadcasting, April 1

Stay Tuned

1. Who instituted the technique of positioning reporters in four or five countries and connecting them by short-wave to comment on one another's news reports?
2. Orson Welles's "War of the Worlds" was part of what show?
3. What landmark FCC investigation began in 1938?
4. What percent of urban homes contained at least one radio by Jan. 1, 1938?
5. The passage of the Wheeler-Lea Act in 1938 stripped what government department of its jurisdiction over food, drug and cosmetic advertising?

The answers
in "1938."

THE FIRST 50 YEARS



OF BROADCASTING

Charlie McCarthy passed Edgar Bergen and made the *Chase and Sanborn Hour* the most popular radio show in 1938. But the irrepressible dummy's exchanges with Mae West didn't make it a popular show with FCC Chairman Frank McNinch. The government official warmed a cold day in January 1938 with a blistering rebuke to NBC for a McCarthy-West "Adam and Eve" skit several weeks before.

Aside from that, broadcasting in that year succeeded in frightening America with fictional and factual news reporting.

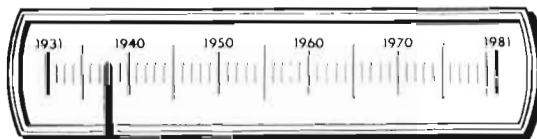
One involved Orson Welles's too-realistic simulations on a *Mercury Theater of the Air* drama. It panicked some CBS listeners into believing Martians had landed in New Jersey.

The others were real-world network reports of Adolf Hitler's annexation of Austria and part of Czechoslovakia.

Radio, the voice of dialed fantasy and far-away fact, brought this and more to 82% of U.S. homes. Less apparent to the American public were Washington events that dealt with the business of broadcasting. Those included an FCC order for an investigation of the networks for purported monopolistic practices. Congress, however, rejected the resolution of Representative William P. Connery Jr. (D-Mass.) who had sought a probe of the networks (see "1937"). Capitol Hill did pass the Wheeler-Lea Act which gave jurisdiction of certain advertising claims to the Federal Trade Commission.

What was more apparent in early 1938 to the American public was that Europe was giving ground to a restless Hitler and that it needed radio's quick bulletins. When Hitler took over Austria in March, CBS, NBC and Mutual shot the news to Americans by shortwave, with the German chancellor himself screaming to the world. From March 11 to March 15, CBS carried 12 trans-Atlantic broadcasts and NBC nine. Paul White of CBS, who in later years was to be honored as one of the fathers of broadcast journalism, instituted the technique of positioning reporters in different countries where the war flames were breaking out and connecting the correspondents by shortwave to comment on their own and others' news reports.

When Hitler took over part of Czechoslovakia in September,



Alabama opened the New Year by losing 13-0 to California in the Rose Bowl. It set the tone for 1938 defeats. FDR was set back when he tried to intervene in the congressional primaries to defeat conservative Democrats who were drifting from the New Deal to the Republicans. Paramount Pictures and seven companies were losers when the government threw an antitrust suit at them. Things didn't even go right for Wrong Way Corrigan who wound up in Ireland—and eventually Hollywood—on the strength of his misdirected trans-Atlantic flight. One of 1938's few winners came out of a Broadway show, when Mary Martin (J.R.'s real-life mother) shed her ermine wrap and sang "My Heart Belongs to Daddy." And in BROADCASTING . . .

CBS broadcast 151 pick-ups, NBC 147 and MBS a lesser number in the 18 days preceding the Munich pact. (Under the agreement, England and France agreed to the take-over in exchange for Hitler's promise of peace.)

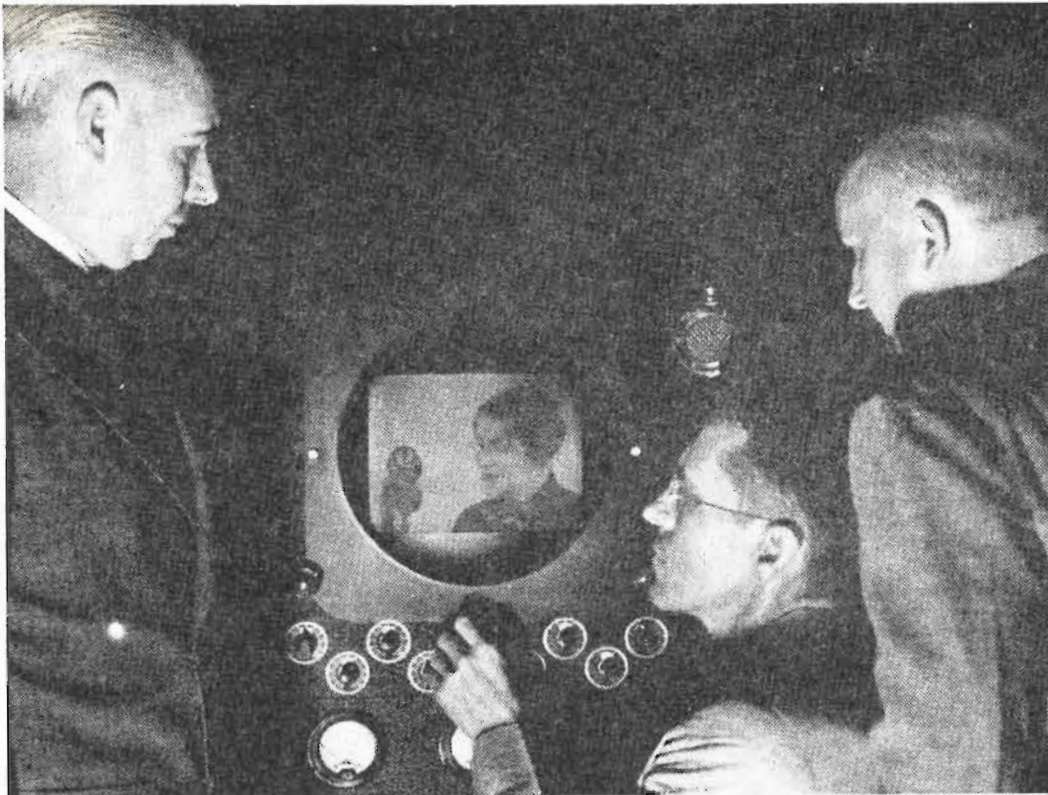
Many in the world were grateful for what they thought was a lasting peace, and in America the feeling was that radio had contributed to that effort. BROADCASTING, in an October editorial wrote: "'Radio,' so the saying went in Washington circles, 'and Roosevelt stopped Hitler,' as the news of resumed peace negotiations after the President's second message to Hitler heightened the world's

hope there would be no war."

Neville Miller, president of the National Association of Broadcasters, declared that "Radio was really putting into effect what was the basis of the League of Nations—getting people around the table to talk things over. The speed with which we could get all the people around the table was a big factor in bringing about a peaceful settlement."

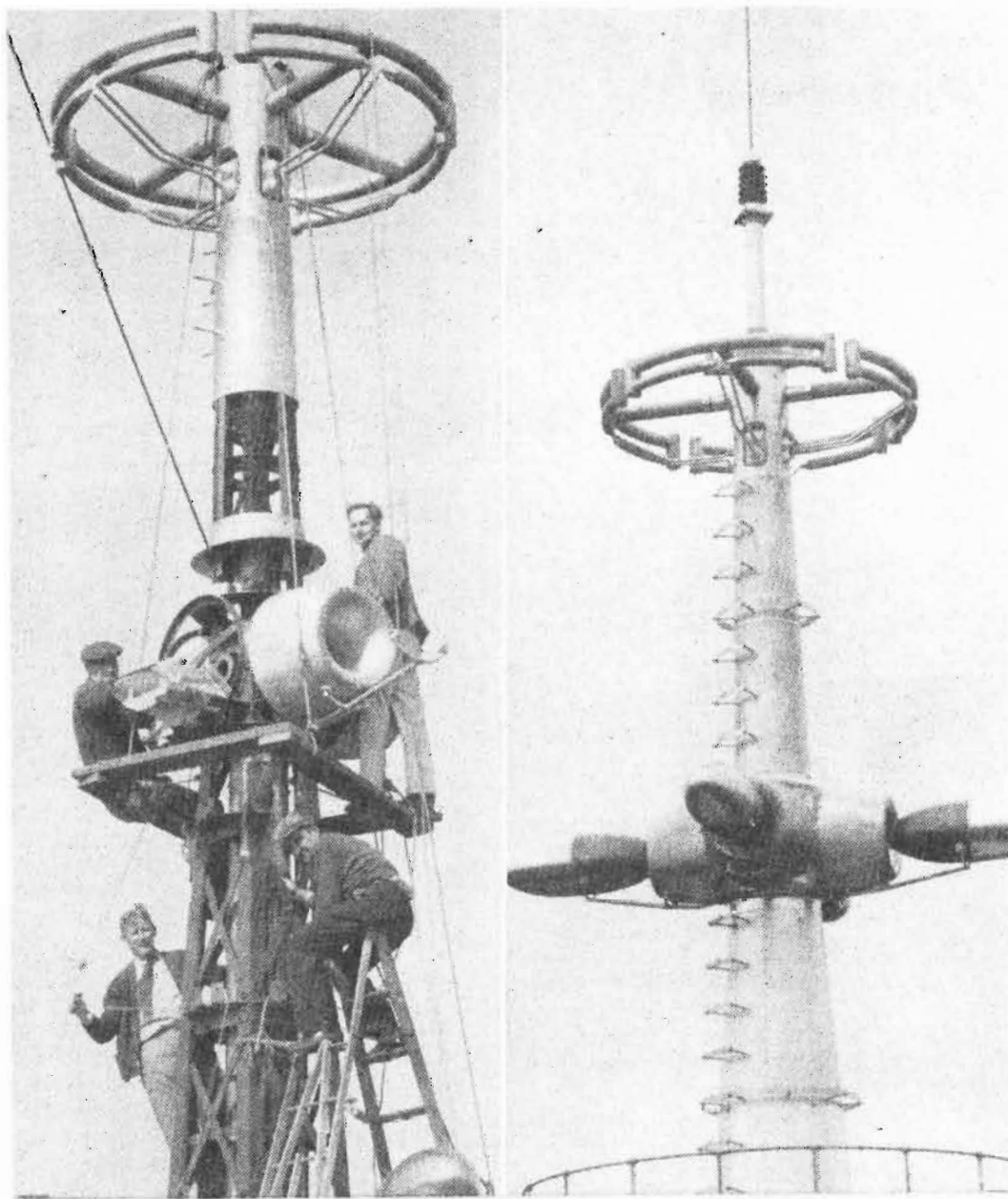
But if war came, the view prevailed that there would be little, if any, immediate effect upon broadcasting operations in the U.S. Although under war conditions the President possessed the authority to suspend or amend regulations "in order to preserve the neutrality of the United States," insiders assumed no change to be the rule of the future since America and its radio shared neutrality. In praise of that, BROADCASTING pointed out: "Any American listener who heard the propaganda-saturated 'news' reports from the government-owned radio stations abroad, particularly from the dictator countries, must upon reflection thank his lucky stars not only that he lives in a country far away from the strife and turmoil but that America maintains a democratic radio along with a free press."

If Americans felt secure in their distance from the turmoil broadcast to them from European eyewitness reports, many stateside listeners accepted the creatively contrived tale of a Martian invasion told in October by Orson Welles in a *Mercury Theater of the Air*'s production of H. G. Wells's "War of the Worlds." Duped by the clever verisimilitude of the *Mercury Theater*'s appropriation of the words and rhythms of news reporting, many listeners panicked about poison gas and Martian fires, called radio stations and the authorities. Some even



BEFORE the monitor panel at a demonstration by Midland Television Inc. at KMBC, Kansas City, Arthur B. Church (left), president of KMBC and a principal stockholder of Midland, J. R. Duncan, chief television engineer, and G. L. Taylor, president of the company, study the 441-line television image of Caroline Ellis, who begins *Caroline's Golden Store* for General Mills, Minneapolis, on WHO, Des Moines, Aug. 15.

—Broadcasting, Aug. 15



NEW TELEVISION antenna being built for operation by RCA-NBC atop the Empire State Bldg., New York. Left photo shows antenna being erected for test at the RCA Communications laboratories at Rocky Point, Long Island. Right photo shows how it will appear when installed.

—Broadcasting, Dec. 1

fled the "threatened" New Jersey area.

This happened despite CBS's warnings before, during, and after the Oct. 30 broadcast that the attack was fantasy. Afterward, W. B. Lewis, CBS vice president, expressed the network's regrets and assured listeners and the FCC that "in order that this may not happen again, the program department hereafter will not use the technique of a simulated news broadcast within a dramatization when the circumstances of the broadcast could cause immediate alarm to numbers of listeners."

Going even further, FCC Chairman McNinch called a meeting with NBC President Lenox R. Lohr, CBS President William S. Paley, and Alfred J. McCosker, chairman of the board of MBS, at which the networks agreed to limit the use of attention-getting terms like "flash" and "bulletin" in fictional situations.

Such tactics persuaded some broadcasters that the networks were appeasing the FCC and that the FCC was invading the area of private enterprise. In February the FCC set aside 25 channels (each 40 kc wide) in the 40-42 mc band for the exclusive use of noncommercial educational stations.

Next, the FCC, on March 18, issued "Order No. 37," opening a study of network broadcasting and the contractual relationships with affiliates. On March 25, the FCC adopted "Order No. 38," a request for complete fiscal information from all stations. And then, the FCC scheduled hearings on reallocations.

FCC investigations in 1938 probed the basics: the allotments for educators, the effects of superpower, the room for independents, the dealings of the networks, and the financial and programing freedoms of their affiliates.

The networks were a dominant force in broadcasting. By the end of 1938, the national networks had affiliations with 50 of 52 clear-channel stations, and ties with half the regional stations.

While the National Association of Regional Broadcast Stations and the National Independent Broadcasters fought superpower (500 kw) because of fears of economic ruin and technical interference for smaller stations, the clear-channel group argued for more than 50 kw power. The Senate precluded a lengthy battle between those forces when it adopted Senator Burton K. Wheeler's (D-Mont) "sense of the Senate" resolution that "... the operation of radio broadcast stations in the standard broadcast band with power in excess of 50 kw is definitely against the public interest, in that such operation would tend to concentrate political, social and economic power and influence in the hands of a very small group ... [and has] injurious economic effects on other stations operating with less power. ..." This statement was a resolution and not a law; while the FCC granted WLW Cincinnati the usual six-month license-renewal in August, the FCC superpower committee in October recommended that WLW's license for its high

power not be renewed.

With the superpower issue laid momentarily to rest, the FCC moved ahead with its "chain-monopoly" investigation. The data provided by "Order No. 38" would be of benefit "to all concerned in the progressive development of broadcasting," assured FCC Commissioner T. A. M. Craven, "particularly in the social and economic phases of the application of this relatively new invention to the service of the public."

The authority and effectiveness of a possible congressional or FCC investigation in the chain-monopoly inquiry were hotly disputed in Congress, until the House, in June, rejected by a 234-to-110 vote a resolution that called for a congres-

sional investigation of radio monopolies. The task rested with the FCC despite charges of bias by several representatives.

The FCC delved into all phases of network operation, station contracts, program contents and network control. The FCC wondered, as Chairman McNinch put it, whether independent broadcasters have any "liberty left to them for local expression."

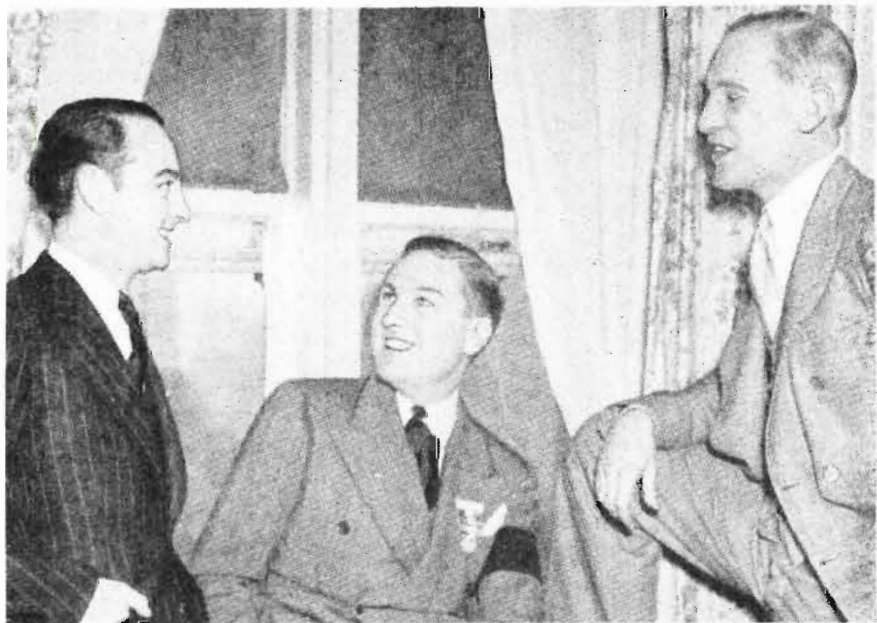
A look at the networks' reports showed that NBC's gross time sales in 1938 amounted to \$41,462,679, a 7.3% increase over 1937. CBS's gross time sales were \$27,345,397, a 4.8% decrease from 1937, and MBS's \$2,920,324, a 30.4% increase over the preceding year. The gross total sales for the industry climbed to a record

\$150,118,400, but the figure represented the smallest annual gain, 4%, of any year since dependable records had been kept.

The chain-monopoly inquiry changed into a full-scale investigation of all broadcasting, or what BROADCASTING called "a penetrating inquisition" because "How is it possible to survey the status of the networks without inquiry into affiliated stations, which really *are* the networks? But the notice goes far beyond that. The whole field of transcriptions is included. So are the fiscal relations of stations with networks, with advertisers, with their representatives, with agencies—and in fact every piece of the jigsaw that makes up broadcasting by the American plan."

Such scrutiny required months, and so

Names that made news in BROADCASTING's coverage of the NAB convention in Washington



LATEST STORY—Being recounted to Barry Bingham, WHAS, Louisville (center) and George Norton, WAVE, Louisville (right) by John J. Gillin Jr., WOW, Omaha.



A POSEY FOR ELLIOTT—The son of the President of the United States, Elliott Roosevelt, now chief of all Hearst Radio enterprises, is snapped in a happy mood as Mutual's pretty flower girl pins a carnation on his lapel.

—Broadcasting, Feb. 15



NEW NAB BOARD—Just prior to the first meeting of the new board of directors of the reorganized NAB Feb. 16, this exclusive photograph was made by BROADCASTING. Left to right (front row): Edwin W. Craig, WSM; W. Walter Tison, WFLA; Harold V. Hough, WBAP; John Shepard, 3d, Yankee Network; Walter J. Damm, WTMJ; Mark Ethridge, WHAS; John Elmer, WCBM. Middle row: C. W. Myers, KOIN-KALE;

Frank M. Russell, NBC; Donald W. Thornburgh, CBS; Elliott Roosevelt, Hearst Radio; Herb Hollister, KANS; Edward A. Allen, WLVA; John E. Fetzer, WKZO; O. L. Taylor, KGNC. Back row: Earl H. Gammons, WCCO (CBS); Harry C. Wilder, WSYR; Clair R. McCollough, WDEL; Lambdin Kay, WSB; John J. Gillin, Jr., WOW; Ralph R. Brunton, KJBS. Absent were John A. Kennedy, WCHS, Gene O'Fallon, KFEL.



CBS Dedicates New Hollywood Center

Functional Needs Are Dominant in Big Radio Plant

By DAVID GLICKMAN

WITH radio executives from all parts of the West Coast and many

Union Trans-Lux ticker installed in the lobby of the building. The machine projects magnified messages on a screen.

The new CBS building, matching the Hollywood environment in beauty, and embodying all the technical improvements that years of experience and scientific research

executives and production facilities; and, to the right, directly at the rear of the patio, the Columbia Square Playhouse, an auditorium theatre seating 1,050 persons. Fourth unit houses Columbia Management of California, the network's artists bureau, and other offices, as well as a recording studio which

also houses executive offices, has been equipped with two small studios intended for audition purposes only. They can also be used for broadcasting, equipment and wiring necessary for such purposes having been installed. CBS also has its own recording studios.

The master control, behind brilliantly lighted, soundproofed shadowless, double-glass windows 20 feet long, is located in the foyer

—Broadcasting, May 1

the FCC and the networks, affiliates and independents piled specific data on specific data throughout the remainder of 1938 and into 1939. Meanwhile, the industry, via such voices as the NAB and RCA's David Sarnoff, repeatedly urged self-regulation in an effort to contain FCC and congressional probes. "If it accomplishes nothing else (and the prospects do not appear very bright)," BROADCASTING editorialized in December, "the FCC's network inquiry already has served a useful purpose. It has tended to focus industry attention on self-regulation and the development of voluntary program standards."

As *Fortune* magazine pointed out in a May article, "You cannot criticize the output of radio as a whole without criticizing the taste of the American public." With 91%, or 107,195,600 urban homes containing radios as of Jan. 1, 1938, and 69%, or 9,470,900 rural homes with radios, Americans listened to radio with increasing frequency, especially since 14.8%, or 3,954,041 homes contained two or more radios, and 17.4%, or 4,639,438 automobiles contained radios.

Fortune declared that American listeners got what they wanted: "It may be distressing to be told that the chief entertainment of 129 million people is a ventriloquist's dummy, swing bands, Broadway wise guys, and . . . assorted fluff, gush, and drivel. . . . But there you are. When you challenge the right of the people to like it, you challenge democracy itself. And that it is healthier for a nation to listen to Charlie McCarthy from choice

than to Adolf Hitler or any conceivable American prototype from necessity, few lovers of freedom would deny."

With the European war clouds always on the horizon, Americans turned to radio for news and entertainment. An FCC programming survey revealed that music constituted 53% of radio's program content, talks and dialogue 11%, drama 9%, variety 9%, news 9%, religion 5%, special events 2%, and miscellaneous 2%. During the survey period, 64% of shows were broadcast live, 21% from electrical transcriptions, and 12% from phonograph records.

On other fronts, the Wheeler-Lea Act, signed into law in March and effective in May, gave the FTC, instead of the Department of Agriculture, jurisdiction and new powers in dealing with false or misleading advertising of food, drugs and cosmetics, which remained the largest categories of the network sponsorship. The advertising of drugs and toilet goods in 1938 brought the national networks \$19,413,860, while foods and beverages brought \$21,784,263.

BROADCASTING analyzed the situation in an April 1 editorial: "The new law is strong . . . it affects directly . . . one-third of radio revenue. Broadcasters, along with other media owners, are exempted from liability because of false advertising provided they supply the FTC with information as to the identity and post-office address of the advertiser. . . . Assurances are given by the FTC that it will not embark upon any punitive spree with its newly acquired authority."

Senator Wheeler, decrying the power of the media and alleging monopoly, had pro-

posed in 1936 and 1937 congressional investigation of the joint ownership of radio stations and newspapers, a suggestion that alternately found favor and dispute.

When the FCC, in March, approved the sale of WHBC Canton, Ohio, to the *Canton Repository*, it in effect meant the FCC had dropped its discrimination against the ownership of radio stations by newspapers. The anti-newspaper ownership crusade was briefly advanced again by Senator Sherman Minton (D-Ind.) in April when he argued that the federal licensing of stations "should be carefully studied in order to see that the 33-1/3% of the stations which are now owned by newspapers are cleaned up and the newspapers are put out of the radio business." However, with the FCC conducting a major inquiry of its own into radio, no congressional action materialized.

Despite the lessening of the old antipathy between newspapers and radio induced by shared ownership and profits, past stresses occasionally surfaced. According to a BROADCASTING editorial, the uproar produced by Orson Welles's "War of the Worlds" provided an interesting example: ". . . It is now apparent that most of the hysteria allegedly promoted by the 'Martian invasion' was actually headline-bred. First, the story 'broke' on a dull Sunday night in the newspaper shops. From the feature standpoint, it was a natural. . . . But in addition to that, it gave newspaper publishers a chance to give radio another swift kick. Even though many publishers now accept radio as a contemporary advertising medium, they almost unanimously

NBC's MAGNIFICENT NEW HOLLYWOOD RADIO CITY



Canada Complete

RADIO COLLEGE OF CANADA, Toronto, starts a 15-minute transcription show about Nov. 1, which will gradually be placed on practically all Canadian stations, according to R. C. Smith & Son, Toronto, recently appointed advertising agency for the school, which formerly placed its advertising through Norris-Patterson, Toronto.

BROADCASTING facilities are incorporated in the Earl Carroll Theatre-Restaurant, being erected in Hollywood. Acoustical treatment similar to radio studios has been drawn into plans. A master control and an 80-foot revolving stage are included. Carroll is negotiating with both NBC and CBS.

Hollywood Radio City Ideal Plant

(Continued from Page 22)

perse all unnecessary sound, insuring perfect broadcasting conditions. Studio walls have been built with "V'd" surfaces—a series of flat triangles which scatter sound and eliminate what is technically known as "discreet reflections". Studio ceilings have also been built with "V'd" surfaces which serve ingeniously as valances for lights and air-conditioning outlets.

All parallel surfaces which remain flat for acoustical efficiency were treated with a heavy layer

are being sent. Visitors are able to "see" the sound waves of programs being transmitted. Shamel Electric Co., Los Angeles, installed all RCA broadcasting equipment and sound wiring for the studios.

Final note will be a mural, 25 feet high and 40 feet wide. It will cover a curved wall of the main foyer's interior. The dominant painting, executed by Ed Trumbull, Connecticut artist, portrays the far-flung activities of radio. It is entered by

the gasoline generator is ready to take over the job.

Although there was no formal opening, it is expected that after the building is entirely completed NBC will hold open house for the trade, as great interest is being shown by Pacific Coast agency and radio executives in the many innovations incorporated. For the general public, NBC in late November will inaugurate a 40-cent tour of Hollywood Radio City.

Executive personnel in the new structure, besides Mr. Gilman include Lew Frost, assistant to the vice-president; Sydney Dixon, sales manager; John Swallow, program

—Broadcasting, Nov. 1

resent it as a news competitor. So the swifter the kick, the better, from their point of view."

On the labor front in 1938, the American Federation of Radio Artists worked throughout the year on contracts for radio talent. The American Federation of Musicians negotiated a pact with the networks in February requiring double their staffs of musicians, and with independents in October providing higher salaries for musicians but giving stations the right to use recorded music without reprisals. Meanwhile, Bureau of Labor statistics revealed that radio's average weekly paycheck of \$45.12 was the highest of all U.S. industries.

That old nemesis, the American Society of Composers, Authors and Publishers, remained on the minds of broadcasters, although the battles occupied fewer headlines since ASCAP contracts were in effect for two more years.

Even though the government's antitrust suit against ASCAP was still to be resolved (see "1935"), broadcasters sought to bring more pressure to bear. Neville Miller, who had become the first paid NAB president, asked the Senate Monopoly Committee to investigate the entire music copyright business, especially ASCAP. At a broadcasters' meeting in October, Miller argued for a united policy and "proper dealings" with organized labor, ASCAP and other copyright groups because, "... radio stations underestimate their great value. These stations are the most potent factor in the world today for good or evil, and the owners of our radio

stations must fight for the right to do their job in the way it should be done."

Television in 1938 moved farther out of the laboratory. By June the Television Corp. of America and the Allen B. Dumont Laboratories were selling television sets to the public. By October, RCA announced its adoption of a standard—441 lines, 30 frames per second—and its near readiness to sell television sets to the public.

And in December, a patent for the iconoscope-kinescope tubes, the basis for electronic TV, was granted to Dr. Vladimir Zworykin after 15 years of litigation.

With the age of television still awaited, many felt that facsimile's time had come. BROADCASTING warned in February: "Facsimile has been pioneered by broadcasters. If it proves entirely feasible it will be an auxiliary broadcasting service. Broadcasters should protect their future interests as well as their present ones."

Facsimile stations organized into a group. BROADCASTING, in February, published the first facsimile newspaper for the NAB convention in Washington. WHO Des Moines, Iowa, started facsimile broadcasting on a regular basis in February. KSD St. Louis and the *St. Louis Post-Dispatch* in December inaugurated a collaborative publishing of a facsimile newspaper every afternoon.

While television and facsimile were capturing the fancy of some broadcasters, frequency modulation appealed to a few others as more imminent. Edward Armstrong received help for his invention from John Shepard III, president of the

Yankee Network, who, in January, began construction of a \$250,000, 50 kw FM station on Mount Wachusett in Princeton, Mass. Armstrong built his own 50 kw station at Alpine, N.J., and began low power tests in April. However, Armstrong remained relatively alone in the development of FM, which a good many AM broadcasters saw as an unwelcome competitor.

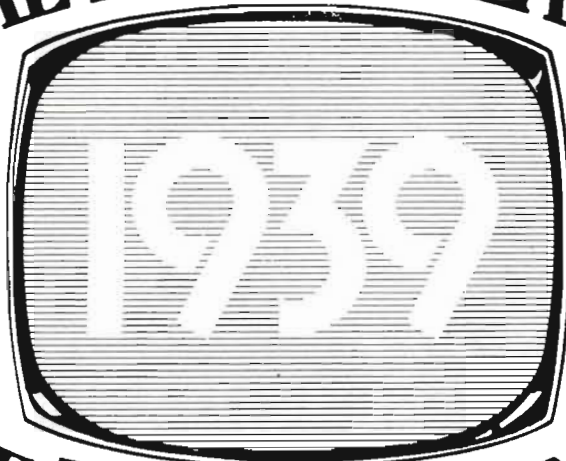
In 1938, as the age of innocence drew toward a close, *The Lone Ranger* and *The Green Hornet* appeared on the same air with H.V. Kaltenborn and Edward R. Murrow broadcasting stories of Hitler's secret police confiscating Jewish property. But the Martian fires still seemed more real than Hitler's threats. "Radio and Roosevelt" had stopped Hitler once. Surely they could do it again.

Stay Tuned

1. What provision in the NAB code created some problems with the Rev. Charles E. Coughlin and Elliott Roosevelt, among others?
2. Who replaced Frank R. McNinch as FCC chairman?
3. How many radio stations were on the air at the end of December 1939?
4. What regional network was attracted to Armstrong's FM system?
5. How many FM applications did the FCC have by fall?

The answers
in "1939."

THE FIRST 50 YEARS



OF BROADCASTING

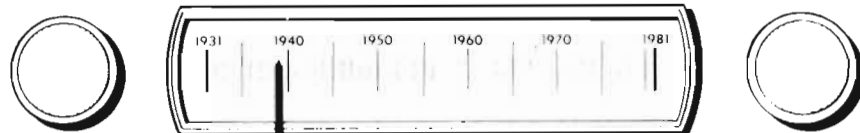
To the public, radio's big story in 1939 centered on its around-the-clock reporting as World War II broke out in Europe in late summer.

To the broadcasters, the big stories at home focused on the creation of Broadcast Music Inc. as the copyright war intensified and the establishment of a self-imposed code of behavior by broadcasters keeping a wary eye on the FCC.

The war brought the frequent news commentary of H.V. Kaltenborn, Edward R. Murrow and William L. Shirer for CBS; Fulton Lewis Jr. and John Steele for MBS; and Max Jordan, Fred Bate, Howard Marshall and Earl Godwin for NBC.

All the international leaders offered their agendas to the world via radio prior to the outbreak. Dr. Edward Benes, former president of Czechoslovakia, answered questions on March 19 for NBC. Benito Mussolini's speech before the Fascist Grand Council in Rome on March 20 received air time, a translation and a summary from all three networks. French Premier Daladier's response to Il Duce's demands on March 29 received similar treatment, as well as a special analysis by H. V. Kaltenborn for CBS. Chancellor Adolf Hitler's speech to the German Reichstag in which he answered Roosevelt's suggestions for world peace came on at 6 a.m. (EST), direct from the Kroll Opera House in Berlin, with running translations and foreign and domestic commentaries.

With the world so much in turmoil, the networks agreed to adapt their coverage "... to avoid horror, suspense and undue excitement [and] ... descriptions of hypothetical horrors which have not actually occurred. ... Broadcasters will, at all times, try to distinguish between fact, official statement, news obtained from responsible official or unofficial sources, rumor, and matter taken from or contained in the foreign press. ... If broadcasts become available from scenes of battle, bombed areas, air-raid shelters, refugee camps ... broadcasters ... will use taste and judgment to prevent such broadcasts from being unduly harrowing." Caution, temperance and neutrality were the watchwords.



Gasoline sold at 14 cents a gallon. Sounds of an approaching world war were somewhat muted by the cheers when Joe Louis knocked out four aspirants to his heavyweight title. Other crowns in the news: Great Britain's King George VI and Queen Elizabeth visited the U.S., and Eugenio Cardinal Pacelli was coronated as Pope Pius XII in a Vatican ceremony broadcast to the world. There was no Nobel prize for peace in 1939, the year in which Hitler finally provoked World War II by invading Poland and annexing the free city of Danzig. FDR reacted by calling a special session of Congress to revise the Neutrality Act to permit munition sales to Great Britain and France. An NBC eyewitness report from Uruguay in December chronicled one of the first setbacks to the Nazis: the scuttling of the Admiral Graf Spee, on Hitler's order, after the German pocket battleship had been cornered by British warships in Montevideo harbor. And in BROADCASTING ...

After Hitler's August annexation of Czechoslovakia, a BROADCASTING headline read: "Crisis Will Not Upset American Broadcasts." The editors reported that "While certain regulatory steps will be taken to preserve the neutrality of the United States, there is no present disposition on the part of the U.S. government to molest normal commercial operations of most stations. On the contrary, the government attitude appears to be that of maintaining a 'hands-off' policy, realizing that broadcasting will serve a singularly useful purpose in informing and maintaining the morale of the people. ... Because of the vastly increased numbers of news broadcasts, direct from the theater of operations abroad, government officials themselves, as well as the citizenry

by and large, are relying upon radio reports for first-hand information."

In fact, some like Dr. Lee DeForest, inventor of the audion radio tube, predicted that "the magic might of radio" would put the world back together again since "... sufficient millions of radio receivers are scattered throughout the hamlets and rural districts of Europe. ... The masses of the warring people are thus acquiring hourly ... knowledge of how the battle is going on all fronts. ... In 1914 and in 1918 millions of listeners could not hear, as today ... the hourly news bulletins, the emphatic words of their national chiefs."

With the world situation intensifying America's demand for news, BROADCASTING reported a "young boom" in spot business from advertisers "grabbing up" news time. The Associated Press in February began supplying news to NBC without charge and for sustaining use only, once NBC stopped using the Press Radio Bureau. By June AP's board authorized the sale of AP news for sponsored broadcasts.

The war and the trade boom pushed radio's gross time sales to more than \$171 million, a 14% gain over 1938, with net time sales of \$131 million, a 12% gain over 1938.

Partly because of the war, and partly because of FCC scrutiny, the NAB created a code (effective Oct. 1), one tenet of which proclaimed that there shall be "no sale of time for

New NAB Code Would Limit Commercials

New York Meeting Makes Marked Progress

By BRUCE ROBERTSON

A LIMITATION on length of commercials employed in all programs will be a likely key conclusion in the projected new Code of Ethics being drafted by the NAB, under preliminary plans discussed by the NAB Committee on Self-Regulation during a three-day session at the Hotel Ambassador, New York, March 23-25.

Conversation centered around a proposal which would put a time limitation on 15-minute program units, with a differential between day and night offerings. While a completed code was not produced and conversation was only general, there was considerable support for something in the nature of a 15% limitation on commercials daytime and 10% at night, with an overlap of an additional 30 or 35 seconds for contest offers.

NBC's projected program standards [see article on this page] may be held up until the NAB committee completes its work, contemplated for the convention at Atlantic City July 10. NBC



LOOKING UP from a hard tussle with the problems of setting up program policies for the entire broadcasting industry are (standing, l to r): Theodore C. Streibert, MBS; Edward M. Kirby, NAB; E. B. Craney, KGIR; Edwin M. Spence, NAB; Gilson B. Gray, CBS; Earl J. Glade, KSL; Edwin M. Craig, WSM; Edgar L. Bill, WMBD. Seated: Gomer Bath, NAB; Karl O. Wyler, KTSM; Walter J. Damm, WTMJ; Neville Miller, NAB; Samuel R. Rosenbaum, WFIL; Herb Hollister, KANS; Paul W. Morency, WTIC. Not present when the picture was taken were Niles Trammell, NBC; William S. Hedges, NBC; Edward Klauber, CBS.

and of every class and type of station, there was a unanimous agreement on the fundamental point that the broadcaster must accept the task of presenting the news of the day and impartial discussions of the many issues that come out of the

the committee was in full agreement is the differences that exist between communities of varying sizes and in various geographical locations. A program that is entirely acceptable in a large city

served for the announcement of special news bulletins exclusively.

False and misleading statements and all other forms of misrepresentation must be avoided.

Pointing out...

—Broadcasting, April 1

controversial issues." Almost immediately, two skirmishes resulted. One involved the Rev. Charles E. Coughlin, a controversial Detroit cleric, who broadcast on a 44-station independent network. The other concerned FDR's son, Elliott Roosevelt, president of the Texas State Network.

Coughlin had begun his social commentary on radio in 1930 by attacking such items as Hoover's presidency, bankers and "unregulated capitalism," while praising Franklin Roosevelt, silver and a responsible state. By the mid-thirties, Coughlin turned on Roosevelt, the World Court and Jews, while praising his right-wing National Union for Social Justice, which embodied many Nazi principles.

When the NAB Code Compliance Committee ruled that Father Coughlin's program should not be renewed for sponsorship after its expiration at the end of October, many stations pledged to follow the ruling while almost as many pledged to ignore it. The ruling was based on the code provision that banned sponsorship of programs that dealt with controversial issues. John Shepard III of the Yankee Network, the most formidable opponent of the edict against Father Coughlin, finally acquiesced in November. Shepard said he would not air Coughlin on a sponsored basis, but would only accept revenue sufficient to defray actual line and overhead costs. However, some other stations dropped Coughlin altogether.

Elliott Roosevelt violated the code by continuing to present his personal opinion on the arms embargo in his thrice-weekly

commentaries over MBS. Not only would he not compromise, but Roosevelt protested by withdrawing four Hearst-owned Texas State Network stations from the NAB.

While most of the industry supported the code, Elliott Roosevelt was not alone in labeling it blatant censorship. Some like John F. Patt, vice president of WGAR Cleveland, WJR Detroit and KMPC Los Angeles, and David Lawrence, editor of the *United States News* and noted Washington commentator, felt that the code moved radio, in Patt's words, "a step in the direction of censorship and abridgment of free speech. . . . It [the code] goes beyond mere self-regulation into the realm of strangulation, stagnation and censorship." Nevertheless, the code prevailed.

Along Washington's Pennsylvania Avenue the FCC collected controversy, data, new members, decisions and some reversals. An FCC shake-up attempt, rumored in late 1938, surfaced in 1939 in a request by President Roosevelt and a proposal by Senator Burton K. Wheeler (D-Mont.) to replace the seven-member FCC with a three-member Federal Communications and Radio Commission. FCC Chairman Frank R. McNinch, tired of a seven-member team whose "ultimate result is likely to be a breakdown of regulation, playing into the hands of the industries to be regulated and leaving the public interest unprotected," campaigned for the Wheeler bill, which ultimately met defeat, but not before it conjured a good deal of anti-FCC sentiment, and a counter-proposal by Senator Wallace White Jr. (R-

Me.) for an 11-member FCC.

Typical of the prevalent anger aimed at the FCC was BROADCASTING's Feb. 1 editorial, "The FCC's Chickens Come Home To Roost." "After its magnificent four-year buildup of internal turmoil, invective and plain old-fashioned squabbling," wrote the editors, "President Roosevelt finally had to blow the lid off the FCC. His call for a new commission and for a new law setting forth policies is the inevitable result of the disquiet and the quarreling within the commission and its resultant widespread disrepute."

Nevertheless, the FCC accomplished some of its goals. The chain monopoly inquiry, begun in November 1938, culminated in May 1939 with a wealth of acquired data ready for sifting. Among the interesting facts, CBS revealed that its lifetime profits (from its inception in 1927 to 1938) totaled \$22.5 million. NBC listed its net profits for a 12-year period as \$22 million. In other actions, the FCC increased station license terms from six months to one year, although the Communications Act provided that licenses could be issued for up to three years. And the commission rescinded the special 500 kw authorization for midnight-6 p.m. operation of WLW Cincinnati.

However, the FCC encountered some reversals:

■ When the FCC allowed the sponsorship of international, short-wave broadcasts as long as the programs "culturally represented" the U.S., the cries of censorship forced a deletion of the caveat that allowed only programs "which promote

international good will, understanding and cooperation." When the FCC Television Committee in May praised the Radio Manufacturers Association-RCA television standards without adopting them, the same committee in November succumbed to pressure and accepted RCA's 441-line, 30-picture-per-second specifications as the standard.

■ When the appellate court ruled in August that economic considerations must be weighed in issuing station licenses, a formidable FCC theory crumbled. Previously, the FCC acted on the theory that a broadcasting license was never meant to provide the licensee with "an immunity from unlimited competition" since the same economic principles that govern the "butcher, the baker or the candlestickmaker" govern the broadcaster.

While the FCC called this ruling "a body blow to the American system of broadcasting," BROADCASTING placed the issues in perspective by focusing on the possible new powers of the FCC: "There can be no question that the court intended and delivered a knockout punch on the FCC's pet philosophy . . . it is hard to conclude whether the industry wins or whether the FCC now is armed with new and broad powers which forebode more stringent regulation, delving more deeply into income, rates and programs . . . the court . . . apparently assigns to the FCC broader powers than it has ever exercised or even asked."

Two new faces appeared on the FCC in 1939. When Commissioner Eugene O. Sykes retired in April, Frederick I. Thompson, publisher of the *Montgomery (Ala.) Journal*, replaced him. When

Chairman McNinch retired in September, James Lawrence Fly, general counsel of the Tennessee Valley Authority, was FDR's choice to replace him.

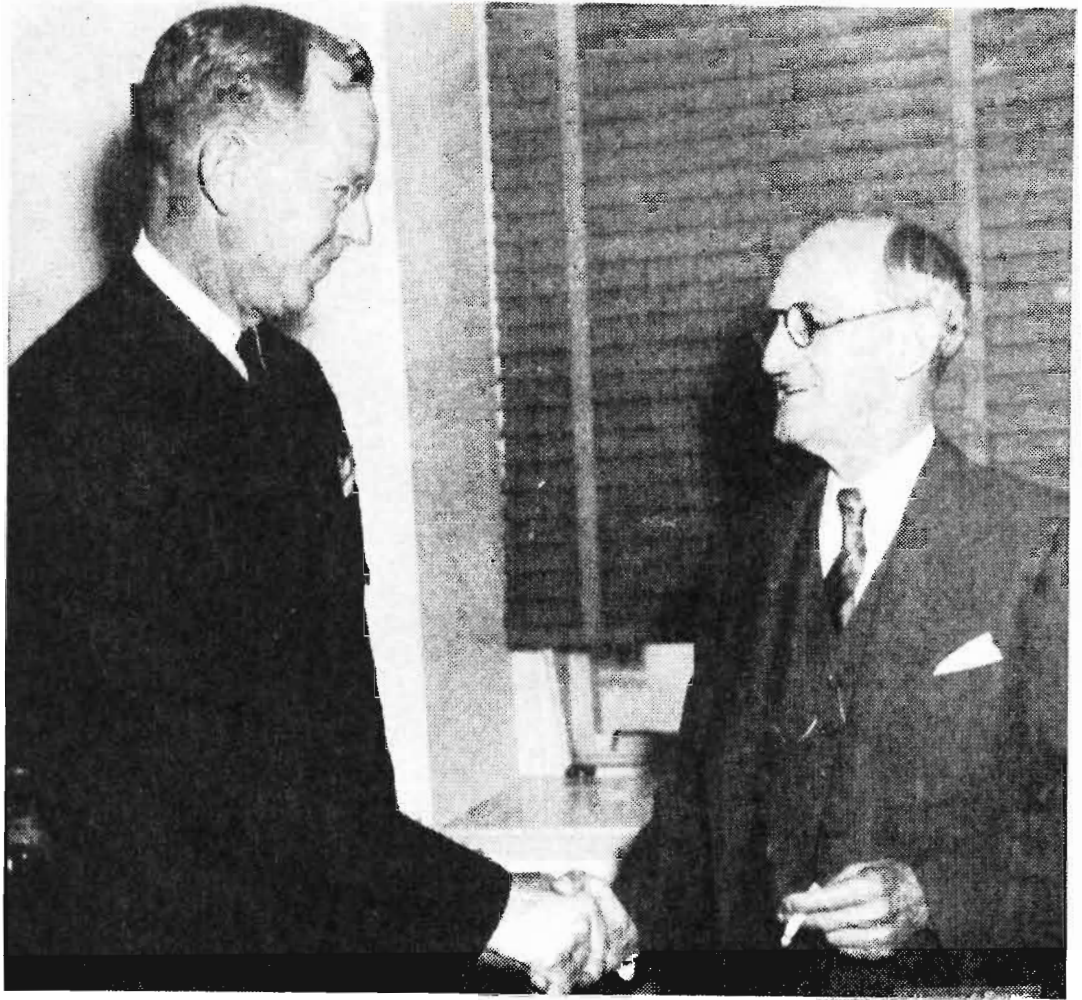
In 1939 the FCC approved 50 stations,

bringing the total at the end of December to 814. NBC, for the year, garnered \$45,244,354 in gross monthly time sales, a gain of 9.1% over 1938, CBS \$34,539,665, a gain of 26.3%, and MBS \$3,329,782, a gain of 14%. Such figures spurred more network competition; Elliott Roosevelt announced the formation of The Transcontinental Broadcasting System, a new national network to begin in January of 1940.

Broadcast journalism made an important stride when radio gained gallery privileges in May for both the House and the Senate, largely through the efforts of Fulton Lewis Jr., the MBS news commentator, who organized the Radio Correspondents Association and pushed for the appropriate legislation to establish it.

Such privileges, along with new laws and new visions, formed the signposts of radio growth and responsibility. Much to the relief of broadcasters, the Supreme Court of Pennsylvania overruled a lower court in September and held that a station is not liable for ad libbed remarks by a radio artist. Al Jolson's interjection about the Summit hotel in Pennsylvania—"That's a rotten hotel"—would have cost NBC \$15,000 under the lower court ruling in February. But with the new decision, such remarks just cost the station embarrassment without cash.

Another legal decision did cost the stations cash, and as might be expected, the controversy centered on music copyrights, although ASCAP was not the culprit.



CHANGE in command of the FCC took place Sept. 1 when James Lawrence Fly (left) took over the chairmanship from Frank R. McNinch. The angular Texan visited his diminutive predecessor Aug. 30, at which time this picture was made. Upon suggestion of an obstreperous reporter, Mr. McNinch went through the motions of handing to his successor a miniature, lapel-model eight-ball, not discernible here.

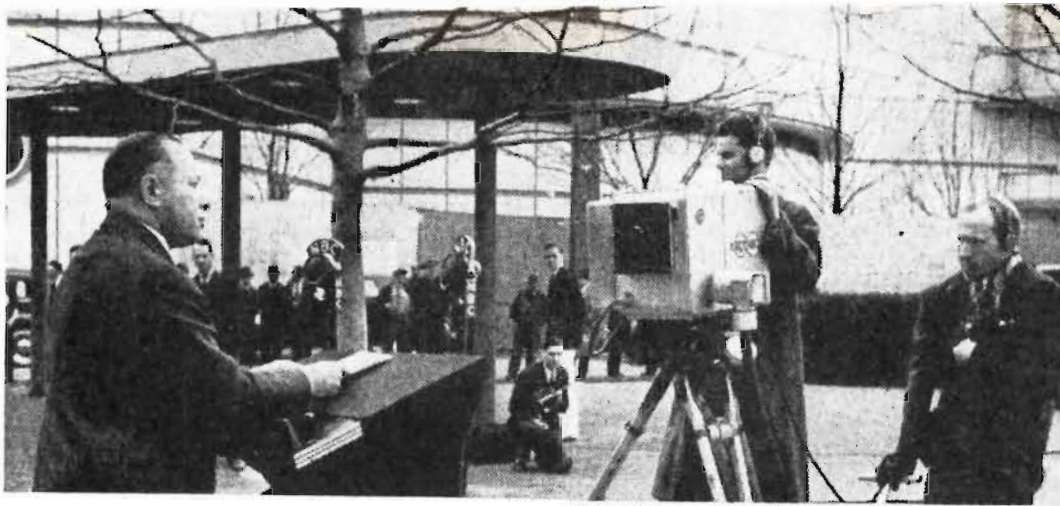
—Broadcasting, Sept. 1

Will Grace 'Radio Press Galleries'



RADIO REPORTERS who become charter members of the newly formed Radio Correspondents Association, with full Congressional gallery privileges are these three well-known ex-newspapermen. Al Warner (left) is the new CBS reporter-commentator. Fulton Lewis Jr. (center) is the MBS man who was instrumental in driving through the gallery recognition. H. R. (Buck) Baukhage is NBC's full-time air-journalist.

—Broadcasting, May 1



DAVID SARNOFF delivers the dedicatory address of the RCA Building at the Fair. His words are picked up by the microphones, heard in homes across the country. His image is captured by the television camera, seen by scores of onlookers seated before television receivers in Radio City, eight miles away. Handling the pickup are NBC's Richard Pickard, at the camera, Thomas Riley, at the right, while Sid Desfor of the network's photo staff (kneeling in the center background) prepares to make an angle shot of the dedicatory ceremonies. At right is image as seen on the Kinescope receivers.



—Broadcasting, Mar. 1

When the federal district court in New York issued a permanent injunction against WNEW New York in favor of RCA Victor, the ruling in effect held that without special provisions the performance rights on records belong to the recording company and not the artist. RCA Victor, therefore, announced plans to make its records available to stations for "a reasonable fee," which turned out to be between \$100 and \$300 a month.

Meanwhile, the broadcasting industry's war with ASCAP continued. NAB President Neville Miller called a special copyright convention in September, at which time the NAB established a \$1.5-million fund to create its own music supply. It marked the beginning of Broadcast Music Inc. BROADCASTING warned in April that in the next licensing negotiations ASCAP would ask for more than its present royalty "take" of between \$3.4 and \$5 million a year. As ever, the issue centered on, as BROADCASTING put it, the "payment of royalties . . . under conditions which do not entail duress and under circumstances which would involve payment only for what they [the broadcasters] use—not what ASCAP dictates as a 'privilege tax.'" Speaking for broadcasters, BROADCASTING argued that "The real issue is the salvation of the industry itself against tribute seekers of every ilk. ASCAP was the first to discover radio as an easy mark. . . ."

ASCAP shifted some of its focus to television in May. It announced that the society "unquestionably holds" the television rights of its members.

Throughout 1939 several state legislatures appeared to have perceived

monopolistic practices in ASCAP's procedures. Accordingly, they passed laws limiting the collection of music royalties to the actual music used, causing ASCAP to form legislative contingents for combat on a state-to-state basis. This led BROADCASTING to declare: "War is hell, whether its purpose is to preserve democracy in Europe against a madcap dictator or to preserve it in radio against an arbitrary totalitarian ASCAP."

On the technical side in 1939, facsimile, FM and television provided some provocative new territory for investors. Powel Crosley began marketing the Finch home facsimile unit, the "Reado," for \$79.50, which, according to BROADCASTING, "pushed facsimile out into full view of the public eye and, in presenting a new form of entertainment to the public, he has also presented to the broadcasters the task of making facsimile interesting enough to keep the public entertained. . . ." W2XBF New York, an experimental facsimile station, began regular programming for three hours a day in March.

When Edwin Armstrong's FM system made its debut on the Yankee Network in July with a 16-hour daily schedule, a new part of the industry appeared to have begun. By the fall when Armstrong's own 50 kw FM station, W2XMN Alpine, N.J., had reached full power, the FCC had 150 applications for FM stations, including one by CBS. Because of the successful experiments, the Yankee Network in October asked the FCC for a license for a regular 50 kw FM station in New York. General Electric as well as Bell Laboratories announced intentions to manufacture FM equipment.

When RCA-NBC telecast the opening of the New York World's Fair in April David Sarnoff used the occasion to inaugurate the television era. *Fortune* magazine estimated that visual broadcasting had cost \$13 million in research and development, with RCA's contribution estimated at between \$5 and \$10 million, CBS's at \$2 million, Philo T. Farnsworth's at \$1 million, and General Electric's at \$2 million. Besides RCA, CBS, DuMont and Zenith were also involved in experimental telecasts or in advanced stages of planning. British engineers developed the augetron, a new type of electronic multiplier which was heralded as the successor to the vacuum tube. There was enough activity in television to warrant BROADCASTING's inauguration of a "Television News Notes" as a new feature. All the activity led to the expression of territorial prerogatives, and a sense of manifest destiny.

BROADCASTING sounded the call: "A new industry is being born—a blood relation to broadcasting, reared and nurtured in the same laboratories that produced sound broadcasting. Realizing that television is their natural heritage, a number of far-sighted broadcasters have pitched into the new art. . . . The broadcasting industry must realize that it cannot afford to sit back. . . . The broadcasters, who can now buy television equipment if they can get transmission licenses, are in a strategic position to benefit from the errors of sound radio as they adopt techniques of video."

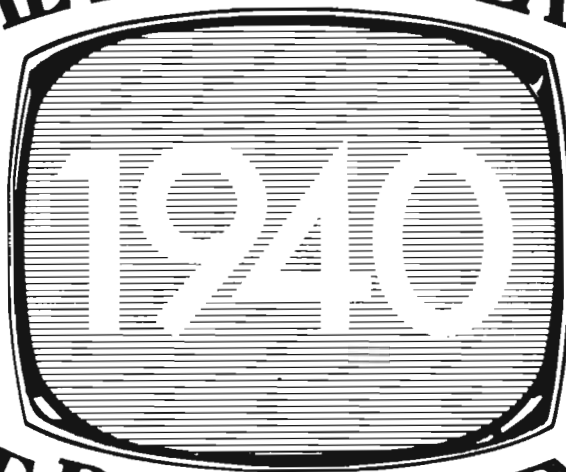
As 1939 closed out, radio learned that some of its technical problems were to be solved: Word came Dec. 29 that Mexico had ratified the Havana treaty of two years before. Mexico was the last of the North American countries to formally agree to a reordering of allocations to eliminate international interference and border station problems. It also set the stage for moving days in early 1941 when assignment shifts would be made for almost 800 U.S. AM stations.

Stay Tuned

1. What two network newsmen reported Hitler's revenge tactics at the peace-treaty signing near Compiegne, France?
2. A dummy, a tightwad and a keeper of a cluttered closet led the evening ratings. Name them or their network shows.
3. What presidential candidate drew the highest rating for a political speech in 10 years of CAB research?
4. Why did the FCC pull back on commercial TV?
5. In what music case did the U.S. Circuit Court of Appeals reverse an earlier decision that had gone against broadcasters' rights?

The answers
in "1940."

THE FIRST 50 YEARS



OF BROADCASTING

The sounds of radio in 1940 were those of Hitler's blitzkriegs and bombings, Willkie's and Roosevelt's campaign promises and platforms, *Blondie's* and *The Aldrich Family's* domestic misadventures, *The Light of the World's* melodrama and biblical stories, *Kraft Music Hall's* songs and patter and the *Pot O'Gold's* music and money.

This mixture of international war and domestic politics, comedy and melodrama, music and quiz shows drew the attention of the 28.5-million radio households (81.1% of all households) in the U.S.


Technological advances in FM and television promised more diversity in broadcast services.

The FCC's chain monopoly inquiry produced some quick rebuttals, quixotic explanations and many long questionnaires.

More war brought more news and news specials along with an increasing dependence on radio's immediacy. During 1940, the networks' typical weekly schedules contained 56 quarter-hours of news during the evenings and 10 quarter hours during the day as opposed to only 33 in evening programming in 1939 and none during daytime hours. Edward R. Murrow, H.V. Kaltenborn and William Shirer, among others, broadcast from the European war zones to an apprehensive American nation. Raymond Gram Swing analyzed the war twice weekly for Americans on a 16-station MBS hookup and weekly from New York for the BBC, a program that gained Swing an audience of 30.7% of the adult population of Great Britain.

Kaltenborn, who had a large following after 10 years of foreign news reporting for CBS, switched on March 30 to NBC, partly to the relief of CBS executives who had pressured Kaltenborn to be just an analyst who reported and not a commentator who argued for his opinion. A memorable phrase was created when Edward R. Murrow began opening his CBS broadcasts from England with "This [pause] is London."

France's darkest hour provided an opportunity for CBS's William L. Shirer and NBC's William Kierker to report a dramatic insight on the vengeful bent of Adolf Hitler. Stationed near Compiègne, France, the broadcast newsmen described in



Russia seized the Baltic nations of Estonia, Latvia and Lithuania. Italy joined the war against France and England, and the Nazis overran Paris, forcing a hard treaty on the conquered French. In May, Winston Churchill succeeded Neville Chamberlin as British prime minister. In June, British expeditionary forces and Allied soldiers were evacuated from Dunkirk in a brilliantly executed military-civilian naval maneuver. In October, in the United States, the drawing of number 58 signified the beginning of this country's first peacetime draft. Another precedent was set the next month: President Roosevelt was voted a third consecutive term. Broadcaster-manufacturer Powel Crosley Jr. unveiled a new minicar that got up to 60 miles per gallon and sold for \$350. But it had only limited appeal to Americans concerned about luxury-sized autos and unconcerned about gas prices.

And in BROADCASTING . . .

detail the dictator's ritualized treaty signing in 1940 after all France other than the Free French had been subdued. It was the story of Hitler's obsession that the railway coach in which a defeated Germany signed the armistice after World War I be returned to the same site for Hitler's World War II moment of victory.

Starting with Germany's invasion of Scandinavia in April, radio coverage increased. In addition to an 18-hour-a-day, European listening post on Long Island, CBS set up a receiver on its New York building designed to listen to Berlin radio 24 hours a day.

At home, American correspondents abided by an industry-created war coverage code that sought to avoid horror and to rely on dependable sources. Abroad they submitted broadcast scripts to officials of the warring nations. Max Jordan, NBC central European representative, for example, reported that in Berlin a broadcast manuscript had to survive the scrutiny of three censors: the propaganda office, the foreign office and the military office. Despite those obstacles, FCC Chairman James Lawrence Fly termed radio's war coverage a "balanced perspective . . . an intelligent and fair sort of job," as he reassured broadcasters that "any idea that the government contemplates taking over of broadcast operations generally can only be labeled sheer fantasy." Nevertheless, such rumors persisted and were only fed when, in late September, the government created a Defense Communications Board, headed by FCC Chairman Fly.

The board was to design a plan for communications in a national emergency. As envisioned, the DCB could not censor radio or take over its facilities, and it received BROADCASTING's editorial endorsement as a "necessary development" that would let broadcasters "carry on, 'business as usual.'" Still the DCB generated a concern from some broadcasters who worried about censorship, procedure and property.

Broadcasters endured another period of anxiety when the War Department in October announced plans for a separate radio section to coordinate and use radio communication for the military. Even though the radio section busied itself primarily with the coordination of wire line and radio com-

munications rather than the broadcasting industry, some broadcasters remained fearful of future government intervention.

While the bombs dropped in Europe and governments toppled, a worried America sought moments of escape in comedy that dominated stateside radio entertainment. For the third consecutive year, Edgar Bergen's Charlie McCarthy won the title "Champion of Champions" in the *Motion Picture Daily's* poll of 700 radio editors and columnists. Jack Benny gained the title of "Outstanding Artist of the Year" and his show the "Best Program" from the *New York World-Telegram* poll.

Quiz shows were gaining in popularity. One, *Pot O' Gold*, not only achieved a significant audience but also intensive FCC scrutiny. *Pot O' Gold* had debuted on NBC on Sept. 26, 1939, and presented music by Horace Heidt and His Musical Knights and featured a phone call from host Ben Grauer to a number chosen from directories. A person at home who answered received \$1,000; those not answering were

sent \$100 by mail.

Despite the 80-million-to-one odds against being called by Grauer, *Pot O' Gold* lured so many from movie houses that some theater owners offered \$1,000 prizes to anyone who was called while attending the movies.

Because of complaints from members of Congress, theater owners and others over the growth of quiz shows and *Pot O' Gold* in particular, the FCC, in February, asked the Department of Justice to investigate *Pot O' Gold* and *Fine Bread Mystery Woman*, (a local program in Texas with a slightly different awards format) to see if they violated lottery laws. The Justice Department declined to prosecute.

Sports and politics also attracted growing numbers of radio listeners. Joe Louis's fight with Arturo Godoy on June 20 captured a rating of 37.9. Baseball broadcasts increased in popularity. The 1940 World Series between the Detroit Tigers and the Cincinnati Reds, broadcast on MBS, received an average rating of 25.2 as compared with 21.3 for the 1939 series bet-

ween the New York Yankees and Cincinnati.

The presidential race between Republican Wendell Willkie and President Roosevelt drew large radio audiences.

After the election, BROADCASTING estimated that national and local political time sales had come to more than \$2.2 million. The major radio networks subsequently reported that they had billed \$1,638,190 in the election year.

NBC's Red and Blue networks accounted for \$809,605. Largest placements were by the Democratic National Committee (\$260,109) and the Republican National Committee (\$158,924).

CBS had \$523,406 in political billings with the biggest buys by the Democratic National Committee (\$140,757) and the Republican National Committee (\$142,537).

MBS's total was \$293,898 and it gave no breakdown of sponsors.

Willkie's nomination acceptance, broadcast from Elwood, Ind., on all nationwide networks, attained a 37.8, the

Five Commissioners Hear Major Armstrong's Testimony



AS MAJ. ARMSTRONG unfolded the story of FM development, five of the seven FCC members listened in rapt attention. On the bench (l to r) T. A. M. Craven, Thad H. Brown, Chairman James Lawrence Fly, Paul A. Walker and F. I. Thompson sat throughout the hearings which began March 18 and lasted two weeks.



FOSTERERS of FM during the FCC proceedings were (l to r) J. R. Poppele, chief engineer of WOR and chairman of the FM Broadcasters Inc., engineering committee; Paul W. Morency, WTIC, Hartford; Walter J. Damm, WTMJ, Milwaukee; Dr. Franklin Doolittle, WDRC, Hartford; John Shepard 3d, president of FM Broadcasters Inc.; Dr. C. M. Jansky Jr., consulting engineer; John V. L. Hogan, consulting engineer; Paul A. deMars, technical director of the Yankee Network, which already has an FM station in operation.

—Broadcasting, April 1

highest rating for a political speech in the 10 years of the Cooperative Analysis of Broadcasting's research. (CAB pointed out that two other speeches received higher ratings; Roosevelt's June 10 speech in Charlottesville, Va., received a 45.5 and King Edward VIII's abdication speech in December, 1939, received a 45). Many considered Willkie a flop as a radio orator because of his slurring of words, his tendency to say "flosophy," "b'lieve," "opp'site." As an editorial in the Scripps-Howard newspapers put it, "Wendell Willkie's speech was much better to read than to hear . . . When it comes to vote-getting in this day of radio and audience by the millions, teamwork among the organs of speech is vital . . . An Adam's apple may win the election and determine the destiny of nations." Others, such as Dr. Henry Lee Smith, speech expert and radio personality, felt Willkie's regionalism to be to his advantage in developing the persona of an earthy, warm Midwesterner. In either case, everybody acknowledged radio's ability as a kingmaker.

Noticeable, but not enough to make a political difference, television for the first time covered the political conventions and the election returns. Philco broadcast the Philadelphia Republican convention to that area on its experimental W3XE Philadelphia, while NBC used coaxial cable to relay its pickup to New York and W2XBS there on the Empire State building. From there it was also relayed to Schenectady, N.Y., for use on GE's experimental facilities there. For the Chicago Democratic convention in August, NBC shot newsreel film and sent it by plane to New York for broadcast twice during the following day.

The FCC in November 1939 had accepted RCA's television system as a standard, but its decision was questioned. In a compromise, the FCC in February 1940 rescinded its approval of specifications, but authorized limited commercial television to become effective Sept. 1. The FCC said that its purpose was to allow experimental TV stations to get revenues to take care of their operating costs.

RCA seized the opportunity to announce a price cut in television sets in an effort to increase the number of TV homes within range of the NBC transmitter from 1,250 to 25,000. RCA reduced the price of its best model, a 12-inch video screen, from \$600 to \$395.

But the FCC had second thoughts. On March 23, it suspended the authorization for "limited commercial" television, and rebuked RCA for its sales drive, which the FCC feared might freeze standards at the present level. And by June, the FCC had put television back to an experimental status.

Speaking for many in the industry, BROADCASTING felt that the FCC commissioners strayed "far out of bounds in basing their suspension order on RCA's promotional activities, properly a subject for [Federal] Trade Commission scrutiny . . . The whole episode seems to have been

New Color Television System Developed Secretly by CBS

Chairman Fly Sees Goldmark Method Demonstrated; Simplicity, Faithful Color Are Claimed

AFTER six months of secret research, CBS on Aug. 29 announced development of what was described as a simple system of sending and receiving television images in full color. The announcement was made following a laboratory demonstration of the new process in New York to FCC Chairman James Lawrence Fly. The initial demonstrations also marked the first time CBS actually had broadcast anything but television test patterns.

According to the announcement of Paul W. Kesten, CBS vice-president, the color television pictures demonstrated used the same 6 mc. frequency band required for ordinary black-and-white telecasting. He also indicated that the apparatus developed in conjunction with the new color technique was comparatively simple, and that ordinary television receivers, with very little adaptation and addition of a color attachment, could receive the signals.

They're 'Real Colors'

Another factor cited as unique was the fact that the same signal could be received either by standard television models or those equipped with the color attachment, with a clear black and white picture screening on the former and a full color view on the latter.

born of pique and nurtured by truculence. . . it is apparent that some sort of check and balance over commissions and commissioners with prejudices and predilections is needed. . ."

Many in the field accused the FCC of much more than pique after the commission's chain monopoly report appeared in June. BROADCASTING headlined: "Monopoly Report Seen Industry Threat; Entire Network System Would Be Revamped if Adopted." Among other things, the FCC chain monopoly committee recommended limits on network ownership of stations and on the term of affiliation contracts, the removal of networks from the transcription and talent-bookings businesses, and the requirement that networks serve stations in remote areas whether or not it was profitable.

The response was immediate. BROADCASTING called the report "another example of the [FCC's] 'giant-killer' complex," editorializing that "To us it is manifest that the report represents an outcropping of deep-seated yet unstudied prejudices . . . it is apparently written as a reply to what the more vocal congressional business-baiters want rather than what the



DR. PETER C. GOLDMARK

CBS color television method. In addition to the more pleasing life-like and dramatic quality of the pictures, it has been found that the use of color actually increases the apparent definition of the picture and makes small objects easier to recognize particularly when this

—Broadcasting, Sept. 1

facts show."

The chain monopoly report generated so much negative reaction that it affected Commissioner Thad H. Brown's confirmation for another seven-year FCC term. His term expired in June of 1940. The Senate Interstate Commerce Committee, continuing an indirect attack on the policies and personnel of the FCC, refused to act on Brown's renomination until after the election. Senator Charles Tobey (R-N.H.) was particularly emphatic in delving into the personal and public life of the FCC commissioner. In October, FDR withdrew Brown's nomination at the request of the commissioner, who died the following February.

By November, NBC, CBS, and the Independent Radio Network Affiliates, in BROADCASTING's words, "raked the FCC committee's report of last June 12 with a brand of legalistic fire seldom before loosed against a governmental agency. . . ." Only MBS supported the basic conclusions of the committee's findings that networks be licensed, that exclusive network-affiliate contracts be banned, and that the FCC supervise the dealings of stations and networks. MBS said its concern was over the



EDWARD B. MARKS, president of Edw. B. Marks Music Corp., signs the contract transferring the performing rights to more than 15,000 songs from ASCAP to BMI on Jan. 1. Looking on are (l to r) Merritt E. Tompkins, vice-president and general manager of BMI (seated); Sydney Kaye, BMI general counsel; Max Marks (brother); Herbert Marks (son).

—Broadcasting, Dec. 15

“basic issue of liberty of expression” involved in NBC and CBS control of “the most desirable broadcasting time of the more important stations in the larger cities.”

Some credence to MBS's contention appeared in the financial report that showed gross time sales for 1940 exceeded \$208 million. By 1940 MBS had increased its affiliations from less than one-half of 1% of all stations in 1935 to 19% of all stations; however, many of these stations had primary affiliations with NBC or CBS and mostly used MBS programs on a secondary basis. While MBS's gross time sales increased, NBC and CBS still held a considerable lead: MBS grossed \$4,767,054 in 1940; CBS, \$41,025,549; NBC Blue, \$10,707,678, and NBC Red \$39,955,322.

In licensing, the FCC received support for one of its policies when the Supreme Court on March 25 upheld the commission's position that it had the power to license new stations regardless of the effect of the competition on existing stations. The so-called Sanders case involved KDTH Dubuque, Iowa, and permittee *Dubuque Telegraph-Herald*. Despite the increased anxiety this brought to many station owners, BROADCASTING pointed out that the Supreme Court had stripped the FCC of supervisory control of programs, business management or policy of stations. BROADCASTING called it “a victory for the American system of broadcasting. It means that the FCC itself must mend its ways. The court had ruled that scrutiny of programs, unnecessary snooping into fiscal operations . . . and other operations of stations are no concern of the licensing authority. A good station, well-managed, does not fear legitimate competition. But broadcasters have had ample reason to dread the kind of

regulatory tactics indulged in by the FCC.”

In music, broadcasters gained ground in July when the U.S. Circuit Court of Appeals reversed a lower court ruling in the RCA-Whiteman-WNEW New York case to declare that a broadcaster could put phonograph records on the air without receiving permission from either the recording company or the recording artist.

Broadcasters attempted to strengthen their position by setting up their own Broadcast Music Inc., which had been announced in 1939. They also girded for the expiration of the current American Society of Composers, Authors and Publishers contracts on Dec. 31, 1940. With ASCAP pulling hard on broadcasters' patience and budgets by demanding a 70% rate boost, broadcasters hoped BMI and the competition it promised to introduce in music licensing would give them a bargaining chip against ASCAP.

In preparation for a possible period of non-ASCAP music, BMI acquired the M. M. Cole catalogue, the Schirmer catalogue and the Edward B. Marks catalogue for a total of over 30,000 numbers under BMI direct control, and 75,000 more available to BMI through non-ASCAP sources.

With the ASCAP deadline approaching, BROADCASTING warned that “War is hell in any language, and there are hellish days ahead for the adversaries in the conflict precipitated by a hitherto arrogant, brass-knuckled ASCAP that now must know it overplayed its hand.”

Broadcasters and music-licensing groups alike got an unwanted Christmas package in late December when the Department of Justice announced new criminal antitrust litigation against ASCAP, NBC, CBS as well as BMI.

In FM development, the medium in 1940 strengthened its position in its con-

tinual race with television. FM Broadcasters Inc. was formed in January to lobby for additional spectrum space. FMBI won points in May when the FCC authorized commercial FM and reallocated the space used for experimental television channel 1 to FM radio. With headlines reading, “1,000 New FM Stations Foreseen,” many AM broadcasters and television proponents worried. When the FCC decided that television should have FM sound, FM seemed more powerful than ever. By September some FM receiver production had begun, and an FM network was projected. By December, General Electric's w2XOY joined the others as a regularly scheduled FM station.

By its 20th anniversary in 1940, AM radio had spawned FM and television. The number of U.S. broadcasting stations had jumped to 882 with 20,000 regular employes (not counting artists or part-timers), and a \$50-million annual payroll. The average weekly wage of \$45.96 for full-time employes made broadcasting the best paying industry. The number of radio sets in use had grown to 52 million, including 8 million auto radios.

Besides the accolades for radio implied by those numbers, others developed. The Henry W. Grady School of Journalism of the University of Georgia instituted the George Foster Peabody awards, with the first to be given in 1941 for 1940 achievements.

On radio's 20th birthday, President Roosevelt congratulated the medium for its “outstanding achievements.” He declared: “Today the need is greater than ever that broadcasting should perform its function as a medium of public information.” On Dec. 29, with the U.S. edging closer to war, President Roosevelt chose radio and the forum of another fireside chat to introduce the nation to his concept of “lend-lease.” Radio played midwife to yet another idea and stage in U.S. development.

Stay Tuned

1. World War II brought the government-created OFF. What did it stand for, and who headed it?
2. Who were the two commissioners who dissented to the FCC's chain monopoly report?
3. What government figure said that the NAB reminded him of a “dead mackerel in the moonlight—it both shines and stinks!”?
4. Which network was the first to break from broadcasters' ranks during the impasse with ASCAP?
5. Who was the naval ensign from KLZ Denver who died in the Pearl Harbor attack?

The answers
in “1941.”

THE FIRST 50 YEARS



OF BROADCASTING

A Dec. 7 radio bulletin from Pearl Harbor told America it was no longer a bystander to World War II. It also told broadcasters their concerns had expanded beyond business and governmental adversaries on the domestic front.

The "day of infamy" came in the twilight of a year when the FCC issued its chain monopoly report and ordered a probe of newspaper holdings in radio as well as multiple ownership of stations. In addition, broadcasters were feeling pressures from non-Washington sources such as the American Society of Composers, Authors and Publishers as well as James Petrillo's American Federation of Musicians.

It was this increased tempo of events in the electronics media that had prompted the publisher of BROADCASTING to shift from twice-monthly to weekly publication, effective with the Jan. 13 issue.

And, 11 months later when the networks interrupted their regular Sunday afternoon programming to report the surprise Japanese bombings in Hawaii, the rest of the world realized what broadcasters already knew: that radio existed at the center and that information came first over the air.

President Roosevelt's Dec. 9 address on all the networks drew a then record radio audience. The Cooperative Analysis of Broadcasting reported 83% of America's radios were tuned in. C.E. Hooper gave the speech a 79 Hooper rating. Among other things, FDR called for truth in reporting news and he touched on censorship and restraint—two key radio concerns in that year.

Reminding radio of its responsibility, Roosevelt declared, "To all newspapers and radio stations—all those who reach the eyes and ears of the American people—I say this: You have a most grave responsibility to the nation now and for the duration of this war. If you feel that our government is not disclosing enough of the truth, you have every right to say so. But—in the absence of all the facts, as revealed by official sources—you have no right in the ethics of patriotism to deal out unconfirmed reports in such a way as to make people believe they are gospel truth."

The mechanics for the proper flow of information had already been set up by broadcasters in 1939, when they adopted a voluntary war coverage standard. And, in 1940, the

Nazi successes continued with conquests in the Balkans, Yugoslavia and Greece. A confident Hitler sent troops across the Russian border; they moved practically at will in the first months of the campaign. In the U.S., jitters grew. Extensive mock maneuvers were held to prepare for the war that finally came to America on Dec. 7. Overnight, isolationism virtually disappeared—and with it disappeared the vocal noninterventionists on Capitol Hill who had charged the movies and radio with war-mongering. It seemed that America moved with assurance only in sports: Eddie Arcaro rode Whirlaway to a Triple Crown, and Ted Williams batted .406 for the Red Sox. And in BROADCASTING ...

some broadcasters and newsmen were worried that OFF might attempt to censor. LaGuardia stoutly denied this: "OFF is not a propaganda agency. The OFF is a sort of reservoir with a purification process. It's not a news-sheet, hand-out agency. The people are entitled to the facts, and they're going to get them."

The White House did turn to wartime censorship in December and named Byron Price, executive news editor of the Associated Press, as director of the effort. He selected J. Harold Ryan as assistant director of censorship, responsible for broadcasting. Ryan was executive vice president of Fort Industry Co. (now Storer Broadcasting) and later was to serve as National Association of Broadcasters president.

In one of its security moves, the U.S. Weather Bureau banned broadcasts of weather reports, information that was assumed could help the enemy.

Certain censorship suggestions were interpreted to discriminate against radio to the advantage of the printed press and revived thoughts of the press-radio war of the 30's. In "Concerning War, Radio and Hitting Below the Belt," a Dec. 29 editorial, BROADCASTING wrote that the "indiscreet, opportunistic minority has seized upon war censorship as the vehicle to sock radio." Specifically, BROADCASTING objected to proposals that news broadcasts be delayed for hours after newspaper publication, that news sponsorship be banned, and that newspapers resort to self-regulation while radio censorship be mandatory. BROADCASTING cautioned: "War means revolutionary changes. It will affect newspapers, magazines and billboards along with radio ... Censorship was almost a cuss word just a few weeks ago; today it is accepted as a necessity to help

government had established the Defense Communications Board, headed by FCC Chairman James Lawrence Fly.

For most of 1941, voluntary censorship was the order of things. But with the formal entry of the U.S. into the war, controls came. In late 1941, the Roosevelt administration created the Office of Facts and Figures (OFF). It was headed by Archibald MacLeish, librarian of Congress, who in turn reported to New York Mayor Fiorello H. LaGuardia, director of the Office of Civil Defense.

OFF was to assure the dissemination of coherent information about the war, but

CONGRATULATIONS FROM PRESIDENT

THE WHITE HOUSE
WASHINGTON

October 8, 1940

My dear Mr. Taishoff:

My hearty congratulations on the steady progress which enables you to mark the beginning of the tenth year of *Broadcasting Magazine* by making this journal a weekly instead of a semi-monthly publication.

This proposed change emphasizes the importance that radio has attained in every phase of our national life. The rapid growth in radio and in the technique of broadcasting have been truly amazing during the past decade.

In all probability we are still in the infancy of this field of communication. New developments, such as television, are certain to broaden radio's service. Moreover, radio has an increasing obligation to keep the public fully informed. A free radio is just as essential as a free press. In sending my good wishes may I express the hope that your magazine will ever work to promote free, competitive broadcasting.

Very sincerely yours,



Mr. Sol Taishoff,
Editor,
BROADCASTING Magazine,
Washington, D. C.

win the war."

A censorship move that did not involve the war effort came in 1941 when the FCC took its deepest plunge in its seven-year history into program control. It issued a prohibition against editorializing by broadcast licensees, saying, "The broadcaster cannot be an advocate."

The ruling came in a proceeding in which the Mayflower Broadcasting Corp. lost its competing bid for the frequency then occupied by the Yankee Network's WAAB Boston. The rival application had been filed after WAAB had been attacked for broadcasting editorials that aroused criticism. In issuing a restriction on the whole broadcasting system as part of a renewal that the licensee at bar would obviously never appeal, the FCC was not only clever but also successful. No other broadcaster took the FCC to court either, despite the Mayflower ruling's vulnerability to First Amendment attack. The fact was, of course, that most broadcasters didn't care. They had never editorialized anyway.

It was eight years later, in 1949, that the FCC finally undid the Mayflower decision. It issued a report on editorializing that

eliminated the restriction on broadcaster advocacy but imposed new conditions that boiled down to the fairness doctrine.

Congress in 1941 was not immune to the blue-pencil itch. Senator Burton K. Wheeler (D-Mont.), chairman of the Interstate Commerce Committee, and prominent isolationist before Pearl Harbor, requested that all national networks submit copies of commentators' scripts and lists of sponsors so that Wheeler could investigate complaints about editorializing and propagandizing by radio. Nothing ever came of the request.

But, if radio was being questioned by the Wheelers for alleged interventionism, it was being praised by others for its war-time readiness, responsibility and personnel. The networks, experienced by years of reporting from battlefronts around the world, made an accelerated journalistic effort following Pearl Harbor. To an event honoring Edward R. Murrow, Roosevelt sent these congratulatory words: "Ed Murrow has lived in the war since its beginning . . . he has reported the news day by day and, at the same time, has kept faith with the truth-loving peoples of the world by telling the truth when he tells the

news. I doubt whether in all history there has been a time when truth in news—when comprehensive and objective news dispatches—have ever been more needed." In a yearend editorial, *BROADCASTING* reflected the surge of patriotic fervor that had risen from Pearl Harbor: "Just as it [radio] sells merchandise, service and defense bonds, radio can sell patriotism, loyalty and victory."

While radio was going all-out to support the war effort through news, information, promotion and entertainment, the war began to undermine technological development in broadcasting by diverting materials and personnel to military and governmental needs and posts. The Priorities Division of the Office of Production Management (OPM), up to September of 1941, had classified radio in the next-to-the-lowest bracket for basic material distribution. A shortage of acetate recording blanks developed, and the production of home radio receivers declined. Recording companies switched to the use of glass as a base for transcriptions. The Radio Manufacturers Association professed horror when William L. Batt, deputy OPM chief, announced that aluminum supplies for radio would be cut off in 1942. But in 1941 radio set sales reached 13,100,000, exceeding by two million the sales of the previous year. Some broadcasters thought they would be forced off the air for lack of replacement parts, tubes and transmitters. Later OPM accorded radio manufacturers an upgraded priority rating, for the maintenance and repair for commercial broadcasting.

Even so, parts were in short supply. At RCA, for example, most production facilities worked to near capacity just to fill defense-related orders; other orders went unfilled because of shortages or bans on materials for non-defense projects.

It was full speed ahead for the war. "In material things," *BROADCASTING* reasoned, "radio is going to be affected. . . . Shutting down of stations on the coasts during imminent air attack or during blackouts means commercial cancellations and rebates. Release of time for war communiques—for government informational broadcasts and for morale purposes—also may cut in on normal schedules." Commercial broadcasting, even with an A10 materials rating, had to make do and sacrifice, as well as reshuffle schedules, commercials, equipment and personnel. Many experienced broadcast employees accepted government or military jobs or were called up for the services.

The first reported radio war casualty occurred on Dec. 7 when Naval Ensign Thomas A. McClelland, who had been chief engineer of KLZ(AM) Denver, was killed in action during the Japanese attack on Pearl Harbor.

Earlier in the year, some broadcasters feared the first casualty of the FCC attack on the radio networks would be the American system of broadcasting. In its full chain-monopoly report in May, the FCC,

in a ruling to be effective on Aug. 1, banned: option time, exclusive affiliations, ownership of more than one station in a market or operation of more than one network by the same interests. MBS gave the report its full support.

BROADCASTING, in an editorial entitled "The Monopoly Report: Five Men Against the Public," feared that "... the best and the freest radio system in the world will begin rotting away..." Speaking for many licensees, BROADCASTING concluded that the FCC report incarnated the "blind rage of certain commissioners against the major networks and their directing heads," and manifested a classic case of "divide-and-rule" politics.

CBS President William S. Paley excoriated the chain-monopoly report, predicting that "networks will become mere catch-as-catch-can, fly-by-night sellers of programs. Performance and stability will have departed from the industry and incentive to public service will have been removed... Worst of all, the first paralyzing blow will have been struck at freedom of the air..."

Niles Trammell, NBC president, warned that the FCC regulations "would ultimately destroy the freedom of the air," and declared that "The questions as to whether NBC should or should not oper-

ate two network services... are less important than the fundamental position adopted by the majority of the FCC. This appears to be that those who have pioneered in broadcasting, who have created the most efficient facilities, and have developed a program structure considered the best in the world, should be penalized because of the superior services they have created..."

Commissioners Norman S. Case and T.A.M. Craven who dissented to the FCC report, agreed with broadcasters like Paley and Trammell, fearing that "the proposals of the majority will result inevitably in impaired efficiency of the existing broadcast organization of the country." MBS, which stood to benefit by any loosening of ties between the other major networks and their affiliates, issued "Mutual's White Paper" that supported the FCC, arguing that "it does not abolish network broadcasting... it does not do away with the American system of broadcasting, unless the American system has somehow become identified with entrenched monopoly... It will not bring chaos into the industry, unless we look upon competition as chaos... It does not paralyze freedom of the air but preserves it from private domination by a few individuals."

Other than by invective, the networks

reacted to the FCC rulings by petitioning for relief. Nonetheless, the networks began to comply with what BROADCASTING called "the punitive" monopoly report. Since the report claimed there was conflict inherent in network ownership of talent agencies, CBS sold its Columbia Artists Bureau in May to the Music Corp. of America for \$250,000, while NBC spun off its NBC Artist Bureau to a new agency, National Concerts and Artists. By December, NBC had effected the separation of its Red and Blue Networks. Trammell remained president of the Red. Mark Woods became president and Edgar Kobak executive vice president of the Blue.

In what was seen as another FCC attack, the commission renewed the controversy over newspaper ownership of broadcast stations. With 292 of the country's 893 radio stations having newspaper affiliates as of March, President Roosevelt ordered a study of the newspaper issue, and the FCC ordered public hearings.

Nearly 100 newspaper-owned stations organized, named Mark Ethridge of WHAS Louisville, Ky. (owned by the *Courier Journal* there) chairman and vowed to fight governmental attempts to outlaw newspaper ownership of stations. President Roosevelt later drafted Ethridge to undertake a comprehensive survey of

Fly Blasts Nets, in Reply to Ethridge

Asserts Trade Association Is Dominated by Networks

MINCING no words, FCC Chairman James Lawrence Fly leveled a parting blast at the management of the NAB, NBC and CBS, and pledged his desire to help work out the broadcasting industry's problems of adjustment "constructively and for the common good of all" at a special press conference just before he returned to Washington Thursday noon from the St. Louis convention.

Chairman Fly's statement to the press, read carefully from a prepared draft, climaxed the tense situation arising when he was not given opportunity to respond extemporaneously immediately following Mark Ethridge's indictment of the monopoly report and the FCC majority at the Wednesday luncheon meeting of the NAB convention [see page 15].

Piscatorial Allusion

Chairman Fly repeatedly referred to the NAB as a "so-called association" and charged that the

radio industry was really managed and controlled by a "combination" which shaped both public and political opinion. Speaking of the "too clever" management of the industry's affairs by the combination, he commented that the situation reminded him of "a dead mackerel in the moonlight—it both shines and it stinks".

"I think there is a serious question as to whether the NAB exists as an effective vehicle for the exchange of ideas and the formulation and expression of member stations' opinions", he declared, setting the tone for his later comment.

"Some weeks ago Neville Miller, the NAB president, without meeting with the members—and for that matter, the directors of the so-called association—but after contact with the two big networks, publicly announced the decision of the 'association' as dead set against the Government's decision on network broadcasting.

"That is the way the association appears to function as a matter of day-to-day operation in Washington and New York. Two men run the show. A couple of others do the chores—all, of course, of a

purely non-political nature. The Evers-to-Tinker-to-Chance technique is generally involved.

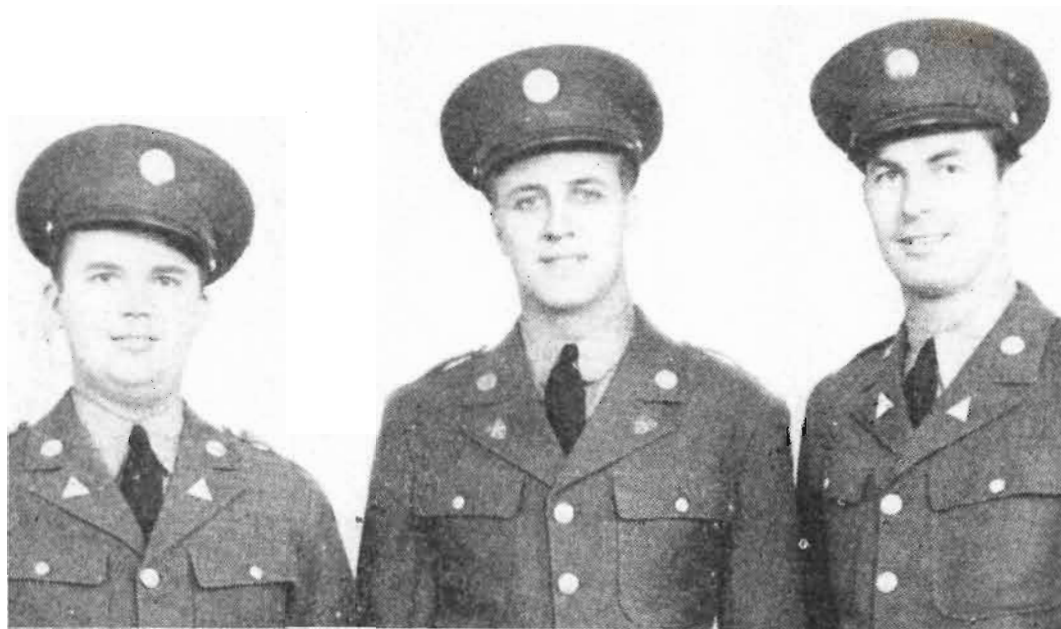
"As a matter of fact, the convention yesterday ringingly declared the exertion of political influence in regard to Commission decisions to be a crime. All of us heartily cheered that pronouncement. So hereafter when the little fellow with ragged pants comes in from the hills and asks his Congressman to help him get a little 100-watt radio station, he is to be slapped into the bastille. But God forbid that anything be done to break up the famous tripletoss combination, with all its beneficent results.

Control of Opinion

"Then, too, the public should never know that the combination which controls the nation's radio coverage measureably controls public and political opinion. The public must accept the basic premise that this combination does not pack a political wallop which is derived from grants from the very Government it seeks to manipulate and control.

"Surely this group is respected

Keep your eye on the man in the middle. Pictured in *BROADCASTING'S* Jan. 1, 1941, issue was Elton H. Rule future president and chief operating officer of the American Broadcasting Companies Inc. With the onset of World War II, Rule's one-year assignment stretched out to five years and 11 days, during which he served successively as a platoon leader, a battalion adjutant, a company commander who took a machine gun company into Kwajalein and Leyte in the Philippines and, after battlefield promotion to major on Okinawa, a battalion commander in the city of Seoul, where he helped receive the surrender of Japanese forces in Korea. After discharge he returned to Sacramento, but to KFBK(AM), and later moved to Los Angeles and to a position with ABC's KABC-TV, from which he began the upward career march that led to the ABC presidency in 1972.



CALLED to active Army duty for a year starting in January, this trio of staff members of KROY, Sacramento, Cal., are claimed to constitute some sort of service record for the station. Members of the 184th Infantry of the California National Guard, the three have been assigned to Camp San Luis Obispo. They are (l to r) John E. Ehrhart, KROY salesman; Elton H. Rule, public relations and sales promotion manager, and Robert B. Scott, salesman. As a going-away token the station presented each of the three with a two-week vacation in December, along with a month's advance salary and assurance their positions would be waiting upon their return. While in camp Mr. Rule will use a portable recording setup to transcribe two quarter-hours weekly on KROY—man-on-street interviews with trainees from the Sacramento area, under sponsorship for the year by Sears, Roebuck & Co.

—*Broadcasting, Jan. 1*

broadcasting, and Harold V. Hough of WBAP Fort Worth (owned by the *Star Telegram*) became chairman of the newspaper-radio group.

The issues in this round of FCC scrutiny of newspaper ownership of radio stations remained the same: freedom of opinion, fair presentation of public issues, undue control over public communication, restriction on news and unfair competition. *BROADCASTING* said editorially: "If ever an industry cringed in a virtual state of terror, it is broadcasting today under the lash of the FCC. We now behold radio's gestapo, begot by the FCC! It is after the nation's press via the radio route. . . . minions of the FCC's investigation unit are virtually swooping down upon broadcast

stations, networks and press associations . . . ransacking files, personal and otherwise, to sift out the 'dirt.'"

The probe brought out more anger than evidence. "Newspaper Probe Turns Into a Burlesque, Relics of a Past Era Are Dragged In; FCC Exhibits Reek With Inaccuracy," *BROADCASTING* headlined in September. Unable to unearth any significant differences between newspaper owned stations and non-newspaper owned stations, the FCC adjourned the hearings in early December until early January. Anger, however, lingered on.

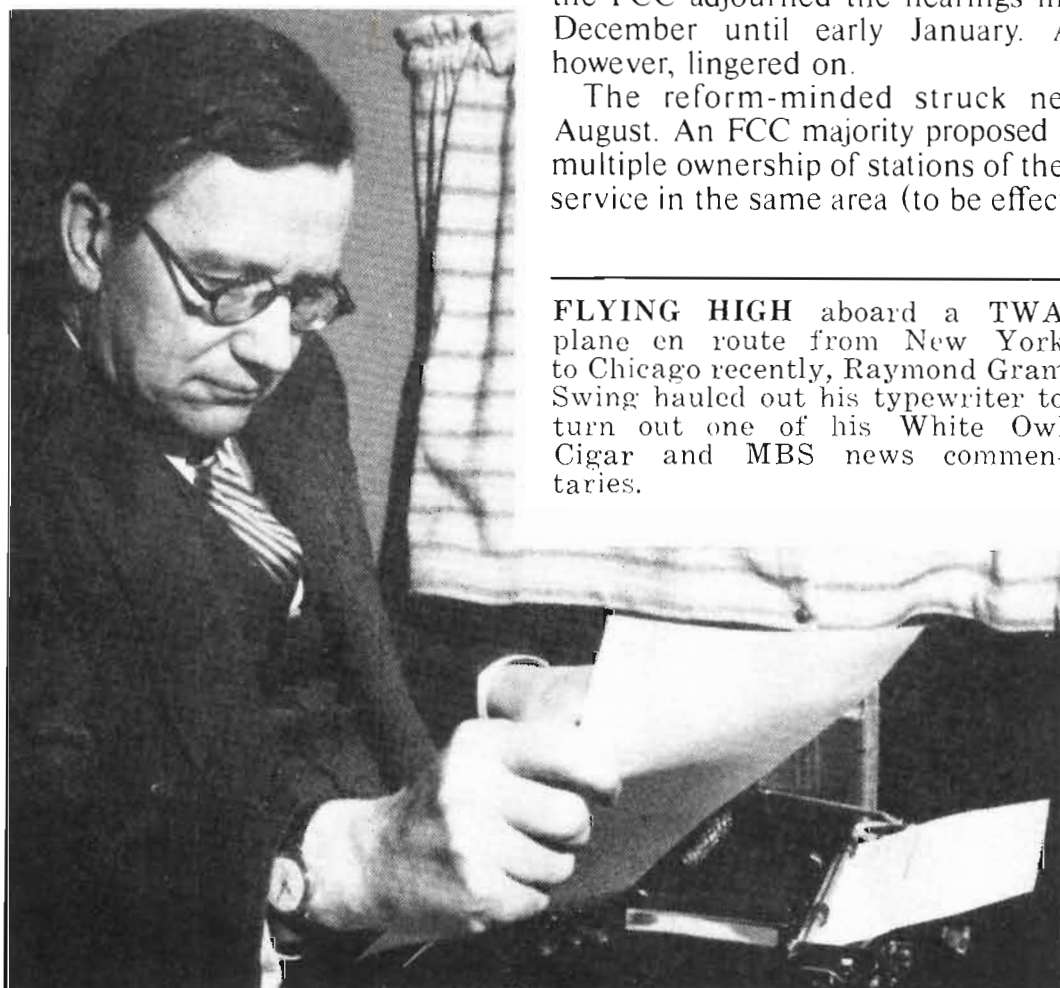
The reform-minded struck next in August. An FCC majority proposed to ban multiple ownership of stations of the same service in the same area (to be effective in

six months), and set the arguments for October. "Whittling Away," *BROADCASTING* labeled those tactics, saying: "A nick at a time . . . keep 'em off balance, guessing and in a dither . . . never tell why: That's the strategy of the FCC's blitz against broadcasting—a campaign that seems to be studiously calculated to stultify, intimidate and ultimately impoverish the industry so that eventual government ownership will be easy."

There were some FCC rulings that broadcasters endorsed. The agency authorized the full commercial operation of television to begin July 1, fixing standards at 525 lines, 30 frames and with FM sound. And in another significant decision, the FCC extended the license term for standard broadcast stations from one to two years.

But those gains only partially placated broadcasters railing against FCC power tactics. One memorable confrontation came at the National Association of Broadcasters May convention in St. Louis. The delegates voted to fight the monopoly regulations and to seek congressional help. FCC Chairman Fly, in attendance, angrily denounced the association, the networks and the industry. He said the NAB reminded him of "a dead mackerel in the moonlight—it both shines and stinks."

The anti-FCC feeling also permeated Congress. Senator Wallace White (R-Me.) in August introduced a bill to revamp the FCC and limit its power. Clarence F. Lea (D-Calif.) of the House Interstate Commerce Committee, announced in October that he would conduct hearings beginning in January 1942 on the powers and structure of the FCC. The year's last bit of anti-FCC sentiment surfaced in November in



FLYING HIGH aboard a TWA plane en route from New York to Chicago recently, Raymond Gram Swing hauled out his typewriter to turn out one of his White Owl Cigar and MBS news commentaries.

—*Broadcasting, Jan. 13*

charges by Representative Martin Dies (D-Tex.), chairman of the House Committee Investigating Un-American Activities, that Communist influences existed within the FCC. Fly repudiated those allegations and stated that the accused, Dr. Goodwin Watson, a top official of the Foreign Broadcast Monitoring Service, had no record of pro-Communist activity.

Radio also was the target of 1941 legislation that sought to impose a tax on revenues from time sales. Charges that it would be discriminatory against radio led to the bill's collapse. BROADCASTING editorialized in August: "If a vote were taken today on whether broadcasters regard their business as hexed, bewitched or voodooed, the 'ayes' would win by a landslide. The House Ways and Means Committee action in voting a super-income tax upon broadcast advertising revenue is the last straw. . . . The very fact that a committee of 25 legislators, strong and true, could be taken in by the crew of labor lobbyists who plumped for the discriminatory tax against radio is stupefying."

Broadcasting enjoyed another good business year in 1941, with gross billings in excess of \$237,600,000 and net time sales about \$176,280,000. By the end of the year, 30.3 million U.S. homes, over 80% of all homes, had radios as did 9.5 million autos. Television gained its pioneer sponsors under full commercial authorization, at \$120 per evening hour, when Bulova Watch, Sun Oil, Lever Brothers and Procter & Gamble signed for time on WNBT(TV) New York. FM gained its first network sponsor when the Socony-Vacuum Oil Co. signed for newscasts on the American Network serving New England.

By December, 10,000 to 20,000 television receivers were in use—half in New York and the rest in Philadelphia, Chicago and Los Angeles. Although most television shows consisted of studio-produced discussions, game shows, musical programs and wrestling and boxing matches, CBS's WCBW New York scored a journalistic beat by presenting a 90-minute news documentary on Pearl Harbor just hours after the attack.

The war touched FM too. Edwin Armstrong in March gave the Army free use of his FM patents for purposes of defense. As a result of the lack of parts, priorities and the dearth of engineers, the war would slow the development of television and FM, although how much so was not yet suspected by the year's end. With several new FM stations dedicated, and the start of commercial FM, BROADCASTING wrote in December, "There isn't even any indication that FM development has bogged down, despite defense, priorities and other seeming dislocations which inevitably accompany a war economy . . . FM receiving set production . . . has reached 1,500 per day. . . . There are about 100,000 sets in use. . . . Radio having proved its ability to sell goods, is doing a respectable job of selling 'staticless' radio. . . ."

A great radio accomplishment in 1941 was the strengthening of Broadcast Music Inc. to a position where it successfully challenged the American Society of Composers, Authors and Publishers' music monopoly. ASCAP contracts expired at

Industry Takes Its Place in War Program

Keeps the Country Informed; Some Changes Pend

WAR TOOK on a new meaning for radio last week as the whole industry plunged headlong into national emergency operation and at once entrenched itself as the fourth arm of defense.

As soon as first word was flashed of Japan's surprise attack on Pearl Harbor Dec. 7, radio swung into action, throwing regular schedules overboard to keep the whole nation advised of minute-to-minute developments. By the end of the week, with all networks and most stations operating around the clock, news schedules had been adjusted to least disturb normal functions. But listener interest reached record peaks every hour of the day and night.

Plans All Ready

Following prearranged plans, the Defense Communications Board, headed by FCC Chairman James Lawrence Fly, took over before the emergency was an hour old. The fruits of more than a year of planning promptly were realized, and much confusion and unrest which might have reached the hysteria stage was averted.

The brunt of operation in a war economy was felt on the Pacific Coast, from San Diego to Seattle and as far east as Idaho, because of possible air attack. All stations were silenced, particularly after dusk, in these areas, to prevent use of their carriers as "homing beacons". Blackouts also were experi-



Harris & Ewing photo Tuesday night

"To all newspapers and radio stations—all those who reach the eyes and ears of the American people—I say this:

You have a most grave responsibility to the nation now and for the duration of this war.

If you feel that our Government is not disclosing enough of the truth, you have every right to say so.

But—in the absence of all the facts, as revealed by official sources—you have no right in the ethics of patriotism to deal out unconfirmed reports in such a way as to make people believe they are gospel truth."—President Franklin D. Roosevelt, in an address Dec. 9, 1941, one day following the Declaration of War.

Act. Chairman Fly promptly dispelled fears of drastic action by pointing out that the end sim-

President Roosevelt, admonishing radio and the press to avoid alarm and war and to use caution and

fecting radio and the press. Outgoing communications are being censored, both by the Navy and on international shortwave broadcasts, through the Office of the Coordinator of Information.

Steps are being taken toward formation of a war information bureau, which would have functions which might be classified in the censorship category. This work in a measure now is being carried on under J. Edgar Hoover, director of the Federal Bureau of Investigation, but a permanent head later will be selected.

High Spots of Week

Any forecast of the future, as it pertains to radio, at this writing is practically futile. As the first week of war ended, these developments stood out:

(1) There is no disposition to disturb commercial broadcast operations, save where Interceptor Commands order total blackouts because of imminent air attack or where martial law may be invoked because of contingency.

(2) DCB is established as the supreme radio command, subject to such orders as the Army may give relative to domestic broadcasting.

(3) Orders to stations in each area will come from Interceptor Commands, through FCC liaison, established in some areas and later to be expanded probably to cover all key areas.

(4) Plans are being considered to reduce to a minimum the necessity of

tions, and

the end of 1940. There was virtually no ASCAP music used on radio in January, only BMI tunes and music in the public domain. By the end of February, both ASCAP and BMI, responding to the government's antitrust suit against them, had worked out consent decrees with the Justice Department. ASCAP was forced to

offer broadcasters both blanket and per-piece licenses, but it still was not getting any takers. In March, the government found ASCAP guilty of antitrust violations and fined the organization \$32,250, but still no ASCAP music was played on the air. Broadcasters rejoiced. BMI had put competition into music licensing and, as

Broadcasting noted, "Terms can't be dictated anymore." But battles do end.

MBS broke the ASCAP standoff in May by signing at 3% of gross receipts for four years, then 3 1/2% until 1950. But the contract needed the approval of MBS affiliates. NBC in August said it would pay ASCAP 2 3/4% of net time sales, with its stations paying 2 1/4%. By November the stations approved the NBC and MBS contracts. ASCAP music came back on the air once again, but a beleaguered radio apparently had won a major music war.

Another music war began to take shape early in the year. James C. Petrillo, president of the American Federation of Musicians, in February made a ruling that was aimed more at the American Guild of Musical Artists than at radio. Petrillo ordered AFM members not to perform with any instrumentalist who was not an AFM member. As time went on, Petrillo was to put different and greater pressures on broadcasters that resulted in congressional legislation in 1946 that curbed certain union practices.

Other developments in 1941 included CBS preparations for a Latin American network of 39 longwave and 25 shortwave stations in 18 countries, and completion of arrangements for a 92-station Pan American Network to rebroadcast NBC programs shortwaved from the U.S. In addition, the Associated Press formed a special subsidiary, Press Association Inc., to handle news for radio. And the first annual George Foster Peabody Radio Awards for "outstanding meritorious public service" in 1940 were given in March to CBS, WLW Cincinnati, WGAR Cleveland and KFRU Columbia, Mo.

An award might also have been in order for the U.S. and its North American neighbors who successfully handled the biggest physical shake-up in radio: the implementation of the Havana treaty on March 29. Under it, more than 800 U.S. radio stations switched frequencies to resolve international interference problems.

BRITISH RADIO CENTER BOMBED



Broadcasting House Bombed, Killing Seven of BBC's Staff

News Announcer Rocked as Bomb Explodes But Sticks to His Mike and Continues With Program

BROADCASTING HOUSE, headquarters of the far-flung British Broadcasting Corp., an originating point of American and Canadian network broadcasts in London, has been struck twice by German bombs since October, it was officially announced Jan. 7. During the second raid Fred Bate, head of the NBC staff in London, was cut by flying glass [BROADCASTING Dec. 15]. At the time Bate was not at Broadcasting House but working in NBC headquarters in the same section of the city.

Seven members of the staff of BBC, it was made known Jan. 7, were killed during the October raid when a bomb failed to explode immediately. As the bomb exploded, Announcer Bruce Belfrage, who has appeared on the stage in the United States, was concluding a news summary. "The postscript tonight . . ." he began. Then there was the sound of an explosion, heard by millions of listeners. A voice came through the open microphone saying, "It's all right," and Belfrage continued with his news.

dent. The injured included B. E. Nicolls, program director.

When this missile came down alongside Broadcasting House, which dominates Portland Place, the BBC's roof spotter grabbed his telephone and shouted down to the control room: "Look out, there's a big one coming." Seconds later the bomb went off in Portland Place with a tremendous blast that blew over the roof spotter. He crawled back to his telephone. Came the comment from the control room: "Butter fingers."

Now Underground

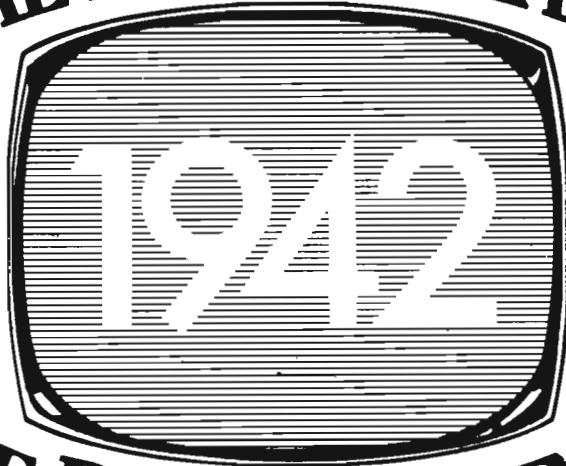
A few minutes after this, Broadcasting House, a London showplace, was showered with fire bombs. Two fires which broke out on the third floor were put out after two hours. Damage was so great that BBC now is operating solely from underground studios—all 20 above ground studios being out of commission. The first bombing cut a heavy gash into the BBC building level with the fifth floor on the Portland Place or west side. The building, constructed of ultra-

Stay Tuned

1. Who was the CBS commentator named director of the Office of War Information?
2. Name two popular 1942 war-related songs.
3. What was the wartime problem that faced sportscasters when a baseball game was rained out?
4. Who was the Georgia congressman responsible for the resolution to investigate the FCC, which subsequently passed?
5. What "Caesar" created a storm in broadcasting?

The answers
in "1942."

THE FIRST 50 YEARS



OF BROADCASTING

As America entered 1942 as a full-time participant in World War II, broadcasters found themselves both the beneficiaries and victims of the wartime economy. Audience and advertising expanded. But operational problems were created by the war.

Wartime conditions strengthened radio in the media competition. With paper short, restrictions were imposed on newspaper and magazine size, causing newspaper advertising revenues to decrease by about 5% in 1942, while magazine advertising revenues were decreasing 10%. Advertisers who were rejected or limited by the print media turned to radio. Their incentive to advertise was intensified by a 90% tax on excess profits; spending money on tax-deductible promotion made more corporate sense than giving it to the government. Radio set a record for gross billings, \$255 million in 1942.

At the same time, broadcasters donated the equivalent of \$64 million in time to governmental wartime messages: The volunteer Advertising Council, formed by the Association of National Advertisers, the American Association of Advertising Agencies and media organizations, in the first year of the war, produced more than 4,000 advertisements for the government, in addition to portfolios, leaflets, folders and posters. Ad Council Chairman Chester J. LaRoche said one agency alone wrote and produced in seven months more than 2,500 radio shows and spots for the government.

Radio was used to promote such projects as the sale of war bonds, the salvage of scrap metal and the writing of "V-mail" to Americans overseas. Donald M. Nelson, chairman of the War Production Board, exhorted advertisers to "push simplification, because it will enable us to get more goods with less manpower and less material." There were those, however, who were looking to the future. In the midst of wartime austerity, Eugene Carr of WGAR Cleveland proposed that radio advertisers feature the theme of post-war prosperity and the promised cornucopia of consumer goods. The AAAA supported Carr's idea.

But the war stopped radio's physical growth. The diversion of materials and equipment to military use prompted the Defense Communications Board, supported by the FCC and the War Production Board, to order a freeze on the construc-



The war went badly for the Allies in early 1942, but the tide began to turn in the summer and fall. The Japanese were finally stopped in the South Pacific and in Southeast Asia. Rommel's German-Italian desert forces were defeated at el-Alamein, Egypt, and American and British troops invaded North Africa. In the U.S., new car sales were banned and the rationing list included tires, rubber, coffee and sugar. In Cleveland, NAB convention delegates were treated to the world premiere of Disney's "Bambi." In Washington, the FCC spiked rumors that it was moving to another city, by leasing additional space in a building three blocks from its 13th and Pennsylvania Avenue headquarters. And in BROADCASTING ...

supplies, but the industry continued to experience a scarcity of such vital replacement parts as tubes and transmitter gear. Broadcasters proposed a semiofficial pooling of equipment. The plan gave way to an FCC-sponsored questionnaire designed to locate surplus and salvageable radio parts.

The Selective Service System in July declared broadcasting an essential industry, establishing the criteria for granting of deferments by local draft boards. By September any "key" civilian in broadcasting—executive, head of a major division or subdivision, technical expert—needed a written release from the employer before being allowed to enlist.

The war in its early stages sparked unusual preparations at stations. Blackouts were ordered to thwart enemy attacks, which never materialized. Some broadcasters painted microphones to glow in the dark. Others dipped typewriter ribbons in invisible ink that glowed green when exposed to an ultra violet lamp, to make scripts visible during blackouts.

The FCC placed the entire broadcasting industry on a full war basis on Dec. 1. Among other measures, the FCC required stations to reduce transmitter power by one decibel. After its first year of war, radio had readjusted and readied itself for the crucial year ahead. "Radio entered its first war," BROADCASTING wrote, "with no precedent or experience to guide it ... Radio met the test realistically. From every quarter came paeans of praise for the job done. But radio can't rest on its oars. It becomes more and more a radio war. Right of way must be given government programming to an even greater degree as the war progresses."

This right of way included, besides free time for government messages, adherence to censorship. The Office of Censorship,

tion of new AM, FM and TV stations. The War Production Board ordered manufacturers of radio receivers to convert to a full wartime schedule, and the production of civilian radio sets ceased by April 22. Radio manufacturers had sold 13.1 million home receivers and 2 million auto sets in 1941. In 1942 they sold only 4.4 million sets for homes and 350,000 for autos. The radio audience, however, increased in 1942 as people with two or more sets sold or loaned one set to others.

In April the War Production Board gave broadcasters a higher priority for maintenance, repair and operating

THE NAB'S FOUNDING FATHERS HAD THEIR TROUBLES, TOO



NINETEEN YEARS AGO these embattled broadcasters got together at the Drake Hotel in Chicago "to break the music monopoly of ASCAP". Out of that meeting on April 23, 1923, the NAB was born. To compete with ASCAP the stations organized a publishing concern called Associated Independent Music Publishers—the forerunner of BMI by 19 years. Announcements were broadcast by the stations, informing listeners of the opportunities for aspiring composers.

The telegrams on the desk are congratulatory wires from Chicago listeners and from station operators all over the country. The *Chicago Tribune* reported that "the broadcasters left the meeting humming new tunes and predicting that new music would soon be floating through the

ether". However, the publishing concern folded within a few months for lack of funds.

In this picture, dug out of the files of Comdr. Eugene F. McDonald Jr., president of Zenith Radio Corp. and first president of the NAB, are a group of notables of the then budding industry, some of whom are still active. They are (l to r): Raymond Walker; C. H. Anderson; Frank W. Elliott, WIIO, Des Moines, later an NAB president; Comdr. McDonald, then owner of the old WJAZ, Chicago; Paul Klugh, then manager of WJAZ; William S. Hedges, then radio editor of the *Chicago Daily News*, operating WMAQ; Elliott Jenkins, WDAP, Chicago (now WGN); A. B. Cooper; John Shepard 3rd; Powel Crosley Jr., WLW, Cincinnati.

—Broadcasting, May 11

in January, issued a wartime programing code that banned ad-lib programs, man-on-the-street interviews and other "open-mike" formats. Although compliance with the code remained voluntary, Byron Price, director of censorship, and J. Harold Ryan, assistant director for broadcast media, announced that adherence was "99.9% pure" as they praised patriotic self-censorship. The test for acceptability remained, as Ryan said, "Can the enemy utilize it?" Going beyond its 1941 ban on weather forecasts, the Office of Censorship, in March 1942, forbade even the mention of weather conditions during baseball games; if a game was called because of rain, the reason was not mentioned on the radio.

To further implement wartime operations, President Roosevelt, in June, created the Office of War Information and named Elmer Davis, CBS commentator, as head. The OWI was designed to centralize and coordinate news and the various other war information agencies. Starting in October, all government agencies needed OWI's approval for all radio programs and announcements. As a funnel for information to broadcasters, OWI limited and established priorities for government messages to create attention but avoid saturation.

Two-thirds of OWI's budget was targeted for overseas operations and one-third for domestic, which included the es-

tablishment of a radio bureau for delivering war messages to Americans. When the government took over shortwave stations from private operators near the end of 1942, the OWI became responsible for the programing on those stations that beamed their signals to other countries.

The war directly touched the content of most programing on radio. When sportscaster Red Barber agreed to air the name of anyone purchasing bonds during one Brooklyn Dodgers-New York Giants baseball game, he sold \$100,000 worth of bonds. Kate Smith was everywhere on the dial with pleas for war bond purchases; WABC New York, for example, credited Smith with promoting more than \$2 million in bond sales among its listeners in one day by personally answering phone calls.

The war also surfaced in music, in themes, in the plots and settings of regularly scheduled programs. Variety programs used servicemen or military camps as backgrounds. Musical programs included such popular war-born songs as "Praise the Lord and Pass the Ammunition," and "This is the Army, Mr. Jones." Serials inserted subplots involving characters who had gone to battle. The War Department asked the creators of several daytime serials to insert storylines to help elevate the image of black soldiers in a segregated Army.

The war caused the creation of new formats as well. General Motors, starting in June, sponsored *Cheers From the Camps*, an hour variety series with Army personnel as stars. CBS broadcast the show on 114 stations.

In April, NBC-Red started *The Army Hour*, a Sunday evening show composed mainly of soldiers' accounts of wartime operations. Those eyewitness accounts included a message from Brigadier General Claire Chennault, commander of the Flying Tigers (American volunteers in China), as well as General Jimmy Doolittle's description of the Tokyo bombing that he led. Colonel Ed Kirby, former public relations director of the NAB, created the program.

This is War!, a 13-week series designed "to inspire, to frighten, to inform," emerged in February as a joint effort of the Office of Facts and Figures and the networks. It was aired on more than 700 stations of all four networks. The cast donated its services, and the networks paid for production costs. Maxwell Anderson, Stephen Vincent Benet and Norman Corwin wrote some of the scripts.

Government information and propaganda in more blatant packages formed the core of such government sponsored and produced series as *This is Our Enemy*, which detailed Nazi tactics and tortures, and *You Can't Do Business With Hitler*,

NAB's New Quarters



NEW HOME OF THE NAB in Washington will be occupied within the next few weeks as a result of purchase consummated last week with approval of the board majority, voting by mail on the basis of pictures of various properties offered. It cost \$31,000 cash. The four-story 13-room structure, former home of Columbus University Junior College, is located at 1760 N St. NW, just off Connecticut Ave., about two blocks from the Mayflower Hotel. NAB along with all other tenants has been ordered to vacate the Normandy Bldg. on K Street early in December to make way for the RFC rubber conservation staff.

—Broadcasting, Nov. 30



NBC-RED PLANNERS met last Tuesday at Radio City to perfect organization of their advisory group. Members are (l to r) James D. Shouse, WLW, Cincinnati; Paul W. Morency, WTIC, Hartford; Stanley Hubbard, KSTP, St. Paul; Arden X. Pangborn, KEX, Portland; Ed Yocum, KGHL, Billings, Mont.; O. L. Taylor, KGNC, Amarillo, vice-chairman. Chairman is Harry Stone (seated), WSM, Nashville.

—Broadcasting, Jan. 12



NEW BLUE AND WHITE mike plates of the new Blue Network are examined at the affiliates meeting in Chicago on Jan. 14-15 by members of the network's advisory committee (l to r): Harold Hough, KGKO, Fort Worth; Henry P. Johnston, WSGN, Birmingham; Howard Lane, KFBK, Sacramento, Chairman; Harry Wilder, WSYR, Syracuse; Earl May, KMA, Shenandoah, Ia.; Tracy McCracken, KFBC, Cheyenne.

—Broadcasting, Jan. 19

which recited Nazi Germany's broken promises.

To counter the drawing power of Tokyo Rose and Axis Sally who broadcast propaganda to Allied Forces amid sexual innuendo and some of the best swing music available, the War Department created *Command Performance*, a variety show that honored servicemen's requests for songs and performers.

First aired in the spring of 1942, *Command Performance* was broadcast by 11 shortwave stations, and inherited by OWI when it took over the shortwaves. OWI wanted to concentrate on other tasks, so Tom Lewis, vice president of the Young & Rubicam advertising agency, organized a network of armed forces stations at the re-

quest of the War Department and took over *Command Performance*. Lewis's network was to become the Armed Forces Radio Service.

The war fostered prestige programming. Businesses began to sponsor such moderately popular but eminently praiseworthy events as serious drama and symphony orchestras to keep their names before the public.

A decline in popularity of the soap operas was noted, attributed by some critics to the overwhelming reality of the war. Among the new programs of 1942 were *The Abbott and Costello Show* and *People Are Funny* with Art Baker and Art Linkletter.

News programming was in the ascendancy

between 1940 and 1942 as the networks nearly doubled the air time devoted to news.

On the legal front, the Department of Justice filed antitrust suits against NBC and CBS, seeking, in BROADCASTING's words, "even more drastic alteration of network-station operations than the FCC's punitive regulations." MBS filed its own antitrust suit, also in January, against RCA-NBC and asked for damages of more than \$10.4 million because of RCA-NBC's option time priorities. Meanwhile, RCA, also in January, established the Blue Network as an independent company operating as a wholly owned subsidiary of RCA. In November, a New York federal court dismissed petitions by NBC and CBS for

injunctions that sought to restrain the FCC from implementing its network-monopoly regulations, but the court did stay the effective date of regulation until Feb. 1, 1943.

In other network developments, Dr. Frank Stanton became a CBS vice president in September, Miller McClintock became the first paid president of MBS in November, and General Tire and Rubber Co. in December contracted to buy the Yankee Network for \$1.2 million.

On the newspaper-radio front, the FCC claimed its investigation was germane to the war effort and refused to halt its probe of the effects of the ownership of radio stations by newspapers. The commission continued to draft a newspaper-radio report despite an opinion Jan. 26 from the U.S. Court of Appeals for the District of Columbia that there was nothing in the statute that would allow the FCC to dis-

criminate against newspaper ownership in broadcasting.

The FCC itself became a target of invective and probe during 1942. Clarence F. Lea (D-Calif.), chairman of the House Interstate and Foreign Commerce Committee, questioned the FCC on its licensing and investigative actions while Representative Eugene E. Cox (D-Ga.) introduced a resolution for a full investigation of the FCC. The resolution was adopted in January 1943.

On the music front in 1942, the American Society of Composers, Authors and Publishers sought to live in peace with broadcasters and the rival Broadcast Music Inc. But James C. Petrillo led his American Federation of Musicians in a move against recording companies to protect union members' jobs. Radio felt the effects. Petrillo announced in June that by Aug. 1 all recording and transcribing of

music for public consumption would cease. Petrillo, who considered his battle to be with the recording and transcription companies but not with the broadcasters, argued that musicians face "a situation peculiar to themselves in that they make transcriptions which take their places." He said it was like "the iceman making a mechanical refrigerator that would ruin his trade . . . I know that the policy of recording is suicidal for our people," he said. "The time has come for the federation to take matters into its own hands." Petrillo wanted the networks and the recording companies to pay fees to the union for the playing of recorded music.

As the strike deadline neared, FCC Chairman James Lawrence Fly urged a probe of Petrillo's music edicts even though the FCC jurisdiction was debatable. Once the strike occurred, broadcasters denounced Petrillo as a dictator and frequently referred to him by his middle name, Caesar. The Senate created a special Petrillo-probe subcommittee. The Justice Department attempted to file an antitrust suit against the AFM. After Petrillo in September rescinded permission for members to make commercial transcriptions for one-time air use, the controversy increased. That month the Senate approved Senator D. Worth Clark's (D-Idaho) resolution for a full-scale probe of Petrillo and the AFM, which began in December. The Chicago Federal District Court dismissed a suit filed by the Justice Department against the AFM. The department announced in December that it would appeal to the Supreme Court. Still the AFM held out; the musicians remained silent.

The year ended with battle lines clearly drawn: The AFM fought the record companies, NBC and CBS fought the FCC, MBS fought RCA-NBC, the FCC fought the Senate probe, and radio fought for the victorious end of the war. Outside those arenas, Americans were singing Irving Berlin's Academy Award-winning "White Christmas," intently listening to foreign news broadcasts, practicing blackouts, and hoping for peace.

Broadcasters Victory Council



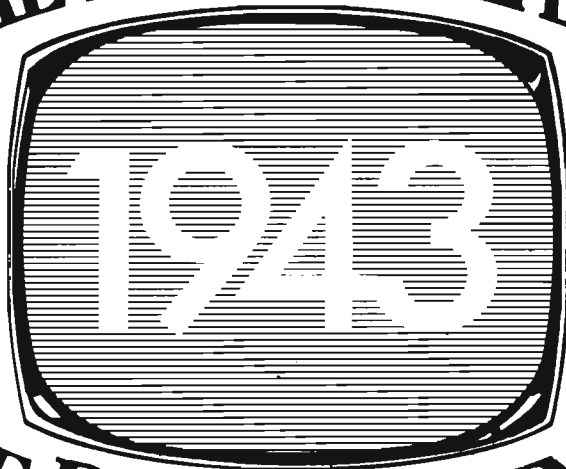
INDUSTRIAL LIAISON in Washington for the duration is Broadcasters Victory Council, with John Shepard 3d (center), Yankee Network president, as the chairman. The council was formed in late January [BROADCASTING, Feb. 2]. Other members are: George B. Storer (upper left), president of Fort Industry Co. and interim president of NIB; James D. Shouse (upper right), vice-president of WLW-WSAI, for Clear Channel Broadcasting Service; John E. Fetzer (lower left), owner of WKZO, Kalamazoo, and NAB director, for the NAB; Eugene C. Pulliam, president of WIRE, Indianapolis, and president of Network Affiliates Inc.

Stay Tuned

1. Who called the FCC the "nastiest nest of rats in this entire country?"
2. Name the Washington publisher who wrote a front-page editorial condemning the House investigators of the FCC.
3. Who bought the Blue network from RCA for \$8 million cash?
4. What was radio's slogan for "Radio Day" of the second and third War Loan Drives?
5. Name at least two of the four residents of "Allen's Alley"?

The answers
in "1943."

THE FIRST 50 YEARS



OF BROADCASTING

With World War II intensifying at the outset of 1943, the nation's attention was concentrated on survival. But the broadcasters' battleground was Washington. For a while it looked as if Congress would come to the broadcasters' rescue from an FCC that had been threatening and imposing harsher and harsher controls.

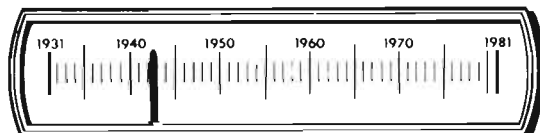
On the first day of Congress, Representative Edward E. Cox (D-Ga.) strode to the podium, called the FCC a "gestapo," accused it of seeking "terroristic control" of all media, and demanded an investigation. The House approved the Cox resolution and Cox, chairman of the investigation, appointed Eugene L. Garey as chief counsel for the probe.

Garey made no pretense of objectivity. He denounced the FCC as "the nastiest nest of rats in this entire country," and labeled FCC Chairman James Lawrence Fly as the "worst bureaucrat" in Washington. Representative Frederick Bradley (R-Mich.) decried the FCC as a "hotbed of communism" under Fly's leadership.

"Dead cats aplenty will be thrown during the Cox Committee inquiry," BROADCASTING predicted in a January editorial, and then threw some of its own by saying: "The FCC has run a reckless course under the chairmanship of James Lawrence Fly. . . . Now Mr. Fly must face the music, along with his majority colleagues who have rubber-stamped these unrelenting grabs for power."

Congress, like many broadcasters, felt the FCC under Fly had overstepped its jurisdiction. Cited were such actions as the commission's investigation of the networks' power in their dealings with stations as well as the FCC's constant probing into joint ownership of newspapers and broadcast properties. Cox sought to investigate the FCC's "assumption of power in fields never contemplated [for it] by Congress."

Cox and his cohorts demanded not only the minutes of the FCC's executive meetings but also the personal financial records of every FCC commissioner from 1937 on. All complied except Clifford J. Durr who not only refused but also called for Cox's dismissal because of "bias . . . prejudice . . . and personal interest" in the outcome of the investigation. Charges of incompetence and impropriety on both sides grew



FDR, Churchill and Stalin met in Teheran to plan a second front in Europe against the Nazis. Earlier, in February, the German army had withdrawn in defeat from Stalingrad and was driven from Africa in May. Italy deposed Mussolini in July and surrendered in September, as Allied troops invaded the Italian mainland. At home, the President froze prices and wages to combat inflation and Americans were introduced to the withholding tax. The military and civilian war workers were kept on their toes by the Senate Special Committee Investigating the War Effort, chaired by a peppery Democrat from Missouri, Harry S Truman. "Casablanca" won the Oscar for that year and the hearts of Americans in TV replays ever since.

And in BROADCASTING . . .

louder and louder by midyear.

Fly answered the assaults by reminding the House that after he had the "unfortunate duty" of reporting that Cox had received a \$2,500 fee for obtaining a station license for a client, Cox joined the anti-FCC group and called for an investigation. The FCC chairman declared: "Cox immediately joined forces with the radio monopoly and Wall Street interests on the one hand and the military on the other, all moving in for the kill. The aim has obviously been to wreck the commission, the only agency representing the public in this important field, to set up monopolistic control by commercial interests and to estab-

lish actual and coercive surveillance of the nation's most significant mechanism of free speech."

Durr, in September took his allegations of Cox impropriety to Eugene Meyer, editor and publisher of the *Washington Post*. The next day, the *Post* ran a front-page editorial declaring: "In the opinion of no qualified and dispassionate observer has this investigation proven anything but a mockery of basic American traditions of fair play. It has been a star chamber; it has been black with bias; it has sought to terrorize those who exposed the chairman's [Cox] corrupt practices."

With such guns on the other side, Cox resigned his chairmanship of the investigation, which continued into 1944. Cox said he resigned to free the committee of "any possible embarrassment of my personal problems or controversies." It was also understood that Cox made the decision after he received assurances that the probe would continue. Other FCC targets of those House-FCC wars included Commissioner George H. Payne (whose renomination for another seven-year FCC term was precipitously withdrawn by President Roosevelt just 24 hours after it had been submitted) and FCC staffers Dr. Goodwin Watson and Dr. William E. Dodd. Watson and Dodd, who served on the FCC's Foreign Broadcast Intelligence Service, were accused as communist sympathizers by the House UnAmerican Activities Committee headed by Representative Martin Dies (D-Tex.). Fly retained Watson and Dodd at the FCC, despite congressional threats against FBIS funding.

Despite this intra-Washington feuding that some observers called "crippling," the FCC made some constructive moves.

RADIO'S FIRST DSC HERO

BY DIRECTION of President Roosevelt, First Lt. Thomas E. Knode, former Washington news editor of NBC, has been awarded the Distinguished Service Cross for extraordinary heroism in action, the War Dept. announced last Friday.

Now recovering in a military hospital in Australia from wounds received Dec. 5 [BROADCASTING, Dec. 21] Lt. Knode, on recommendation of Gen. MacArthur, has been given the second highest honor this country bestows on its soldiers. It is topped only by the Congressional Medal of Honor.

Radio's First Hero

Thus Lt. Knode, who was called to active duty last March as a reserve second lieutenant, becomes radio's first man to be decorated with the distinguished service cross. The citation follows:

"The Award of the Distinguished Service Cross, by Direction of the President. Thomas E. Knode, 1st Lt., 126th Inf., USA, for extraordinary heroism in action near Buna, New Guinea, on Dec. 5, 1942.

"During an attack on Buna Village, 1st Lt. Knode led his platoon with conspicuous bravery. When wounded in the leg he disregarded the wound and continued to lead his platoon in the attack. When he was again wounded in the foot and was unable to go on, he refused to be evacuated until he had given final instructions to his platoon."

With the citation for heroism, it was disclosed that Lt. Knod



LT. KNODE

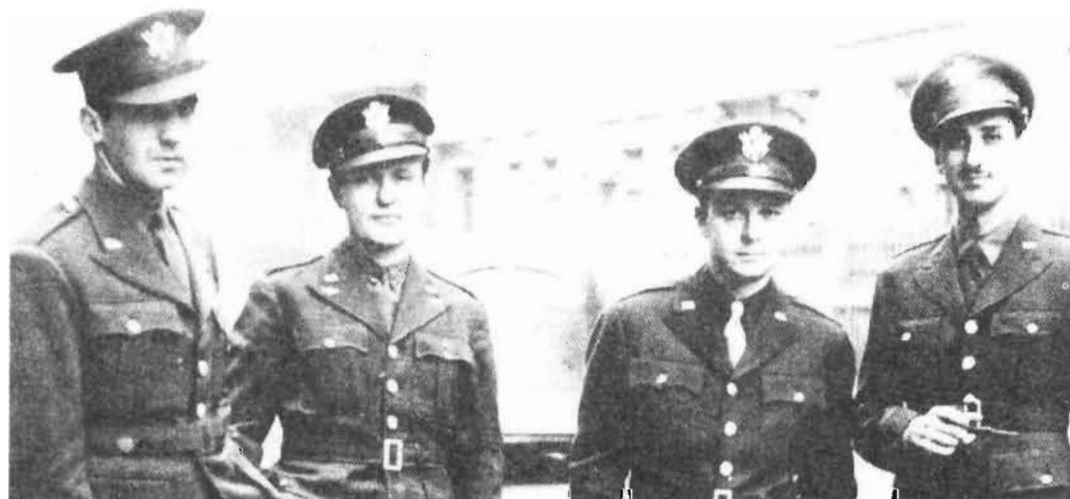
battlefield, not at a desk in Washington."

Later, when he arrived in Australia, Lt. Knode turned down an assignment to the public relations staff of Gen. MacArthur. He preferred to go into battle with his men.

Just two days before the War Dept. notified his wife, Mrs. Catherine Knode, former Washington NBC employe, of the citation, Mrs. Knode received a letter from her husband in Australia. He said nothing about his exploits in action, but told his wife that he had been shot in the right foot. The bullet entered at the ankle and came out through the sole of the

— *Broadcasting*, Jan. 11

Editor's Note. Because of his injuries, Knode was retired from the Army in November 1943 with the rank of captain. He rejoined NBC in Washington, then transferred to New York where he served in several posts, including director of the press department and director of affiliate relations. He left in 1955 to become vice president in charge of television for the Edward Petry & Co. station rep firm but returned to NBC and was vice president in charge of station relations for about 10 years until 1967. Since then he has been a broadcast consultant, based in New York. **Below.** Edward R. Murrow, CBS European news chief, home for a brief visit in New York, brought with him this picture of the London news staff (l to r): Murrow, Paul Manning, John Daly and Robert Trout.



— *Broadcasting*, June 14

They included extension of broadcast license terms to three years, the placement of FM and TV applications in a "pending file" to expedite their processing after the war, and adoption of a plan for the use of four-letter calls for FM stations.

(Although the Radio Act of 1927 and the Communications Act of 1934 had authorized radio licenses up to three years, initially licenses were issued for six months, later for one year, and then, in 1941, for two years.)

However, the FCC created waves in November when it banned multiple ownership of standard broadcast stations in the same area. This surprised an industry that thought the FCC had packed that pistol away. Even though the ruling affected only 40 out of 900 owners, BROADCASTING in an editorial, "Kick in the Teeth for Congress," decried "the FCC's utter disdain of Congress," citing the FCC's lack of warning and lack of precise definition as to what kinds and degrees of multiple ownership were to be outlawed.

The loudest cries of dismay on the Washington frontier, however, came from the networks when the Supreme Court, in a 5-2 decision in May, upheld the right of the FCC to regulate broadcasting policies and to compel compliance with its chain broadcasting rules.

BROADCASTING declared that "American broadcasting has a new business manager—the FCC. . . . It is a neat victory—its greatest—for the FCC majority. We think it constitutes the most dangerous blow yet struck to the freedom of American broadcasting." Niles Trammell, NBC president, called the Supreme Court decision "of grave concern to American broadcasters. . . . [since] the FCC may endeavor to extend its regulations to cover practically every phase of the business relationship between the networks and the stations." CBS President William S. Paley, in a terse statement to the network's affiliates, reaffirmed the belief that "we are more than ever convinced that the commission's areas of authority, and the broadcaster's areas of freedom should be redefined by the Congress in a new radio act." But Miller McClintock, MBS president, praised the ruling: "Finally the radio industry is to have a practical application of the broadcasting rules promulgated by the FCC and confirmed by the Supreme Court. We welcome their application without apprehension. . . . The . . . rules will have no revolutionary effect upon advertising practices, upon the operations of Mutual, nor . . . upon the operations of the other networks."

One result was that the government dropped its antitrust suits against CBS and NBC, and MBS dropped its suit against RCA-NBC.

The other important change in the network business came in August when the Blue Network was sold to Edward J. Noble for \$8 million, a sale for which RCA had been preparing itself for some time. Noble, chairman of the board of Life Savers Corp., agreed to sell his WMCA New York to



LANDLUBBERS were these "beachcombers" at the penthouse party Monday evening at Paul H. Raymer's, in Chicago. Guests of the station representative in this unconventional setting were (l to r): Clair McCollough, Mason-Dixon Group, Edgar Kobak, executive vice-president, Blue; Beth

Black, Joseph Katz Co.; Linnea Nelson, J. Walter Thompson Co., New York; Herbert V. Akerberg, CBS vice-president; Reggie Schuebel, Duane Jones Co., and Margaret Wylie, J. Walter Thompson Co., Chicago.

— *Broadcasting*, May 3

conform with the FCC's feelings about multiple ownership in one community. Blue Network holdings included WJZ New York, WENR Chicago and KPO San Francisco, transfers of which were subject to FCC approval.

Noble then sold WMCA for \$1,225,000 to a company headed by Nathan Straus, former administrator of the U.S. Housing Authority. The transaction was announced as Donald Flamm—who had sold WMCA to Noble in 1940 for \$850,000—sought unsuccessfully to have the 1940 sale rescinded on the grounds that it had been made under duress. Flamm said he was influenced by reports of White House pressure for the sale as well as fear of FCC reprisals for his conduct of the station's operation. The issue resurfaced the next year (1944) in Flamm's testimony to congressional probes of the FCC.

Since the war-born limits on newspaper and magazine size brought new advertisers and added revenues to radio, the industry gained, as *BROADCASTING* wrote, "an opportunity to diversify, so the industry isn't dependent upon the business of only a handful of national accounts and agencies who buy practically wholesale."

The war also created an awareness of the future potential of broadcasting. FCC Commissioner T. A. M. Craven urged planning for the "entirely new radio horizon . . . open to the public. Progress in radio development in World War II has been and will be of tremendous significance. . . . Let us resolve now to coordinate our planning before embarking on a wild scramble of equipment manufacture for the use of new radio channels."

Despite shortages and rationing, the war created record revenues for radio, with \$228.1 million in net time sales in 1943. At the same time, broadcasters continued to donate huge amounts of time, talent

and energy to the war effort. By midyear, the Office of War Information placed the value of broadcast time and talent since the war's inception at more than \$100 million.

Through radio, government also sold psychological warfare, an image of "truth." In October CBS President Paley accepted an overseas assignment from the Office of War Information and became radio chief, psychological warfare, at General Eisenhower's headquarters for the Allied forces. The psychological unit, created by OWI in December 1942, at first consisted of five people with no stations or equipment. One year later the Psychological Warfare Branch operated three broadcasting stations in the U.S., beaming broadcasts overseas, and three in the Mediterranean, and programed five other stations with 15-minute news programs in English, German, French and Italian. Besides delivering those programs, the radio division of the Psychological Warfare Branch transmitted radiophotos, monitored all European foreign broadcasts and published a daily report of these broadcasts in order to "truthfully [inform] the people of the Axis, Axis-occupied and liberated countries, both civilian and military."

Through radio, the government and the networks sought to shore up morale. As always, comedy eased the worry. Chester A. Riley's (William Bendix) "What a revoltin' development this is" regularly drew laughter on *The Life of Riley*, which first appeared on NBC in the summer. Comedian Fred Allen's "Allen's Alley," which first appeared Dec. 6, 1942, gained great popularity in 1943 with its characters, Mrs. Nussbaum, Titus Moody, Ajax Cassidy and Senator Beauregard Claghorn.

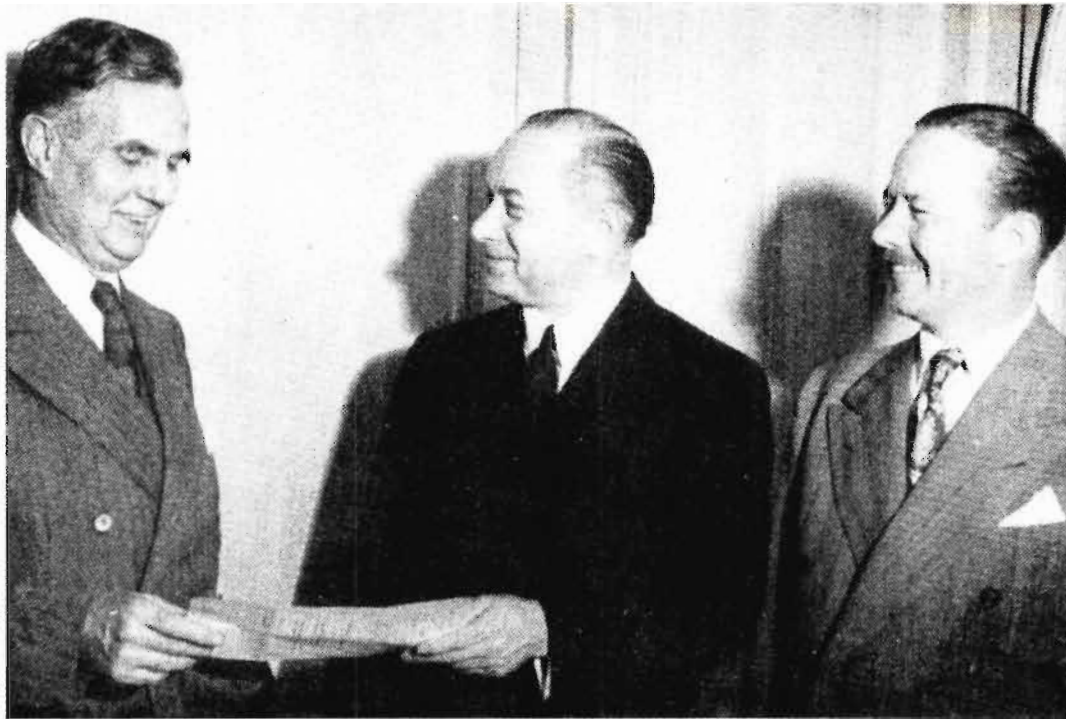
Increasingly, the war became the background and theme for shows as divergent

as juvenile adventure, medicine and music. Superheroes asked children to collect and conserve items needed for the war.

Pacific Story, an 11:30 p.m. NBC semi-documentary inaugurated in July, explored, as the episodes' titles indicated, the impact of such events and people as "The Burma Road," "Hirohito," and "Jinnah: Head of the Moslems of India." *For This We Fight*, produced under the guidance of the NBC Inter-American University of the Air, The Twentieth Century Fund, and The Commission to Study the Organization of Peace, discussed, in a 13-week series, the bases for peace.

Music at War, a six-part series under the guidance of the NBC Inter-American University of the Air, presented songs associated with the various branches of the armed forces. As Samuel Chotzinoff, manager of the NBC music division said, "Almost all great music represents the conflict between good and evil and the inevitable triumph of the former. There can, therefore, be no question that music in wartime is one of the most important aids to morale." General Hap Arnold ordered Gene Autry (inducted into the Army over radio in July 1942) to produce a wartime version of his popular *Gene Autry's Melody Ranch*. Autry, promoted to sergeant, broadcast *The Sergeant Gene Autry Show* on Saturday nights over CBS. Autry also produced recruitment material that proved to be especially effective for high school boys.

In 1943 the U.S. Army Morale Service Division greatly enlarged the Armed Forces Radio Service, established in 1942, and created the Armed Forces Network. Both groups had the similar function of broadcasting to Army personnel the radio shows provided for free by the networks. Although the shows were sent overseas to



A NETWORK IS SOLD, and delivered, for the first time in history, with David Sarnoff, president of the Radio Corporation of America, handing to Edward J. Noble, purchaser of the BLUE, a certificate for 1,000 shares—the entire stock—of the BLUE Network Co. Inc. Mr. Sarnoff had previously received \$7,000,000 in cash, which with the \$1,000,000 Mr. Noble paid down, constituted the purchase price. Mark Woods, president of the BLUE, looks on at the right of the picture.

Broadcasting, Oct. 18

remind the soldiers of home, the shows aired without the commercials that would remind the GI's of things they could not have. Low-power transmitters were constructed at bases overseas. By the end of 1943, the AFRS had 306 outlets in 47 countries.

The AFN, which appeared in England in mid-1943, soon included more than 50 low-power stations on bases throughout the United Kingdom. While AFN used AFRS programming to fill its 20-hour day, AFN broadcast announcements, orientation shows, and its own message-oriented commercials about rationing, the conservation of "Jerricans" (gasoline containers) and health. One often repeated slogan was "VDMT: Venereal Disease Means Trouble: For a moment of play, you may have to pay."

Such were the power and hope of government advertising which, along with the hopes of private citizens, came to include the selling of blacks and women as important war contributors. The government needed to change the perception of black soldiers in a segregated army from second-class to heroic, and the government needed to change the perception of women in uniform from unladylike and incompetent to capable. Radio became the vehicle. Special shows focused on black bravery. Norman Corwin wrote several radio plays featuring black heroes. William N. Robson produced and directed the series, *Man Behind the Gun* about the true story of the all-black personnel of a Coast Guard cutter, the U.S.S. Campbell, that sank six enemy submarines. The Navy produced *Men O' War*, an all-black musical, from its Great Lakes training center in Illinois, which became a weekly feature on CBS by the war's end. Mutual

broadcast *Fighting Men* in which black servicemen related their war experiences. Black war correspondents, to commemorate the 116th anniversary of the black press, reported, for the first time over shortwave, from war zones in Europe and North Africa.

To encourage women to enlist, the government turned to radio to sell its new Women's Army Corps, at first called the Women's Army Auxiliary Corps and established in 1942. WAC's became a part of soap operas and minor characters in established serials. Under the direction of WAC Captain Ruth Thompson, CBS broadcast *WAC's on Parade*.

Womanpower was in ascendancy at broadcasting stations at home as well. Because of the decided shortage of male labor, women manned newsrooms, control rooms and sales forces.

During 1943 the American Federation of Musicians won concessions from transcription firms. Unmoved by the War Labor Board's pleas for the nation's morale, the AFM stood firm. In September Decca Records and the World Broadcasting System agreed to pay royalty fees for records directly to the union. By the end of October four transcription firms—Associated Music Publishers, Lang-Worth, C. P. MacGregor and Standard Radio—signed with AFM.

The National Association of Broadcasters denounced the new principle of payment as "vicious." BROADCASTING explained in an October editorial: "Now that Jimmy Petrillo [the AFM president] has 'revolutionized' the employer-employee relationship through introduction of his system of private taxation, look for the next epoch-making step. . . . Jimmy claims he is setting up his own system of private

'unemployment relief' at a time when unemployment is nonexistent and the manpower shortage is the worst in history . . . radio . . . has become the 'fall guy' for these shake-downs. . . . From the radio standpoint there's only one answer, unless the government steps in. That's the simple, American way. *Stand up and fight.*"

While music users were losing the battle with Petrillo, radio technology won a superweapon: Radar, "the wartime miracle of radio" appeared. In the spring when the government allowed some information about radar to be released, BROADCASTING editorialized: "Jot down in your little notebook the legend: 'Radar—April 23, 1943.' Because that word will become as commonplace in radio's lexicon as radio itself. . . . this radio electronic development for radio detecting and ranging, traveling with the speed of light, has taken the gamble out of blind flying, and has been used on land, sea and in the air to detect approach of the enemy and to measure his distance."

When the government froze the commercial production of radio receivers in 1942, it was to switch parts and personnel to the manufacture of such wartime equipment as radar. Because of this, only 700,000 radio sets were sold in 1943 (350,000 new and 350,000 used) compared with 4,400,000 in 1942; only 17,000,000 tubes were sold compared with 87,700,000 in 1942, and no car radios were sold, compared to 350,000 in 1942.

It was radio's war as much as anyone else's. When the government needed to inform, arouse, cajole, warn, or motivate the most people in the shortest time, radio became the vehicle. In September General Dwight D. Eisenhower broadcast the news of Italy's surrender. In December President Roosevelt's Christmas Eve broadcast was carried on the greatest worldwide hookup to that date, and, in a precedent-breaking move, was rebroadcast by transcription over the four major networks. Radio carried the image and focused the energies of a nation at war.

Stay Tuned

1. Who was the veteran broadcaster who served as radio director of the Democratic National Committee in 1944?
2. What news magazine publisher and former ad agency executive each bought 12.5% interests in the Blue Network?
3. Who became interim FCC chairman when James Lawrence Fly resigned? And whom did Roosevelt later appoint as permanent chairman?
4. In what way did Petrillo's AFM lock horns with NABET and IBEW?
5. Who was the dog whose frugality was cited by FDR in a memorable campaign broadcast?

**The answers
in "1944."**

THE FIRST 50 YEARS



OF BROADCASTING

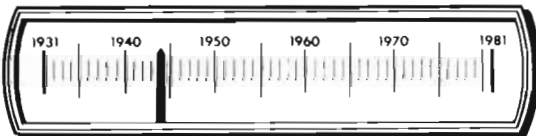
The FCC and congressional probers continued to spar. The commission began planning a permanent place for FM and TV in the postwar spectrum. Radio wrote new chapters in the annals of journalism with its coverage of D-Day at Normandy and election day at home.

With the war and the election in 1944 came record broadcasting revenues of \$300 million in gross billings, \$285 million in net time sales. Radio homes increased to 32.5 million despite production freezes on receiver parts and tubes. With Allied offenses in Europe and the Pacific came the American Broadcasting System in Europe (ABSIE), and the Allied Expeditionary Forces radio. With all of these came radio's undisputed supremacy for quick communication and the bolstering of morale among the Allied countries.

Radio itself became the object of study for postwar possibilities. Broadcasters armed themselves for peacetime regulatory battles with the government at home.

To organize for postwar growth, the National Association of Broadcasters in February drafted J. Harold Ryan, Storer Broadcasting Co. executive who also served as the government's assistant director of censorship, for a one-year interim presidency. As BROADCASTING wrote: "The task ahead isn't easy. The trade association champions a free and unrestricted radio. Forces in government, under leadership of FCC Chairman James Lawrence Fly, have demonstrated that their move is toward rigid regulation, tightening up everywhere. That, the NAB must resist. And for that reason, the radio spokesman inevitably will have differences with those now in the regulatory saddle."

Nineteen-fourty-four was also the year in which Franklin D. Roosevelt ran for an unprecedented fourth term and radio proved its role in the making of a President. Many, including BROADCASTING, coupled the sustained increase in the popular vote with the substantial increase in home receivers. Before the 1944 election, BROADCASTING reasoned that the increase in the popular vote to 40 million in 1932 could be traced to the



The rising hopes for an Allied victory intensified as the armies under General Eisenhower landed on the German-occupied beaches of Normandy on June 6 and by Aug. 25 had liberated Paris. On other battlefronts, Athens was freed Oct. 13, and the Americans went back into the Philippines Oct. 20. Postwar planning included the Dumbarton Oaks conference in Washington, at which the U.S., Great Britain, the Soviet Union and China took a major step toward establishment of the United Nations, and Roosevelt met with Churchill in Quebec on plans to deal with Germany after the war. FDR was elected to a fourth term, the GI Bill of Rights was enacted, and the International Monetary Fund and the World Bank were established. A respite from the rash of movies with wartime themes was "Going My Way", a touching story of two priests that won Oscars for Bing Crosby and Barry Fitzgerald.

And in BROADCASTING . . .

nated New York Governor Thomas E. Dewey whose credentials included an impressive radio presence. A prominent linguist credited Dewey with "a fine, manly voice that is a pleasure to hear. . . strong without any evidence of strain or overexertion. . . Not since radio became a first-class medium for political campaigning has there been a Republican leader who approached Dewey's caliber as a broadcaster."

Besides his broadcast style, Dewey took into the campaign a GOP platform that, much to the satisfaction of broadcasters, included a plank for "free press and radio" and a promise of a new definition "in clear and unmistakable language" with which to nail down the role of the FCC. Dewey said: "The FCC should have no right of censorship, that it should not control the content of radio programs. It should stay in the field of regulating technical facilities. And when the FCC starts to control program content, free radio goes out the window." Roosevelt's Democratic platform failed to pin the FCC to a new, precise law. BROADCASTING, in an editorial entitled "Jilted," expressed the industry's sense of unrequited expectations.

With public interest in the 1944 campaign at fever pitch, the networks canceled all commercial programs that would have interfered with their coverage of the Republican and Demo-

combination of 18 million radios in use, to women's interest in the campaign, and to Roosevelt's "national radio voice." The 1936 campaign, according to BROADCASTING, "reflected . . . another new record vote—45,650,000. There were 33,000,000 receivers in use. Roosevelt, the radio orator, cantered down the home stretch over Landon, whose dust-dry Kansas delivery failed to register. [In] 1940 . . . there was a radio set for every voter—50 million receivers in use. The Roosevelt technique was never better. Willkie's voice rated low—cracked and strained after arduous road campaigning . . . It is clear that unless the opposition uncovers a microphone miracle-man . . . it will be Roosevelt in another radio romp in 1944."

To forestall that romp, the Republicans in 1944 nomi-

cratic conventions, and utilized more than 300 reporters, technicians and officials at each political gathering. At the Democratic convention, in particular, radio scored a few scoops including a live broadcast of a major news conference that caught the competing media by surprise. Senator Samuel Jackson (D-Ind.), the convention chairman, had called a conference to read Roosevelt's letter about Vice-President Henry A. Wallace who was replaced by Harry S. Truman as FDR's running mate. CBS received Jackson's permission to have the letter read over the air, and just before the conference began, John Daly, CBS reporter-analyst, walked in with a small black bag that had a line trailing from it. Nobody paid much attention until the conference began and Daly pulled a microphone out of the bag and placed it in front of the senator. While the CBS network heard Jackson live, the other network and newspaper reporters took notes. Thus, amid some protests, a mainstay of modern broadcasting was born.

Both the Democrats and the Republicans used radio to attack their opponents and to extol themselves. It was during a broadcast from the teamsters union convention that Roosevelt made his now famous "my little dog, Fala" speech. Disclaiming any ill-will toward his attackers, Roosevelt declared, "These Republican leaders have not been content with attacks on me, or my wife, or on my sons. No, not content with that, they now include my little dog, Fala. Well, of course, I don't resent these attacks, and my family doesn't resent attacks, but Fala does resent them . . . as soon as he learned that Republican

fiction writers in Congress and out had concocted a story that I had . . . sent a destroyer . . . to find him—at a cost to the taxpayers of two or three, or eight or 20 million dollars—his Scotch soul was furious. He has not been the same dog since."

On Nov. 7 the greatest audience in history to that date tuned in to the presidential election results. Hooper rated the radio audience from 7 p.m. to 10:30 p.m. NYT at 50.3% of all sets in use; the previous highs were 37.5% for D-Day in June 1944, and 48.9% on Pearl Harbor Day in December 1941. With the campaign over, BROADCASTING, in the editorial "Radio Won—and Lost," summed up the results, the tone of the campaign, and the responsibility of the broadcaster. "American radio," BROADCASTING commented, "has been called upon to deliver into American parlors a devil's brew of bitter invective lightly spiced with lyrical incantations by such astute politicians as Frank Sinatra and Judy Garland. It has been a wonderful party. Everybody has had a fine time—everybody but radio. . . . We have elected a President with pledges set to music by some of the most talented boogie-woogie librettists in the business. We have elected a President with singing commercials, with jive and jabberwocky. . . . When a candidate says of another that 'he lied us into the war' and when the joust is parried by the flat charge that one among those who ran is an unmitigated liar, broadcasters should start leafing through the laws on libel. For it is the broadcaster who is jointly culpable, and the firmness with which he meets his responsibility now portends the

road radio campaigning will follow in the days to come."

With the tide of the war definitely turning to an allied victory, Americans began to feel free enough to consider the management of a post-war economy, and the FCC felt obligated to hold hearings on spectrum allocations. As in the past, the forces of FM and TV squared off for the same territory.

As a stimulus to FM, both NBC and CBS in January made their programs available to the FM adjuncts of AM affiliates without extra charge to sponsors. NBC reasoned: "The availability of these NBC network programs throughout the U.S. on both standard and FM transmitters will encourage all sections of the public to purchase FM receiving sets, with the assurance that they can continue programs on an improved transmitting service."

At the FM Broadcasters Inc. convention in January, FCC Chairman James Lawrence Fly hailed FM as a technological development that has come "... of age and has come to stay." The assembled broadcasters met to plan for what they saw as a postwar explosion in the number of broadcast stations from 900 in 1944 to several thousand outlets that would include FM as a major fact of broadcasting life. By April, for example, the FCC's file contained 141 applications for new FM stations, entailing about \$8 million in transmitting equipment and plants. General Electric predicted that 5 million FM receivers, each selling for about \$60, would be on the market 18 months after the war.



SPEAKERS TABLE group when FCC Chairman James Lawrence Fly addressed the Wednesday luncheon session of FMBI Convention in New York. Seated (l to r): T. C. Streibert, WOR-WBAM; Mr. Fly; President Walter J. Damm, WTMJ-WMFM; Dr. Edwin H. Armstrong, FM inventor; John Shepard 3d, Yankee Network and president of American Network

Inc., FM national network project. Standing (l to r): Lee Wailes, Westinghouse Radio Stations Inc.; Philip G. Loueks, FMBI general counsel; Arthur B. Church, KMBC-W9XER; C. M. Jansky Jr., consulting engineer to FMBI; George Lang, WGN-WGNB; Dr. Franklin Doolittle, WDRC-FM. Chairman Fly said FM broadcasting has come of age.

D-Day Gives Radio Greatest Opportunity

Networks, Stations Rise to Occasion With Graphic Invasion Account

By BRUCE ROBERTSON

HISTORY'S mightiest military operation last week gave to American radio its greatest opportunity for spot news coverage. Radio was not found wanting.

Months of preparation by stations and networks alike, buttressed by the reports of the world-wide news associations, in a twinkling were translated into steady, smooth handling of the European invasion, with the first flash after midnight June 6. Service has proceeded since without a hitch, achieving for radio enlarged stature, reliability and dignity as the swiftest and most articulate of the news disseminating media.

Calmly, seriously, with no evidence of excitement, radio took its D-Day task of keeping the public informed in the true radio tradition. Pre-arranged schedules were discarded; commercials were ruthlessly scrapped; all programming was keyed to the single motive of advising a listening nation of the minute-by-minute story of the most momentous event in the history of the world.

For other invasion news see pages 10, 11, 12, 18, 60, 61, 62, 64, 65, 70.

ever written "moved" across trans-Atlantic radiotelephone channels on a 24-hour schedule. Direct pickups, radiotelegraphic dispatches and recordings contributed to the flow of the spot reporting of the invasion. The Signal Corps message center handles over 6,000,000 words daily.

It was not long after midnight—12:37 a.m. EWT, to be exact—that the newsroom teletypes tapped out the first word of a broadcast by



SYMBOLIC of radio's manpower in the European theatre is this U. S. Signal Corps radiophoto showing General Dwight D. Eisenhower chatting with some of his men in England before they boarded planes for the invasion. At the Supreme Commander's left is Comdr. Harry C. Butcher, USNR, Naval aide, who has been through the African, Sicilian and Italian campaigns. Comdr. Butcher for more than a decade was CBS vice-president in Washington and left June 1, 1942, for active duty.

port went out on the air, accompanied by warnings that it came duty could not be sure that the report was true, but they took no chances and soon

—Broadcasting, June 12

At the FCC's allocations hearings CBS asked that the number of FM channels be increased from the 40 authorized and the 75 recommended by the Radio Technical Planning Board to 100 to accommodate the licensing of between 4,000 and 5,000 stations and at least 10 networks. Muzak announced plans to marry "wired radio" with FM to produce a nationwide, nonadvertising, public subscription service. Subscribers would receive music, non-subscribers, a "pig squeal." To that end, Muzak asked the FCC to set aside "a suitable number" of FM channels.

The other major part of the allocations hearings dealt with television: how much and what part of the spectrum it should occupy. Some broadcasters and manufacturers wanted prewar standards to obtain, while others pushed for more advanced postwar specifications. At the same time that CBS requested more FM space, the network also requested that TV be moved above 300 mc to the UHF part of the spectrum where there was room for high fidelity.

After the war, CBS wanted TV moved "upstairs," by requiring high-definition, full-color pictures broadcast on 16 mc bands. RCA, the newly formed Television Broadcasters Association, with Allen B. DuMont as president, and most other manufacturers opposed the move "upstairs," fearing that it would delay postwar television development, not to mention creating problems with patent holdings. "Downstairs" proponents such as RCA held patents at prewar standards;

"upstairs" proponents such as CBS tended to be less invested in prewar equipment.

With or without the benefit of postwar technology, television seemed the big new dimension. Although at the year's end there were only a handful of television stations, the FCC in May prepared for the postwar surge by increasing the maximum number of TV stations that one company could own from three to five. General Electric estimated the annual technical operating cost of a master television station operating eight hours a day and seven days a week would be \$350,000 annually, or \$117 per hour. The total capital investment for such a station was estimated at \$450,000-\$500,000.

In an editorial entitled "Video Vision," BROADCASTING urged the standard broadcaster to "assert his purpose and stake his claim" to the new territories "with the same courage which gave him leadership in aural radio."

Newspaper owners who continued to demand their right to own radio stations were rewarded in January 1944 when the FCC decided not to adopt any general rule barring such ownership. Instead, the commission said it would consider each case individually. Chairman Fly felt that the questions involved in dual ownership remained unsettled.

Other questions were arising in Washington. In February the House Select Committee that had been investigating the FCC for a year began looking into the alleged "forced" sale in 1940 of WMCA

New York by Donald Flamm to Edward J. Noble. Flamm accused the FCC of coercing him into selling the station, testifying that he had been told that the deal was "greased from the White House down." Fly accused committee counsel Eugene C. Garey of "attacking the President of the United States" and carrying on an "underground propaganda mill." Former Governor James M. Cox of Ohio, a newspaper publisher and broadcaster, accused Fly of wanting "radio to be turned over, if not abruptly then by easy stages as political conditions permit, to the government."

When Garey resigned as the probe's general counsel, he accused Clarence F. Lea (D-Calif.), who became committee chairman after the resignation of Representative Eugene Cox (D-Ga.), of interference, saying Lea "repeatedly ignored the mandate of the House, stymied the staff in its work, and converted the investigation to a sheer whitewashing affair." When Fly resigned from the FCC in November, he left a terse statement that he was entering a private law practice, and much speculation that the House probe would end. When John J. Sirica, who replaced Garey as general counsel, resigned in November, Sirica accused the committee of "whitewashing" the investigation because of its 3-to-2 decision to bar the public from the hearings on the sale of WMCA.

With Sirica's resignation, observers predicted the demise of the investigation, especially since the two major antagonists, Cox and Fly, had left the arena. The in-

vestigation would not be much missed. Speaking for much of the industry, BROADCASTING wrote an epitaph: "To date, the House Select Committee to Investigate the FCC must be recorded as the most abysmal bust of the congressional session. . . . It is hard to see where any good has come of this inquiry, which has run through \$110,000 of taxpayers' funds during its nearly two-year tenure. . . . Evidently the plan now is to take testimony until this Congress adjourns prior to the Christmas holidays. Then, we assume, the committee will issue a report, and curl up and die."

As some might have wished, the FCC refused to curl up and die. Instead, the commission regrouped for the future with new faces. Ewell Kirk Jett, an independent, who joined the commission in February, briefly served as interim chairman after Fly's resignation. T.A.M. Craven retired from the commission on June 30 to become vice president of the Iowa Broadcasting Co. Paul A. Porter, radio attorney for CBS, wartime government official and director of publicity for the Democratic National Committee in the 1944 campaign, was nominated in November by Roosevelt to succeed Fly as chairman. Porter was sworn in as chairman in December after Congress had adjourned and before Congress had confirmed his appointment. Rosel H. Hyde, FCC assistant general counsel in charge of broadcasting, was nominated in December to replace Craven.

On the economic front, broadcasters reported that, as 1944 began, the industry remained the leader in employe compensation with an average weekly paycheck of \$55.75. Operating technicians earned an average of \$51.93 per week, announcers, \$47.13, and staff musicians, \$70.03.

This last figure, in the broadcasters' opinions, refuted claims of James C. Petrillo, American Federation of Musicians president, that incipient poverty for staff musicians was the reason for his long-lasting strike against the recording subsidiaries of RCA, CBS and NBC.

Petrillo vowed the strike would be resolved only when networks agreed to pay royalty fees directly to the AFM's unemployment fund. Looking even farther into the future, Petrillo, in May, announced a contract with some network stations to employ AFM musicians as turntable operators. This pitted the AFM against new opponents, such as the National Association of Broadcast Engineers and Technicians and the International Brotherhood of Electrical Workers, unions already established in that area of radio.

The National War Labor Board in March ordered the AFM to resume recording and to return to conditions that prevailed on July 31, 1942, saying the AFM ban impeded the war effort. Petrillo refused. Again in June, after Petrillo's announcement of what came to be called the "pancake blitz," the NWLB ordered a prompt settlement of the recording dispute, a return of AFM musicians to RCA, CBS and NBC, and negotiation of a settlement within 15 days. Petrillo refused to let AFM musicians work for those companies until they accepted the same terms as other recording firms.

Stymied, the NWLB in August referred the Petrillo strike to the Office of Economic Stabilization. Petrillo, in October, rejected a direct appeal of President Roosevelt to terminate the strike, contending such a termination and the concomitant acceptance of lower fees from the struck organizations would jeopardize the 107 existing AFM contracts. RCA, CBS and NBC in November acceded to Petrillo's demands; the expected royalty payments to the union's unemployment fund were estimated at \$4 million per year.

Besides those changes and the preparations for the future of television and FM, the networks shuffled personnel. Time Inc. and Chester J. LaRoche, former head of Young & Rubicam, each paid \$500,000 cash for a 12 1/2% interest in the Blue network. The stock was bought from American Broadcasting System Inc., the holding company of network owner Noble. LaRoche, in September, became the

operating head of the Blue. Edgar Kobak in November resigned as executive vice president of the Blue to become president of Mutual Broadcasting System.

By the end of 1944, there were 943 stations, with 730 affiliated with the four major networks. The Blue had 194 stations, MBS 244, CBS 143, and NBC 149. The top nighttime programs were, in order, *Bob Hope*, *Fibber McGee and Molly*, *Jack Benny* and *Walter Winchell* (tied for third), *Kraft Music Hall*, and *Sealtest Village Store*.

But the major event in 1944 radio involved the war and the June 6 Allied invasion of German-occupied France. "For all of us alive today," BROADCASTING declared in advance of D-Day, "the biggest story since Creation is about to break. History's most perfect and best coordinated fighting machine . . . is poised on the British beach awaiting the invasion hour. Just as this is radio's first war, it is radio's first spot news coverage of an invasion. Preparations have been in the making for months. Every network has its invasion staff primed. Communications facilities have been vastly augmented. Around-the-clock coverage will be provided by American radio as long as conditions warrant."

As one preparatory measure, the government had created the American Broadcasting System in Europe (ABSIE) to inform and guide resistance groups on the European continent. ABSIE went on the air April 30 with this message: "This is the American Broadcasting System in Europe. . . . We Americans are here to join with the BBC in telling the truth of this war to our friends in Europe and to our enemies . . . The day is not far distant when your radio stations will again be free to tell you the truth instead of the tremulous lies of the Nazis, the collaborationists and the Quislings. . . . We shall give you the signal when the hour comes for you to rise up against the enemy and strike." (Quisling was a Norwegian politician who served the Germans in a puppet government they installed in Norway.) ABSIE broadcast in almost every European language, and ended each 15-minute broadcast with "Yankee Doodle."

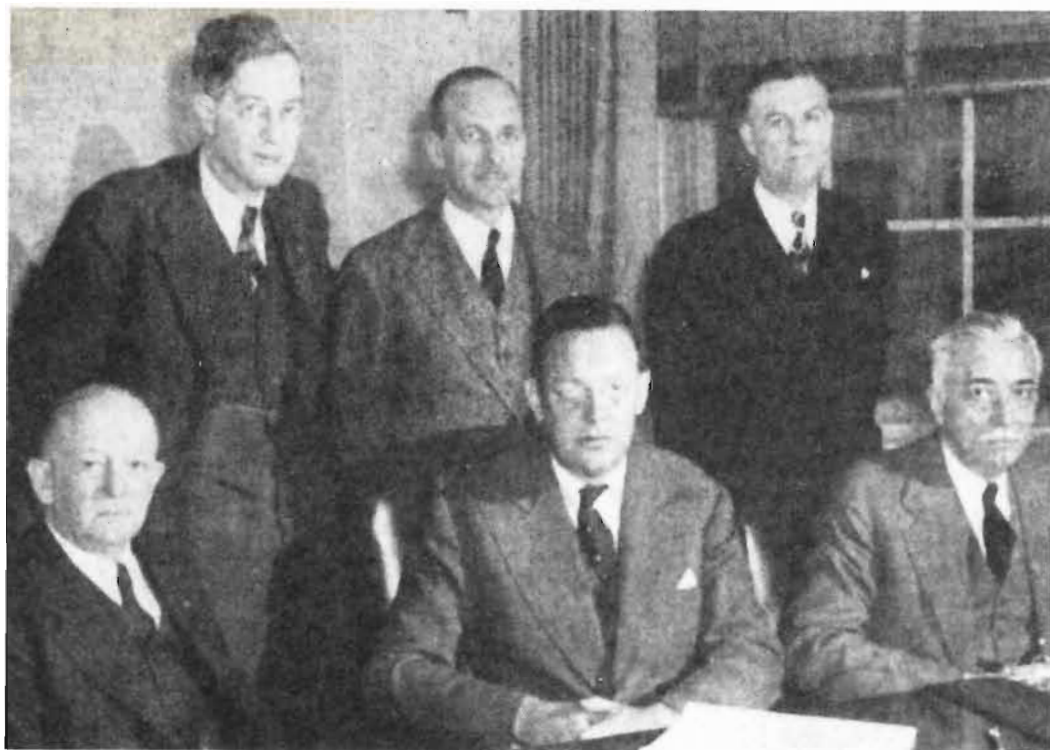
In the U.S., sponsors such as the Colgate-Palmolive-Peet Co. notified broadcasters to suspend all commercials on D-Day to expedite news reporting. In March a special Signal Corps public relations group under the direction of then Colonel (later Brigadier General) David Sarnoff and Major General Frank E. Stoner had left for England to make sure that the equipment necessary for news reporting would be available. At that time, only two still pictures a day could be sent by the American news syndicates from England to America, but the syndicates estimated they would need more than 36 pictures every 24 hours after D-Day. Accordingly, the Signal Corps erected its own transmitter and on June 6, sent 67 still pictures of the Normandy invasion, at the rate of seven minutes per picture.

Before the Signal Corps arrived in Eng-



NEVER ONE to shy from publicity, AFM Czar James C. Petrillo (center) poses here preparatory to the meeting of his board in Chicago last Monday, at which President Roosevelt's plea to end his 26-month ban on recording was rejected. At left is C. L. Bagley, vice-president; at right is Joseph N. Weber, honorary president and general adviser of AFM, from whom Petrillo wrested the presidency several years ago.

—Broadcasting, Oct. 16



RADIO'S FUTURE rests in the hands of these men, members of the FCC, who posed for *BROADCASTING's* photographer after Paul A. Porter was sworn in as chairman following a recess appointment by President Roosevelt. Seated (l to r): Paul A. Walker, Chairman Porter, Norman S. Case. Standing (l to r): Clifford J. Durr, Ray C. Wakefield, Ewell K. Jett, who served as interim chairman following the Nov. 15 resignation of James Lawrence Fly. Retiring Chairman Jett was first to congratulate his successor. Present also were FCC department heads.

—*Broadcasting*, Dec. 25

land the broadcast networks shared one circuit between London and New York. Through Sarnoff's intervention, the British Post Office made a second circuit available, and the Signal Corps built one of its own.

Radio warned people in Europe and informed Americans at home. Before the invasion, ABSIE warned the Dutch, French and Belgians to stay indoors since air attacks were imminent. After the invasion, the networks canceled commercials and regularly scheduled programming to permit 24-hour coverage with reports, analyses and official bulletins. The Office of War Information told the world the D-Day story in 28 languages and 11 dialects over all of its transmitters in the U.S., Africa and Europe.

As the invasion began, President Roosevelt read this prayer over the combined American radio networks: "Almighty God, our sons, pride of our country, this day we have set upon a mighty endeavor to preserve our republic, our religion, and our civilization, and to set free a suffering humanity. . . . With Thy blessing, we shall prevail over the unholy forces of our enemy. Help us to conquer the apostles of greed and racial arrogance. Lead us to the saving of our country, and with our sister nations into a world unity that will spell a sure peace—a peace invulnerable to the schemings of unworthy men. And a peace that will let all men live in freedom, reaping the just rewards of their honest toil. Thy will be done, Almighty God!"

NBC telecast that Roosevelt reading in New York, Washington, Philadelphia and Schenectady, N.Y.; this was said to be the first use of portable equipment with image

orthicon cameras on a regular TV program.

On D-Day the number of radio sets in use rose 78% above normal and stayed 19% above normal for the rest of the week (Wednesday-Saturday). *BROADCASTING* dubbed the D-Day coverage "Radio's Greatest Triumph," and said: "The biggest spot news story in history was handled as expertly as if it were a routine occurrence. . . . Perhaps the most significant development—and the one destined to influence future operations—was the use of transcribed reports of radio war correspondents over all networks. Heretofore, NBC and CBS have turned thumbs down on recordings of any kind. The invasion coverage may spell the end of that taboo."

ABSIE continued to broadcast to German-held territory as the war went on, with the help of such stars as Bing Crosby, who arrived in London to sing "White Christmas" in German. The government, shortly after D-Day, began AEF radio, beamed to the Allied Expeditionary Forces. Directed by Colonel Edward M. Kirby, former public relations director of the National Association of Broadcasters, the AEF became a new part of the Armed Forces Network as a combined project of the British Broadcasting Corp., the Armed Forces Network and the Canadian Broadcasting Corp.

Captain Glenn Miller was a favorite AEF entertainer. His Army Air Force Band played on *I Sustain the Wings*, a network series, as well as on recruiting programs and for war bonds. In 1944 Miller went to England to be closer to the front; in December a plane in which he was a passenger disappeared and never was found.

To reach the Pacific, the government created another radio network. Sailors in the Pacific dubbed the AFN equivalent there the "Mosquito Network." Ships picked up broadcasts from stations on Guadalcanal, New Caledonia, the New Hebrides and other Pacific islands. Later, stations exchanged programs such as "Report to Troops," which related war events to the South Pacific campaign. The *Atabrine Hour*, named for the malaria prophylactic, was a favorite Mosquito Network program. Broadcast at dinnertime, the show opened with Harry James's recording of "The Flight of the Bumblebee" backing these words: "Brought to you by Atabrine. They may taste awful, but fellers, they're healthful—they're wonderful—they're free. Reach for Atabrine instead of dessert, while I reach for Benny Goodman's recording of 'Stardust.'"

To inform Americans through dramatization of the war effort in China-Burma-India, the government supported the program, "Yanks In the Orient." Under the direction of Lieutenant Colonel Paul Jones, Lieutenant Colonel Rankin Roberts, Lieutenant Colonel Fenis Farr, a *March of Time* writer, with Lieutenant Bert Parks as announcer, the program was produced in China for the networks at home. The transcribed shows were sent to the U.S. for broadcast on ABC.

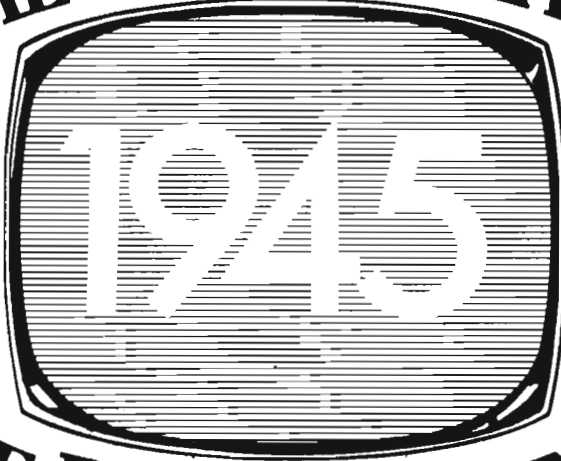
Radio was central to the history of 1944, from D-Day to the first announcement of General Douglas MacArthur's return to the Philippines on Oct. 20, to radio engineer Morris Pierce's plan that enabled the intact capture of Radio Luxembourg for the OWI, to bond drives at home. Much of the next year would pass before the war would end and AM broadcasters would face a readjustment to a postwar surge of competition from new stations and new media.

Stay Tuned

1. Who was the journalist who broke the embargo and prematurely reported the surrender of Germany?
2. What was the wartime secret that reporters and commentators guarded so well and drew the praise of Byron Price, director of censorship?
3. How much did it cost broadcasters to cover the San Francisco conference to organize the UN?
4. Which FCC commissioner insisted that a station licensee's promises be compared with its actual performance?
5. The sale of wlv Cincinnati resulted in what rule that the FCC followed in subsequent sales?

The answers
in "1945."

THE FIRST 50 YEARS



OF BROADCASTING

As the prospects for peace improved in early 1945, broadcasters planned coverage of the war's finale from such places as Manila, Berlin, Tokyo and Potsdam. War news and on-the-spot reporting continued to be the main assignment for broadcast journalists. General MacArthur's forces liberated Manila in February and rescued several broadcasters from the Santo Tomas internment camp, including Bert Silen, NBC correspondent and manager of KZRH Manila, who 37 months before had his last broadcast cut off by Japanese bombs that destroyed the Philippine transmitter. Upon his liberation, Silen reported to an NBC audience: "As I was saying when I was so rudely interrupted over three years and a month ago..."

On the European front, the Army moved a 60 kw transmitter mounted on 17 trucks to the vicinity of Berlin in March, and CBS's Bill Downs was chosen to parachute into Berlin to make the first American broadcast as the Allies occupied the city.

As stations readied for the news of victory in Germany, a false report of peace—engendered by an overzealous reporter and a Keystone cops chain of events—was broadcast on the Don Lee-Mutual network. BROADCASTING urged, "A cool head... a dispassionate eye on that news wire... No matter what the source, check it" because the "... world's all-time, winner-take-all champion journalistic sap is going to be the chap who goes on the air and announces to a waiting audience that the war is over in Europe—before the war is over!"

When the real announcement of victory in Europe was aired, one journalist scooped everyone else by breaking a pledge. Ed Kennedy of Associated Press and almost 60 fellow reporters had witnessed Germany's surrender in the small schoolhouse in France that served as General Dwight Eisenhower's headquarters. All of the correspondents had agreed not to report the signing until General Eisenhower gave his approval; Eisenhower had agreed to announce the victory simultaneously with the other Allied leaders on May 8. However, on May 7 over an uncensored wire from Paris to London,



The horror of the atomic bomb and the joy of world peace both were felt in 1945. The leadership of the world suddenly changed: FDR died unexpectedly; Mussolini was killed; Hitler died by his own hand, and Churchill resigned after V-E Day. Clement Attlee, a moderate socialist, took over as British prime minister. Harry S Truman, the 33d President, attempted to make the transition to peace as GI's began to return home. Unions, no longer bound by wartime pledges not to strike, began to flex muscles. Will Hays turned over the reins of the Motion Picture Producers and Distributors of America, soon to become the Motion Picture Association of America, to Eric Johnston. From his seat in the House of Representatives, New York Democrat Emanuel Celler demanded that the FCC crack down on broadcasters' commercial and programing practices and order more air time for educational and cultural fare. And elsewhere in BROADCASTING...

Kennedy filed this report: "Germany surrendered unconditionally to the Western Allies at 2:41 a.m. French time today." Kennedy lost his credentials as a war correspondent and his fellow reporters brought an unprecedented resolution of censure against him. BROADCASTING in an editorial, "Radio: Life-Saver," noted: "It may be true that Mr. Kennedy violated journalistic ethics... It was news when the peace terms were signed... News has a way of leaking... The point we make is that Mr. Kennedy's story saved lives—American lives. It was picked up and rebroadcast by ABSIE throughout the war theater. If it saved a single life—premature or no—it served a purpose that means more to American mothers and fathers than a thousand news pledges."

With the real victory reported, radio took charge. BROADCASTING headlined: "Radio Prepared as Germany Collapses." The networks used pooled reports during the early stages of Germany's surrender to keep America informed. The networks canceled regularly scheduled programs to present reports, celebrations and specials. President Harry Truman, less than a month in office, appeared on all networks at 9-9:30 a.m., May 8, to proclaim victory in Europe (V-E Day).

NBC, during the day, broadcast statements by British Prime Minister Winston Churchill, Eleanor Roosevelt, Eve Curie and others. In the evening NBC broadcast Arturo Toscanini and the NBC Symphony playing Beethoven's Fifth Symphony, the so-called victory music of World War II, as well as an hour dramatization that traced the war from Pearl Harbor to victory in Europe. CBS also aired the statements of leaders, and ended its coverage with an hour presentation of Norman Corwin's *On a Note of Triumph*.

Mutual emphasized the theme of thanksgiving. Leaders of three religious faiths, the Right Rev. Henry St. George Tucker, presiding bishop of the Protestant Episcopal Church in New York; Rabbi Louis Finkelstein, president of the Jewish Theological Seminary, and the Rev. Robert I. Gannon, president of Fordham University, led Mutual listeners in prayer.

Mutual also presented the Westminster Abbey choir from London and broadcast from hospitals and canteens in the U.S.

The National Association of Broadcasters, at the encouragement of BROADCASTING's Sol Taishoff, urged all stations on V-E Day to play simultaneously a special recording of a ringing of the Liberty Bell, "amplified through the magic of radio."

V-E Day radio won a 63.1% Hooper rating, the highest since the American declaration of war on Dec. 8, 1941.

Victory in Europe brought new conditions for the government and for broadcasters. The Office of War Information, aware of both the high V-E Day listening and the inherent problems that a half-victory could bring, used V-E Day as the focus for a report and a re-education campaign. In late 1944 the OWI issued a report entitled "V-E Day: An Estimate of Home Front Information Problems in the Six-Month Period Following the Defeat of Germany." Chief among these problems, the OWI listed a sense of victory since "To many at home [V-E Day] will mean the virtual end of the war, instead of what it is—the conclusion of only half the war." To combat this and problems of manpower and production, the OWI, in conjunction with other government departments, created media campaigns, with radio the centerpiece. The Treasury Department, for example, circulated such ditties to sta-

tions for broadcast on V-E Day as:

"The job's half done but the war's not won."
There's still the land of the rising sun. Buy more war bonds, everyone, and keep the Japs on the run."

For broadcasters, V-E Day meant new working conditions. The Office of Censorship removed the ban on man-in-the-street, ad-libbed and request programs. Foreign language stations no longer required special monitors and censors; however, the biggest wartime restriction, the freeze on new construction, remained in effect until the Allies achieved total victory.

For the Allied forces' American Broadcasting System in Europe, V-E Day was the beginning of its end. With victory, ABSIE lost its mission. ABSIE had broadcast eight hours a day in English, French, German, Flemish, Danish, Norwegian and Dutch. Its powerful transmitters had reached audiences as far away as South Africa, Russia, India, Australia and New Zealand. OWI estimated that at one time or another 80% of the people of occupied Europe listened to ABSIE.

On the farewell broadcast of ABSIE on Independence Day, Elmer Davis, OWI director, declared ABSIE "a weapon of war, an instrument that assisted in the Allied campaign of liberation. . . . Now we talk to a continent in reconstruction; and even though this powerful channel of the

Voice of America is closing down, that voice will still be carried by other transmitters, both shortwave and longwave, to the people of the liberated nations." W.J. Haley, director general of the BBC (the BBC aided ABSIE), praised ABSIE as "a most powerful and perpetual weapon. By its means the forces of truth have been sustained in places where and at times when they could have been kept alive in no other way. Thanks to broadcasting, truth has not merely survived; truth has prevailed."

Soon after ABSIE ceased broadcasting, the Allied Expeditionary Forces also ceased their radio operations. General Eisenhower, on the farewell broadcast for AEF recorded at Frankfurt on July 28, lauded the teamwork that gained AEF its goal: "To the field recording units that worked throughout the operational areas, recording . . . realities of war as experienced by the men who . . . faced . . . them, to the mobile transmitter units that have relayed the programs from the continent to the forces as they moved forward and into Germany, to the BBC . . . and . . . to all of you we owe a debt of gratitude for your efforts in making this Allied venture a success. . . ."

The U.S. broadcasting system at home expanded its news coverage as the war in the Pacific went on while this and other nations were preparing for peace at a San Francisco conference to organize the

"My Friends"

—An Editorial

THE GREATEST voice in the 25-year history of American broadcasting is stilled.

To every man and woman of the 30,000 whose talents are devoted to broadcasting, the loss of Franklin Delano Roosevelt is a personal loss, and a grievous one in these times.

The only President of whom it can be truly said, "Radio elected him," Mr. Roosevelt had turned not once, but four times, to the microphone to appeal for votes in the face of a generally unsympathetic press. Tragically crippled in the middle of his political career, he found in radio a link with the people.

Mr. Roosevelt made nearly 300 major broadcasts to the nation during his lifetime. He died on the eve of another broadcast. He was to have spoken for four minutes on the combined American networks at 9:54 p.m. Friday, 29 hours after his death. His speech was to have climaxed a special hour-long Jefferson Day program in which Robert Hannegan, James V. Forrestal and President Truman were to participate. Oddly, on this broadcast, for the first time in his four terms as President, Mr. Roosevelt had asked that another, Mr. Truman, deliver the main address.

But his greatest broadcast never will be heard. It would have come on that glorious day when he could have announced on the air to the world that the last enemy of the United Nations had laid down his arms. It would have been the report of a magnificent soldier that his armies had been victorious. That he, who spent his great energies so relentlessly, has been denied this is most tragic of all.

With his passing, many broadcasters whose

contact with him had been intimate summoned memories of his respect for the power of the microphone. It was a ready instrument to him when he wished to talk, in a neighborly way, with his fellow citizens. In these "fire-side chats" Mr. Roosevelt discovered, first among us, that he was being transported into the family circle and could therefore converse quietly and convincingly, without histrionics.

None highly trained in studio technique had better timing than his; none could more cleverly interpolate, with sly insouciance, a mirth-shaking quip. Nor could others match his mastery of the barbed retort, which left his campaigning opponents bruised and bewildered. He was, on the air, a rare admixture of Disraeli and Barrymore, of Talleyrand and Lincoln, as keenly attuned as a Shakespearean actor, but by paradox if he willed, a "ham" in the oldest tradition of the theater.

Much of this which contributed so immeasurably to his stirring broadcasts was inherent in his naturally vibrant personality. But his knowledge of radio was not acquired accidentally. As Assistant Secretary of the Navy in the first World War, Mr. Roosevelt was in charge of naval communications. He encountered radio then, studied it, foresaw the gigantic influence it would exert. When nominated for the Presidency in 1932, he turned to the medium, then relatively new, to convey his program to the voters.

As early as 1936, one incident illustrated his intimate knowledge of commercial broadcasting. Conversing then with Carleton Smith, general manager of WRC Washington and

dean of Presidential announcers, Mr. Roosevelt announced that he was going on a few stations with a speech. "Not a network," he commented, "just a few stations in New York." He then proceeded to name off, by call letters, the numerous outlets which were to carry his address.

In those same days, when he was preparing a radio address with his colleagues at the White House, he would read it over aloud, interjecting such occasional remarks as: "I'll pause here. That'll get 'em." His instinct for radio showmanship seemed infallible.

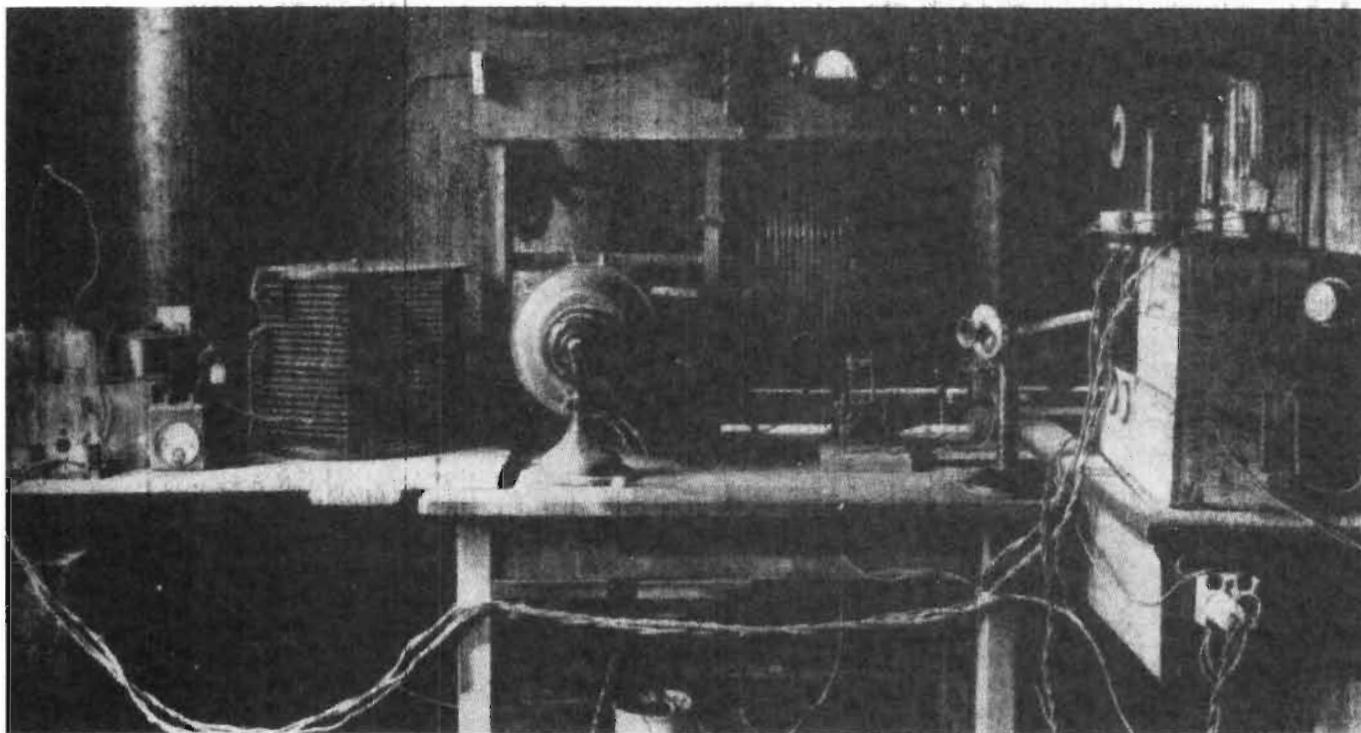
His death brought to the stations of the nation a profound grief. Regular schedules on all networks and in studios from coast to coast were discarded. Programs were altered with feverish devotion. The voice of broadcasting reflected the saddened spirit of America in solemn tones.

Known to have expressed often a desire to own and publish his own newspaper (he was editor of the daily *Crimson* when a student at Harvard), Mr. Roosevelt once said to a friend, possibly with tongue-in-cheek: "I know what I'll do when I retire. I'll be one of these high-powered commentators."

He was, in fact, the highest-powered commentator of them all. He was the voice of humanity. That voice—now laughing, now jesting, now speaking with sincerity and conviction—lived in the homes and in the hearts of millions the world over. That this great, buoyant spirit is gone forever is difficult to comprehend. Those who gave wings to his words will miss him.

—Broadcasting, April 16

PICTURE ALBUM FROM AN EARLY ERA . . .



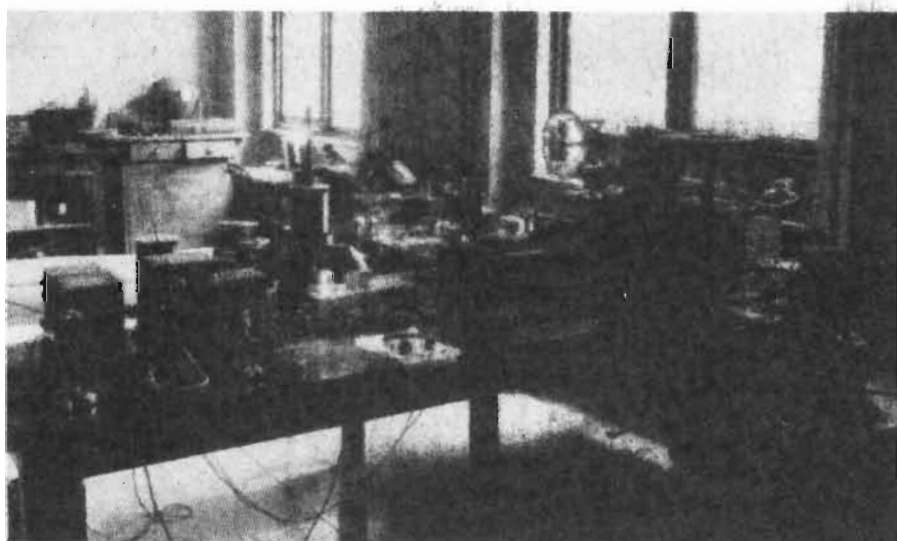
LONG before KDKA Pittsburgh was established Dr. Frank Conrad, of Westinghouse, was tinkering in his garage with this equipment, using the call letters 8XK. If you're a lover of detail, the boxes on which many of the quaint doodads are mounted originally contained 20 packages of Old Honesty Soap.



FIRST WWJ Detroit transmitter, put on air in 1920 by William S. Scripps, was built by Dr. Lee de Forest, early radio inventor.



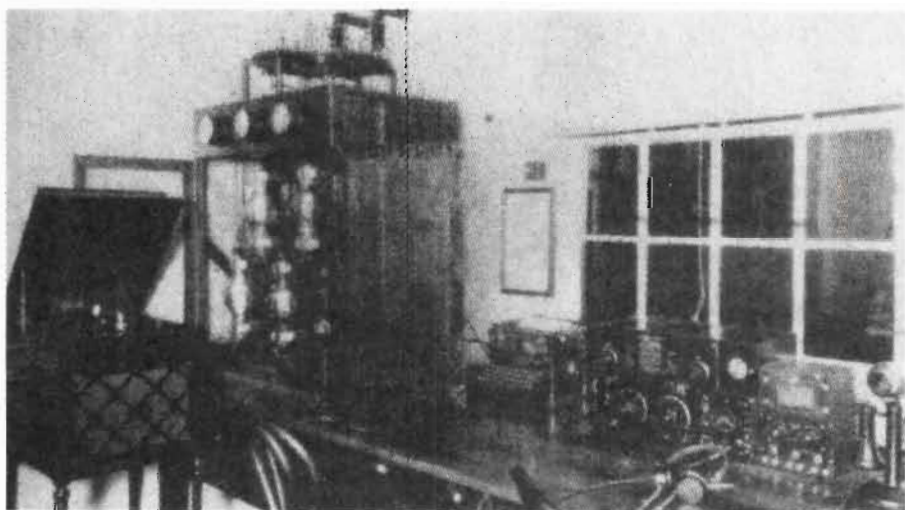
IF YOU'RE technically minded, this is electronic television set of the 20s, designed by Dr. Vladimir Zworykin (left), then Westinghouse, but now with RCA.



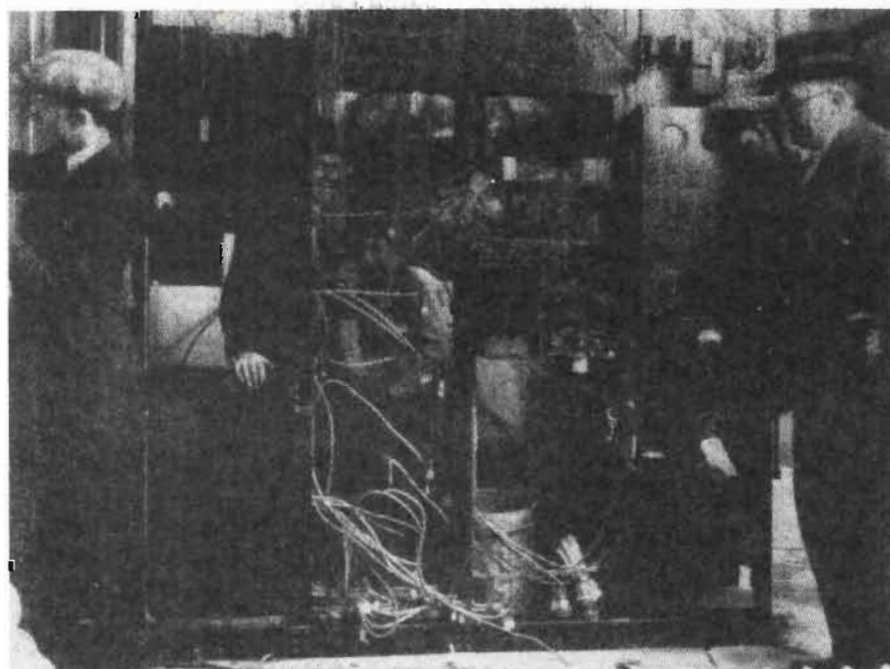
EARLY broadcast experiments were conducted back in 1919 in this studio of WSUI, Iowa City, according to the U. of Iowa.



DR. B. J. PALMER (left), founder of WOC, interviewed Jack Dempsey in the fighter's first mike battle. Scene was Dr. Palmer's home.

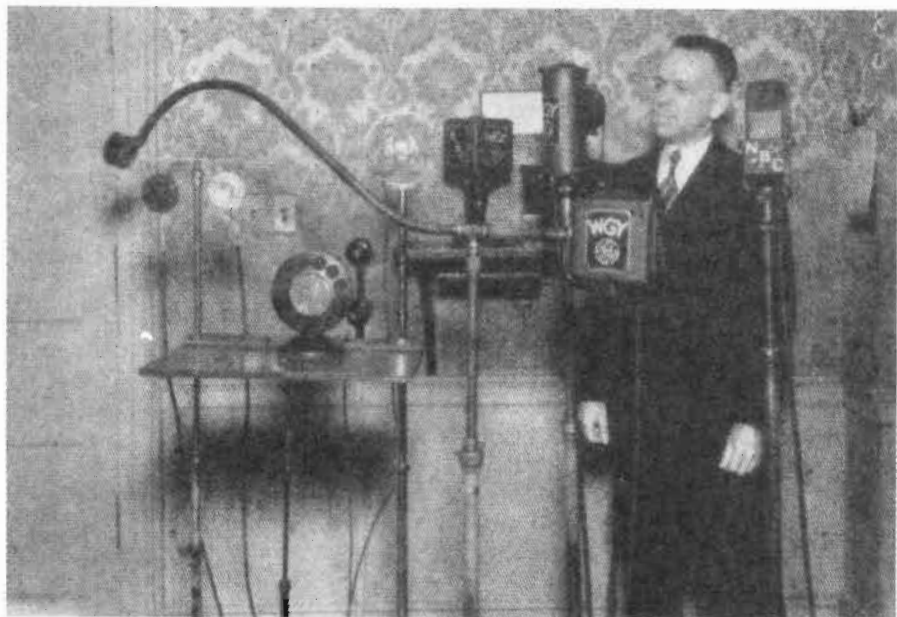


THIS NEAT display of gadgets, complete with Underwood No. 5 typewriter, late type telephone and a snappy Edison console phonograph, comprises the first transmitter and control room put into operation by WJZ in Newark, N. J., more than two decades ago.

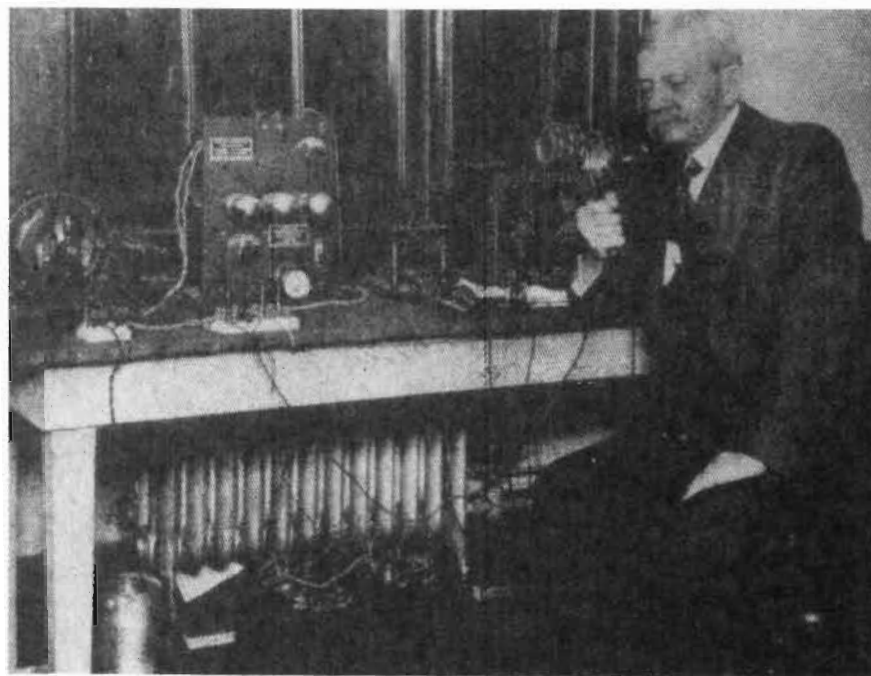


FIRST 5 kw transmitter west of Chicago, being installed at WOC Davenport in spring of 1924. At right is Frank W. Elliott, general manager of WOC and president of the NAB during the 1924-25 period. At left is Franklin Pierce, who was the first engineer of WOC.

... OF BALING WIRE AND CHEWING GUM



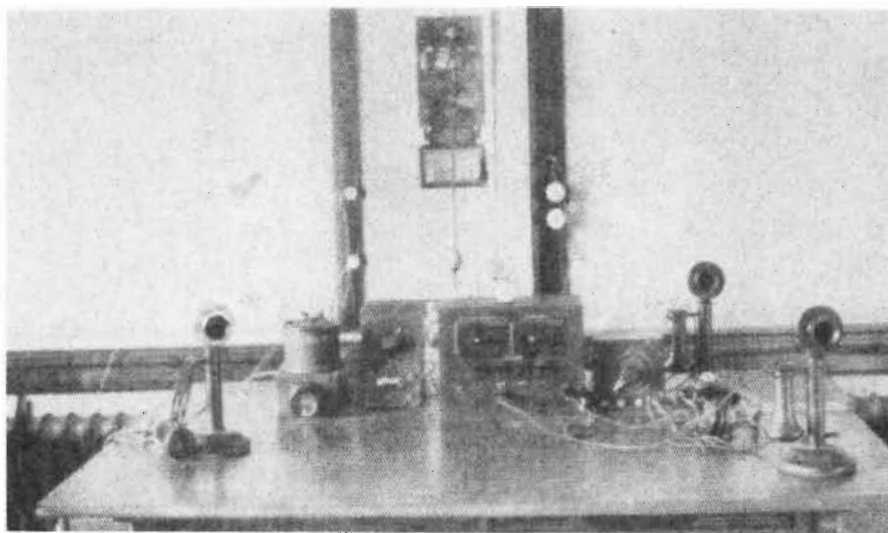
HISTORY of microphones is presented in this photo, with Kolin Hager, manager of WGY Schenectady, looking over the collection of crystal types at left. At right is modern velocity mike. Curved tube is boom mike stand. Also in left center is grandfather of all mikes—according to consensus—the carbon.



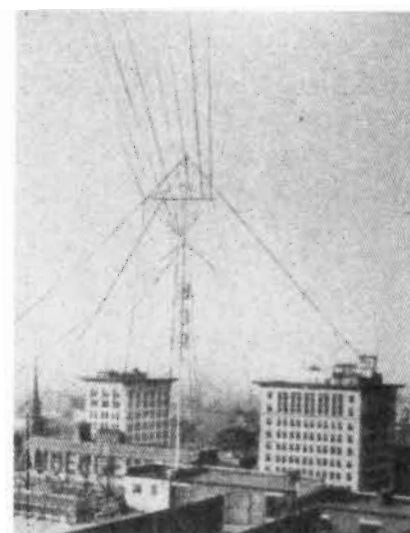
HAD KSD St. Louis owned a green carpet, it would have rolled it out for this 1922 broadcast by Vice-President Thomas R. Marshall, obviously deeply impressed by the collection of tubes, batteries and microphones.



PIONEER farm broadcaster was Frank E. Mullen, speaking into KDKA's mike. He now is NBC vice-president and general manager.



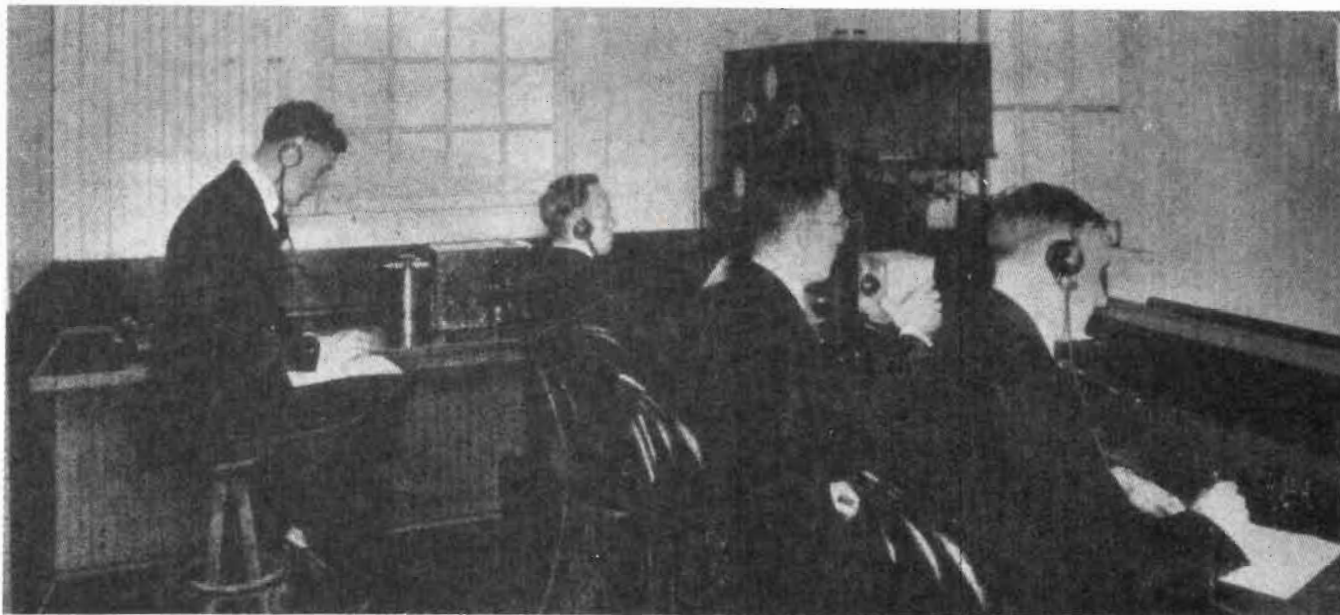
EQUIPMENT here is the proud development of General Electric Co. and actually worked, aided by collection of batteries under the table. One of the telephones apparently was used as a microphone. Old timers on engineering staffs will recognize some of the paraphernalia.



HIGH ABOVE Newark stood the 1923 antenna of WOR, with the studios below in the Bamberg store's palatial broadcast room.



FROM this knapsack, used by NBC for special events, came the modern walkietalkie, used widely by the Army during World War II.



THIS is the famed Westinghouse broadcast of Nov. 2, 1920, when the Pittsburgh station, KDKA, announced the returns of the Harding-Cox Presidential election. Dr. Frank Conrad, Westinghouse engineer, had been working since 1916 on broadcasting. Westinghouse claims this was first regularly scheduled broadcast.

United Nations. Broadcasters estimated their out-of-pocket expenses for covering the United Nations Conference on International Organizations to be more than \$500,000, aside from the lost revenues of commercial programs canceled to permit the sustaining broadcast of conference sessions. In addition, NBC flashed news reports every hour and broadcast interviews by commentators H. V. Kaltenborn, Richard Harkness, Robert St. John and Ben Grauer. CBS commissioned Norman Corwin to produce a special work on the United Nations, *Word from the People*.

In the final days before the surrender of Japan on V-J Day, Aug. 14, radio played an integral role. On Aug. 9, President Truman drew a broadcast audience of 41.5 million adults for his report on the dropping of atomic bombs on Hiroshima (Aug. 6) and Nagasaki (Aug. 9) and on results of the Potsdam conference. At Potsdam, Germany, he and other Allied leaders, Stalin, Churchill and Clement Attlee, had outlined peace terms for Japan.

The Japanese on Aug. 10 had used radio, before they submitted a formal proposal, to announce that they would meet the Potsdam demands if Emperor Hirohito remained unharmed. CBS flashed the news first at 7:36 a.m., starting its day earlier than the usual 8 a.m. The other networks broadcast the news at 8 a.m., the normal opening hour for ABC and NBC, but an hour earlier than usual for Mutual. On Aug. 14 at 7 p.m., NYT, radio carried President Truman's announcement to a joyous nation that Japan had accepted the Potsdam terms. Four hours later at 11 p.m. New York time, Hirohito also used radio to inform his people.

The Sept. 1 surrender ceremonies on the deck of the U.S.S. Missouri were described in a pool broadcast recorded on acetate and wire and aired an hour and a half later to prevent wire services and newspapers from being beaten. Despite its performance as a news medium in World War II, radio was yet unable to hold its own in negotiations against print media.

A primary concern of broadcasters was the fate of surplus equipment with an estimated value of \$5 billion. Even before V-J Day, \$30 million worth of equipment had been released, some unusable, but some adaptable to commercial use. As BROADCASTING put it when commenting on the first shipments of surplus equipment, "While the transmitter part of the pile isn't much to get excited about, and the collection of microphones is mostly hand stuff, there are great stores of standard electronic components—resistors, capacitors, condensers, sockets, test equipment and 2,500,000 tubes. The standard items are coming in fast, and moving fast."

A major part of the move back to peace involved changes in programing and changes in allocations. In a post-victory editorial entitled "This Is Tomorrow," BROADCASTING warned: "The broadcasters who survive the accelerated competition of the future are those who, in the present, build to meet it. And there's one

THE WHITE HOUSE
WASHINGTON

July 3, 1945

Dear Mr. Taishoff:

In my opinion, the free voice of radio never has faced a more important challenge in its 25-year history than that which lies before it now as Allied weapons are turned upon the last enemy of liberty. Broadcasters must direct their energies in the future, as they have so nobly in the past, toward the liquidation of all resistance to the principles upon which their own free charter is founded.

Our lawmakers demonstrated admirable foresight by decreeing that America, as the birthplace of radio, should have a free, competitive system, unfettered by artificial barriers and regulated only as to the laws of nature and the limitation of facilities. That this system has worked is demonstrated by radio's remarkable strides as a public service medium. The wisdom of that original policy, moreover, is reflected in radio's quick transition to full-fledged war service -- a task yet unfinished. Since Pearl Harbor, American radio has written its own Magna Charta. But beyond the day of final victory there lie myriad problems.

Radio, with the press, must give inspired leadership and lend its facilities to making more intimate and workable the relationship between the people and the Government. For radio itself there are challenging days ahead. New services are in the offing -- services such as television and FM broadcasting, which will open new vistas of opportunity for public service.

American radio is in good hands. With many hundreds of new stations possible by virtue of the opening of these new frontiers by our scientists and engineers, the free competition of the present will become even freer.

The American system has worked and must keep working. Regulation by natural forces of competition, even with obvious concomitant shortcomings, is to be preferred over rigid Governmental regulation of a medium that by its very nature must be maintained as free as the press.

I salute America's broadcasters who have been, in their fashion, warriors for our common purpose and solicit their continued zeal in the cause of freedom and decency.

Very sincerely yours,



Mr. Sol Taishoff,
Editor and Publisher,
Broadcasting Magazine,
870 National Press Building,
Washington 4, D. C.

—Broadcasting, July 9

way to do that—improve programing. Some of our best production people are drifting back to stations now, after service in uniform. Their viewpoint is going to be fresh and vigorous. . . . We in broadcasting, and in all media for that matter, have talked during these years of the improvements we would make 'tomorrow'—tomorrow, when the war is over. This is tomorrow. This is the time for improvement."

FCC Commissioner Clifford J. Durr not only felt that way but went even further. Durr and his staff began to compare stations' promises of programing with actual performance. The process began generat-

ing FCC cases. The FCC said WBAL Baltimore, an NBC affiliate, had refused NBC's public affairs programs such as the *University of Chicago Round Table* and *Words at War*, but carried NBC's sponsored programs and crammed 507 spot announcements into its station time during one week.

Upon further investigation, the FCC said excesses were more the rule than the exception. KIEV Glendale, Calif., an independent, programed 88% of its week with recorded and transcribed music accompanied by 1,034 commercial spots and eight public service announcements, according to the commission. As a result,

the FCC began issuing temporary license renewals.

FCC Chairman Paul Porter called for the public to express its criticism of American programming. The FCC's Durr called for broadcasters to make public all their financial records since public service was the premise behind American broadcasting. BROADCASTING called for "every broadcaster to review his program structure, removing from it any fare that might embitter the listening public."

The usual plentiful staples of comedy, music, drama, and news were offered by the 1,004 stations broadcasting at the end of the year, up from 943 on Jan. 1, 1945.

The programming of 1945 changed with the times. CBS's winter schedule at the beginning of the year presented such programs as *We, the People, at War*, a half-hour, Sunday night portrayal of real-life war experiences; *Report from Overseas*, a 15-minute, Saturday foreign correspondent news spot; *Feature Story*, a 15-minute, Monday-Friday show aimed at uncovering the "human interest" beneath political and military events; *We Deliver the Goods*, a half-hour Sunday afternoon presentation of the 23 piece Maritime Service Band along with dramatizations of heroic deeds of U.S. merchant seamen; and *Service Time*, a half-hour, Monday-Friday early-evening focus on different branches of the service each week along with interviews with high-ranking service officials.

Postwar programming tended to escapism. Popular situation comedies included *Those Websters* and *Ozzie and Harriet*. *Maisie* was a single-character variation featuring Maisie Revere, a Brooklyn actress with a heart of gold and a boyfriend described as a "good-lookin', sweet-talkin', lovable, lazy, no-good bum."

There was a resurgence of quiz programs and an increase in westerns and adventure shows. *Break the Bank*, with Bert Parks, a returning soldier, as emcee, first aired on Mutual in 1945 and became phenomenally popular with its large, cash giveaways. *Truth or Consequences* increased its prize money after the war; Ralph Edwards, the emcee, began a hidden identity feature—guessing the identity of "Mr. Hush"—largely as a parody of the ever-increasing quiz shows, but the segment proved so popular that it became a regular feature for several years. *Queen for a Day*, the all-time misery-to-magic transformation in which disadvantaged women received prizes to mitigate their suffering, started in 1945 on Mutual with Jack Bailey as host.

The *FBI in Peace and War*, which debuted on CBS in late November 1944, became one of the most popular crime shows. It ran until 1958. *This Is Your FBI*, starting in April 1945, ran for eight seasons on ABC.

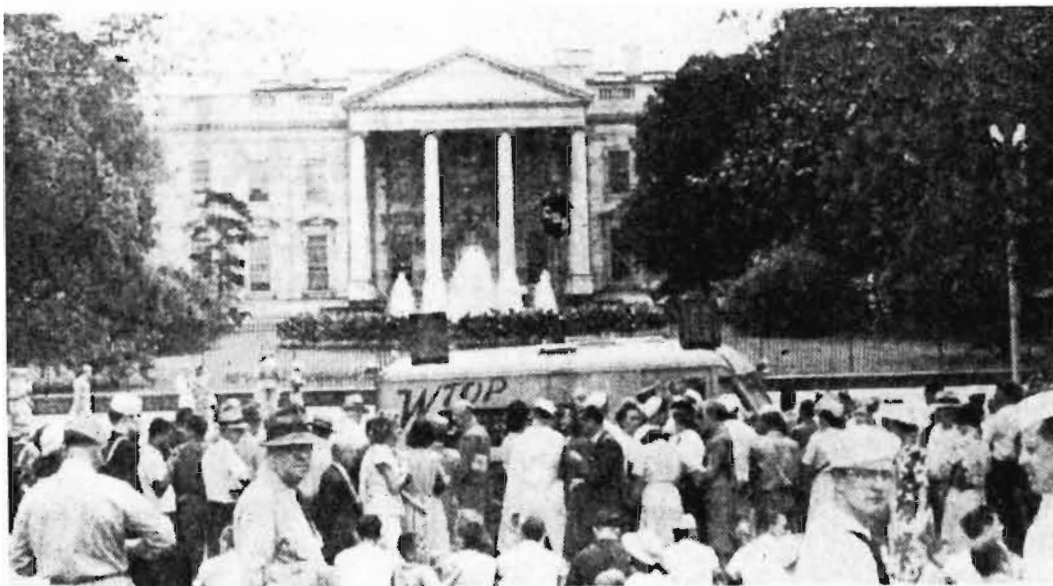
Another cold war progeny, the press conference with men in the news, achieved popularity. Two important shows debuted in 1945, *Our Foreign Policy* and

Meet the Press. On both respected journalists questioned leading American and foreign leaders.

Despite those changes, the list of the top-rated network shows after the war

resembled the wartime list if not the prewar ratings. At the end of 1945, the top 15 nighttime leaders were: *Bob Hope*, *Fibber McGee and Molly*, *Charlie McCarthy*, *Lux Radio Theater*, *Jack Benny*, *Fred*

VIGIL—



CBS KEPT LISTENERS informed of surrender developments through its WTOP Washington mobile unit, stationed in Lafayette Square in front of the White House, from Aug. 10 until after the capitulation. This is a scene typical even before the historic Aug. 14 announcement.

FLASH!



RADIO CORRESPONDENTS literally led pack in mad dash from President Truman's office to telephones Tuesday night when President announced surrender of Japs. Circled (l to r): Richard Harkness, NBC; William Gold, WINX Washington, and Jim Gibbons, American network (tongue out); Ralph H. Peterson, NBC; Fulton Lewis jr., WOL-Mutual.

CELEBRATION!



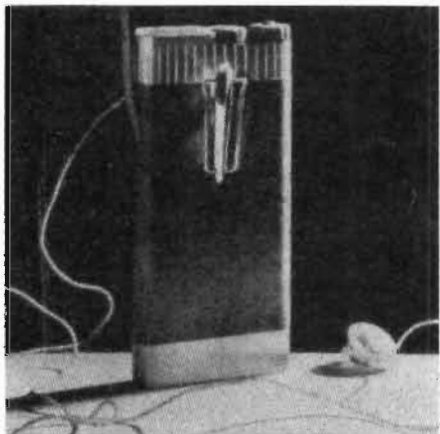
JUBILANT AMERICA expresses its joy from New York's Times Square while NBC Announcer Ben Grauer fights mob to hang onto microphone and carry on program at same time, a few minutes after news broke.

—Broadcasting, Aug. 20

FIRST OFF THE LINE—NEW RADIO MODELS



RADIO of the future is way Hallcrafters describes novel outfit, designed to do everything in the house except cook and sit up with the baby and put out the cat.



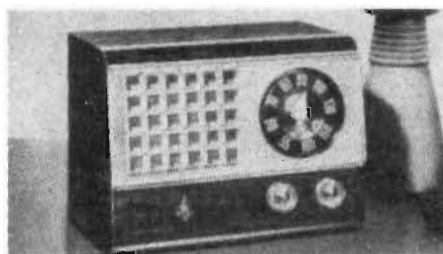
BELMONT makes this tiny set with five Raytheon tubes. It is ideally adapted for use in pocket or purse.



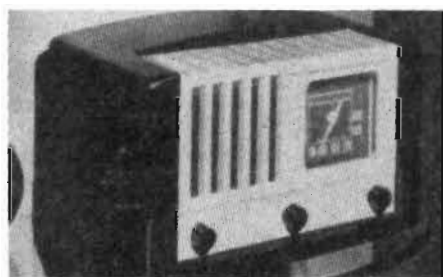
VESTINGHOUSE line features phono combination in which the radio may be removed at will to use as independent receiver.



THIS Bendix AC-DC table set has a recess in the top rear so it can be carried with ease. Bendix will have complete line of receiver models on the market.



EMERSON line marked by this table model of novel design and a lightweight pocket receiver. Introductory models also include portable and phonograph combination.



FOR first time Stromberg-Carlson is making small receivers. Comes in brown or brown-ivory.



GE's first peacetime radio interests Paul Chamberlain (r), sales manager of GE receivers, and E. P. Toal, of set division. Many other models are being announced.



OFF LINE comes first RCA postwar set, presented to Frank M. Folson (l), RCA Victor head, by J. A. Milling (r), mfg. dir., and Joseph B. Elliott, gen. mgr. of home instrument division. Company promises complete line of receivers.



BIG console model, with automatic record changer, is made by Admiral Corp., Chicago. It has seven tubes and three broadcast bands. Phono section slides out when doors are opened.



CROSLLEY table model includes two bands, broadcasting and an overseas dial, tuning 6-15 mc. The line being offered includes many in console cabinets along with other table models.



CHAIRSIDE model made by Electronic Corp. of America also has phono compartment which slides out. Record changer handles 12 10-inch or 10 12-inch records, with album storage space in rear of cabinet. Provision is made for convenient servicing through top of set, entire chassis being exposed. Noiseless performance is claimed.

Allen, *The Red Skelton Show*, *Mr. District Attorney*, *Walter Winchell*, *Eddie Cantor Show*, *Kraft Music Hall*, *Screen Guild Players*, *Sealtest Village Store*, *Amos 'n' Andy*, and *Abbott and Costello*.

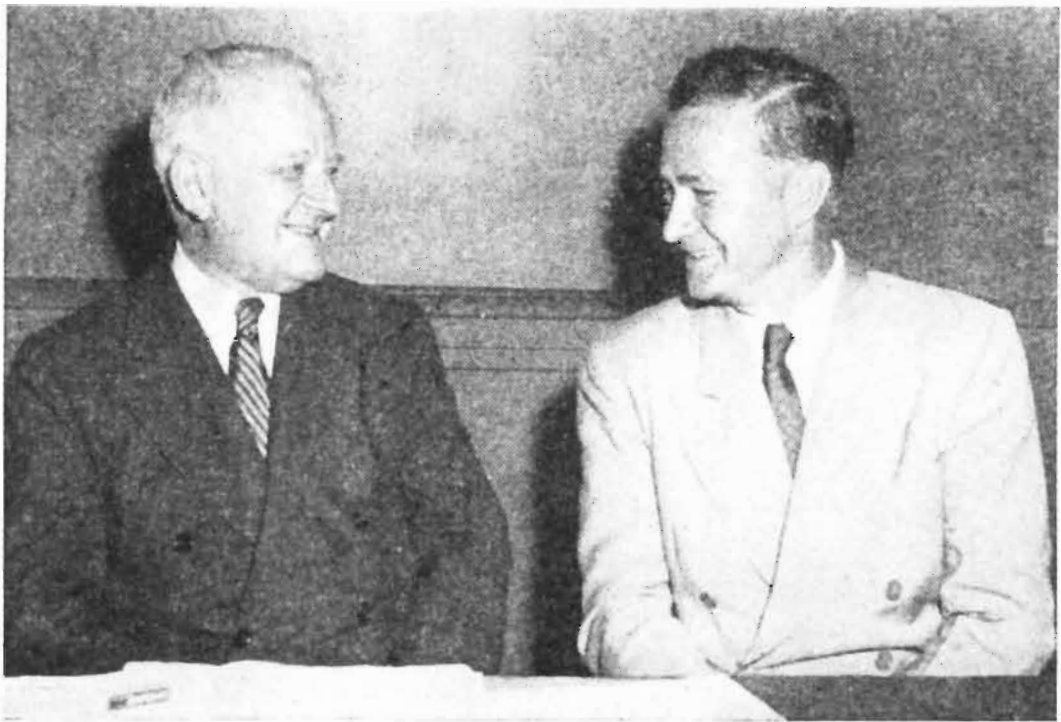
Total net time sales increased in 1945, to a new high of \$310,484,046. But this was only 7.3% over 1944 and was the smallest increase since 1942.

The resumption of peace also necessitated decisions about FM and TV. With the wartime freeze on construction lifted and a postwar boom in industry foreseen, the FCC faced a pile of station applications and a need to arbitrate the territorial feuds between FM and TV.

Early in January the FCC announced preliminary allocations proposals that would move FM "upstairs" to 84 mhz-102 mhz. It would also create a dual system of television with 12 channels, each 6 mhz wide, in the two portions of the band between 44 mhz and 210 mhz, but with the ultimate "haven" of TV to be above the 480 mhz range, where high definition and color would be possible. In its final allocations, the FCC allotted to FM the additional 106 mhz-108 mhz band that had been set aside for facsimile. The move "upstairs" for FM permitted 100 channels, 60 more than in the old band, and 20 channels were reserved for educational use. Existing FM stations were given the option of broadcasting on either the old or new bands until the end of 1948 when low-band transmission would be canceled. This move provided more FM channels—the FCC had more than 600 applications for new FM stations at the war's end—but it also would make the 400,000 FM receivers in use obsolete and cost the industry about \$75 million in conversion costs.

TV was making progress. In April, Philco dedicated the world's first multirelay network between Philadelphia and Washington. In August, Westinghouse unveiled its forerunner of communications satellites, called Stratovision. It used airborne television transmitters to relay TV and FM programs. In October, NBC demonstrated its new RCA-developed ultrasensitive image orthicon TV camera tube. In December, NBC telecast the Army-Navy football game on WNBT New York using a coaxial cable link from the Philadelphia game site.

The sale of Crosley's WLW Cincinnati, as part of a package of properties transferred to Aviation Corp., a manufacturing conglomerate previously not involved in broadcasting, was to create what came to be called the Avco rule. It established a procedure not followed in this case, but demanded in others. Three FCC commissioners, Clifford Durr, Paul Walker and Ray Wakefield, opposed the transfer on the grounds that such package deals gave too much influence to one group. And there were allegations that the Avco transfer was made despite evidence that its officers knew little of the public service obligations they were seeking to undertake. The resulting Avco rule required



"GOOD LUCK" said J. Harold Ryan, retiring NAB president (l) to his successor Justice Justin Miller, who today (Oct. 1) takes over the presidency of the NAB. His contract is for five years. Story on page 17.

owners of stations to publicize their intention to sell, thereby soliciting competitive bids, with the FCC choosing the applicant best qualified to serve the public interest. However, the commission seldom applied the rule, usually going along with the seller's choice of buyer. The rule was repealed in 1949.

The U.S. Supreme Court issued a ruling in December that altered the ground rules for new station applicants. It reversed a new station grant to WJEF(AM) Grand Rapids, Mich., on the appeal of Ashbacker Radio Corp., which had applied for the same facility. Noting the grant was made as a separate action, the court ordered the FCC to hear all mutually exclusive applications before making a grant. WJEF eventually survived the process.

The development of television and FM provided new battlegrounds for Jimmy Petrillo's American Federation of Musicians. Petrillo in February ordered AFM members not to appear on television until further notice. In October, Petrillo informed the radio networks that simulcasts on FM and AM outlets violated AFM contracts. By the end of the year, AM, FM, and TV were searching for a way to live with Petrillo.

One result of the tremendous growth anticipated in all aspects of broadcasting—AM, FM and TV—was a shift in network personnel to get ready for the future. Frank Stanton became general manager of CBS and was elected to the board of directors; Mark Woods, president of ABC, resumed active direction of the network when Vice Chairman Chester LaRoche dropped all executive duties; and a fifth network, the Associated Broadcasting System, was started by Michigan broadcaster Leonard Versluis. However, ABS lasted less than a year.

In the spring of 1945 came an unexpected transfer of power in the White House. Franklin Roosevelt died April 12.

In the ensuing four days, all networks and most stations canceled commercial programs to broadcast news and to offer appropriate music and tributes to the first radio President. The schedule changes cost the industry more than \$2.5 million in lost revenues.

Harry Truman, the new President, endorsed radio by the American plan: "Regulation by natural forces of competition, even with obvious concomitant shortcomings, is to be preferred over rigid governmental regulation of a medium that by its very nature must be maintained as free as the press. I salute America's broadcasters who have been, in their fashion, warriors for our common purpose and solicit their continued zeal in the cause of freedom and decency."

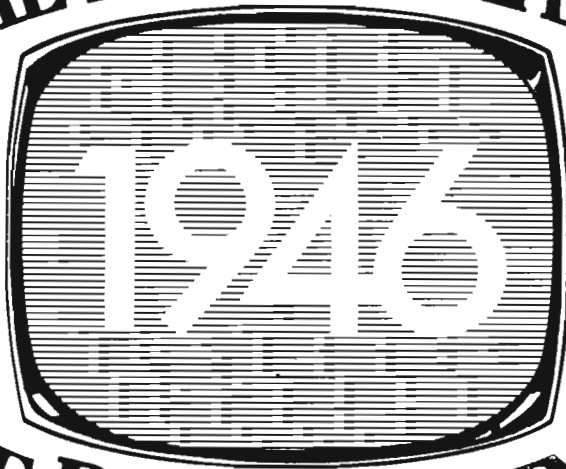
And so the transition from Roosevelt to Truman, from a wartime to a postwar world was completed as the nation celebrated the 25th anniversary of radio broadcasting.

Stay Tuned

1. What was the message to broadcasters in the FCC's so-called Blue Book?
2. Who was the Zenith Corp. executive who pooh-poohed the idea that advertising could support a medium as expensive as TV?
3. Who was the propagation expert whose advocacy of "upstairs" FM was contested by Zenith and GE?
4. What steps did atheist Robert Harold Scott take after he was denied air time?
5. How did Congress try to tone down the AFM's Jimmy Petrillo?

The answers
in "1946."

THE FIRST 50 YEARS



OF BROADCASTING

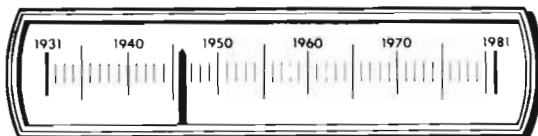
The world was trying to put itself back together as 1946 began, and so was American broadcasting. That first year after World War II saw FM and TV proponents renew efforts to secure places among the media. There also came a jolting judgment by the FCC that it should assert itself more forcibly in programing. And the broadcasters' gadfly, Jimmy Petrillo, stepped up his demands for his American Federation of Musicians.

The FCC took a long step into programing in March after it had studied accumulated data on broadcast content and decided that the road to license renewal was littered with unkept promises. The commission's attempt to establish license renewal criteria based on broadcasters' performance was contained in a 139-page report, "Public Service Responsibility of Broadcast Licenses." The color of its cover gave it its nickname, "The Blue Book." In the document, the FCC said that in the future it would look with "particular consideration" upon four public service categories: "the carrying of sustaining programs, including network sustaining programs; the carrying of local, live programs; the carrying of programs devoted to the discussion of public issues; [and,] the elimination of advertising excesses."

Irate broadcasters immediately fired back, accusing the FCC of censorship. National Association of Broadcasters President Justin Miller labeled the FCC's new policy unconstitutional, while the FCC continued to maintain that its procedure was necessary for an overcommercialized radio industry. Vitriolic arguments lasted all year as the FCC and broadcasters debated the Blue Book's premises and implications.

Broadcasters cited the Blue Book's sometimes inconsistent program analyses and charged that the work was a reflection of the views of Charles Siepmann, a former BBC program director and vocal supporter of the British system of broadcasting, who was active on the FCC staff that drafted the Blue Book.

Representative Richard F. Harless (D-Ariz.) voiced radio's concerns, saying: "It was certainly not the intention of Congress at the time the FCC was established to place within its



Lord Haw Haw (William Joyce), the English-American who broadcast for Germany during World War II, was hanged for treason in London Jan. 3. His was the first of many executions following war crimes trials around the world in 1946. At Nuremberg, Germany, 22 Nazi leaders were convicted on Sept. 30; 11 were sentenced to die. One, Hermann Goering, committed suicide by poison just two hours before his scheduled execution. On the other side of the world, Japanese Lieutenant General Homma, who ordered the Bataan death march, was shot near Manila; General Yamashita, Japanese commander in the Philippines, was hanged. The Philippines were given independence by the U.S. on July 4. In Argentina, Juan Peron was elected to his first term as president. In America, discharged service personnel returned to waiting lists for new cars and housing, amid various rail strikes and a nationwide coal strike. And in

BROADCASTING . . .

hands complete control of radio programs. The FCC has a definite function in administering the engineering mechanics of radio. To permit the government agency to dictate the types of programs that radio stations could provide would be contrary to the doctrine of freedom of the air. To have governmental review of radio programs would definitely be a violation of freedom of speech. We might as well have a review of the contents of newspapers."

Despite the charges on both sides, acting FCC Chairman Charles R. Denny, at the NAB convention in October, pointed out that of the 322 station applications pending for renewal at the time the Blue Book appeared, the FCC, by September, slated only seven AM's for hearings (WBAL Baltimore; KBIX Mus-

kogee, Okla.; KGFJ Los Angeles; KMAC and KONO San Antonio, Tex.; WIBG Philadelphia, and WTOL Toledo). By November the FCC had winnowed the list down to WTOL, KMAC and KONO. Despite the broadcasters' alarms the FCC never revoked a license based upon the program considerations codified by the Blue Book. Even WBAL Baltimore, which the FCC had made the horrible example of its report, received a license renewal, although columnists Drew Pearson and Robert Allen had petitioned for WBAL's facilities under the FCC's "comparative consideration" clause and the case was not resolved until December 1951.

AM clear channels came under fire in the postwar expansion. Charging radio service to rural areas was unsatisfactory, regional broadcasters and a number of farm groups requested in January that the FCC break down the clear channels. Arguing for the status quo and even higher power for his clients, Louis G. Caldwell, counsel for the Clear Channel Broadcasting Service, reasoned that "the only way in which the farmer's signal can be improved over large areas . . . so as to reduce the static which mars or destroys radio reception for him, is through stronger radio signals resulting from the use of higher power."

The FCC, partly in response to the flood of new station applications, altered technical specifications to allow more sta-

One of Our Boys Shoots the Moon

HE'S ONE of "our boys"—that young fellow, Jack DeWitt, who shot the moon by radar.

Lt. Col. John Hibbett DeWitt Jr., who was responsible for the first contact with the celestial body by radar, is well-known in radio as the chief engineer of WSM Nashville.

A radio "ham" since he was in knee pants, Jack has been in commercial broadcasting since 1922, when, as a lad of 16, he built Nashville's first station.

Announcement Friday of the scientific achievement which makes Jules Verne's wildest flights look amateurish, had radio folk groping for practical application of the 2.4 second radio roundtrip covering nearly half a million miles. It was generally agreed the discovery will have great military, strategic and scientific value. Ultimate results might be detailed topographical mapping of distant planets and—in warfare—detection of superstratospheric missiles which might grow out of the V-bomb technique developed by the Nazis during the last war. These, however, reached an altitude of only 60 miles. The distance to the moon which was

Office of the Chief Signal Officer. The War Department in Washington simultaneously released a state-



Col. DeWitt

ment. Col. DeWitt himself was interviewed in New York.

Jack DeWitt, a modest soft-

ment. A radar impulse was beamed straight at the moon on a standard radar frequency of 112 mc. It bounced back 2½ seconds later, and was detected on a specially-designed oscilloscope. Col. DeWitt had improvised a standard wartime Signal Corps radio transmitter known as SCR-271. It was of 3 kw but through a specially-designed antenna, it had a gain of 200 and had effectiveness of about 600 kw. The strength of the reflected signal was about 3 w.

Here are some of the salient facts released by Maj. Gen. Harry C. Ingles, Chief Signal Officer, in Washington:

The Signal Corps has been studying the problem of reaching other celestial bodies with radar for several years (Jack DeWitt himself had failed in an attempt in 1940).

Radar pulses, like radar waves, travel at the speed of light—186,000 miles per second. A transit time of about 2½ seconds was required for the pulse to surge from the earth to the moon and for echoes to travel back.

Scientists had never before been certain they could project radio

—Broadcasting, Jan. 28

tions to be shoehorned into the AM band. The result was a rush of applicants for new facilities.

When the FCC tackled the postwar pile of FM and AM applications, it encountered an industry on the verge of cloning itself in astounding numbers. In 1946 the number of standard stations increased by 50%, jumping from 1,004 at the beginning of the year to 1,520 at the end. While the number of commercial FM stations actually on the air rose only slightly, it portended a new aspect of American broadcasting.

There were still disputes about FM's placement in the spectrum. Zenith and General Electric reopened in January the controversy surrounding FM's "upstairs" move by challenging the testimony of Kenneth A. Norton, the radio propagation expert who had argued in 1945 hearings that FM in the 100 mhz band would provide greater rural coverage. Based upon tests, Zenith argued that "FM in the 50 mhz band has two and one-half times the area coverage that the 100 mhz band makes possible, which means that from metropolitan stations operating in the 100 mhz band, only residents of city areas will be able to hear FM programs, and the farmers, the residents of rural areas, and even residents of suburban areas will be deprived of this static-free service." Zenith and GE favored a two-band FM, while certain AM broadcasters favored a one band, high-frequency FM system. After only

two days of hearings, the FCC voted to keep FM in 88-108 mhz range.

The FCC, after sorting out service among the contenders, approved 375 conditional FM grants by April.

CBS, during the clear channel hearings and much to the distress of clear channel supporters, presented plans for a nationwide FM network of more than 200 local stations headed by five superpower AM stations that would provide nighttime coverage to remote areas. CBS estimated such a system would cost \$10.8 million for installation and \$4.8 million in annual operating expenses.

The FCC in June changed the designation for FM community stations to class A, and concomitantly raised their power from 250 to 1 kw. The FCC in July agreed to set aside for one year every fifth class B (high power) FM channel in order to permit those still in the military to apply for an FM grant. Questioning the legality of the FCC's move and counting it as lost time, most of the broadcasting industry opposed the plan.

Certain supporters of FM were vociferous in their arguments for its future, despite the setbacks of the war and the move "upstairs." According to FM inventor Edwin Armstrong, the war, "vested interests, habits, custom, [and] legislation" retarded the FM revolution that he had doggedly predicted. Not to mention the shortages of receivers and broadcasting materials.

None of this, however, dampened the ardor of FM supporters. When the seven-year-old FM Broadcasters Inc. was dissolved by parent NAB at the latter's October convention, a new independent FM association rose from those ashes. The NAB felt it could not promote one segment of broadcasting to the possible disadvantage of another. The new organization, under Judge Roy Hofheinz, Texas station owner, said its goal would be to "properly present FM to the public." And the set-buying public was showing signs of interest. RMA members in December estimated FM receivers to compose 20%-25% of all production for 1947.

When radio counted its receipts, 1946 came in as another in a string of record years. Net time sales were \$331,764,404, a 6.9% gain over 1945. When radio manufacturers counted production, 1946, despite material shortages, was a bountiful year. In 1945 only 500,000 home radio sets worth \$20 million were sold and virtually no auto sets were on the market. In 1946 14 million home sets worth \$700 million were sold and 150,000 auto sets worth \$9 million. At the end of 1946, 35 million home radios and 6 million auto radios were in use.

Television was in the early throes of a dispute over standards. CBS continued to advocate its color system which featured a color wheel and in September petitioned the FCC to adopt standards and authorize color operation of stations in the UHF fre-

quencies. CBS argued that its system could be a home reality in one year, while RCA, promoting its all-electronic color system, listed 1950 as the earliest date for home use. CBS, after successfully transmitting a color television program from New York to Washington and back, claimed to have proved that "today's coaxial cable system can carry TV programs in full and vivid color . . . that color nets can be formed as rapidly as black and white networks." RCA, claiming to have perfected electronic color, called its system the greatest advance in television since the development of the cathode-ray tube. "Comparing electronic color with

mechanical color," stated RCA President David Sarnoff, "is like comparing a stratoliner with a horse and buggy." But Sarnoff still warned that color television comparable to black-and-white service remained five years away.

By July 1946 the FCC had authorized 23 new commercial stations, bringing the total to 30. This number would have been higher but for the color battles and for the prospect of unprofitable operation until an audience could be created.

NBC predicted that TV would lose \$8 million over the next four years. Faced with those figures, many applicants hesitated or withdrew. By June, 72 television

applications, almost half of those filed since licensing had resumed in October 1945, had been withdrawn.

To offset the expense, some people, like E.F. McDonald Jr., president of Zenith Radio Corp., Chicago, which received one of the first commercial TV station grants, advocated pay TV. He claimed that advertising could never support a medium as expensive as television. "Radio has succeeded with its present commercial setup," McDonald argued, "because it is cheap, but there is no indication that television will be the same . . . If there were five or more stations in one city, the cost of providing each with hours of daily entertainment produced to motion picture standards would be \$2.7 billion per year. This is more than U.S. business spends on every form of advertising combined."

Other problems that marred TV development included relatively expensive receivers and equipment combined with a relatively small production of television sets and telecasting equipment due to parts and materials shortages. By October, television manufacturers promised 20,000 sets for Christmas, with prices ranging from \$169.95 for Viewtone's seven-inch table model to \$2,400 for DuMont's 20-inch console.

By the end of the year, station equipment manufacturers hoped to have some products available. DuMont offered a transmitter that included a control console, modulation monitor and frequency dissector for \$59,400 for use on channels 1-6, with 5 kw video and 2.5 kw audio output, and for \$64,350 for use on channels 7-13, with 3.5 kw output for both audio and video. GE offered for \$11,600 a new studio camera that weighed 75 pounds and came complete with a hydraulic lift.

Even with shortages and expensive equipment, there were some television firsts in 1946. Besides the transmission of both black-and-white and color over long-distance coaxial cables, 1946 brought the telecasting of such events as the opening session of the UN Security Council at Hunter College, New York, and the Joe Louis-Billy Conn heavyweight title fight from Yankee Stadium in New York. Bristol-Myers, in October, pioneered as a network series advertiser by sponsoring a travel film series, *Geographically Speaking*, on WNBT New York and WPTZ Philadelphia via NBC-TV.

Television also was eyewitness on a limited scale to other history when RCA installed two TV cameras three miles from the Bikini atoll explosion site of the second postwar testing of the atomic bomb. It also placed TV receivers on four ships that carried officials and observers, as well as on two planes over the Pacific island. But that was the extent of the live TV network at Bikini. American television stations used film flown from the scene.

Radio was more immediate in its report from Bikini. David Dietz, science editor for Scripps-Howard newspapers, reported the facts for NBC radio. "The detonation was heralded by the expected flash of light

"ON THE BASIS OF LATE RETURNS . . ."



WORKING at speedy pace election night were network newsmen. In top photo, at CBS headquarters, are (l to r): George Herman, news-writer; Charles Collingwood, commentator; John Mosman, an assistant director; Bob Trout; Jess Zousmer, news writer, and Ned Calmer, commentator. Directing ABC news center (center photo) are: John Madigan, national news editor; Thomas Velotta, director of news and special events for the network; Robert E. Kintner, vice president, and Charles C. Barry, national program director. Three top MBS reporters (lower photo) together for first time since the war are: Arthur Gaeth, Don Bell and Leslie Nichols.

—Broadcasting, Nov. 11

Future of Color Video in Hands of FCC

CBS Faces United Opposition From Many Sources

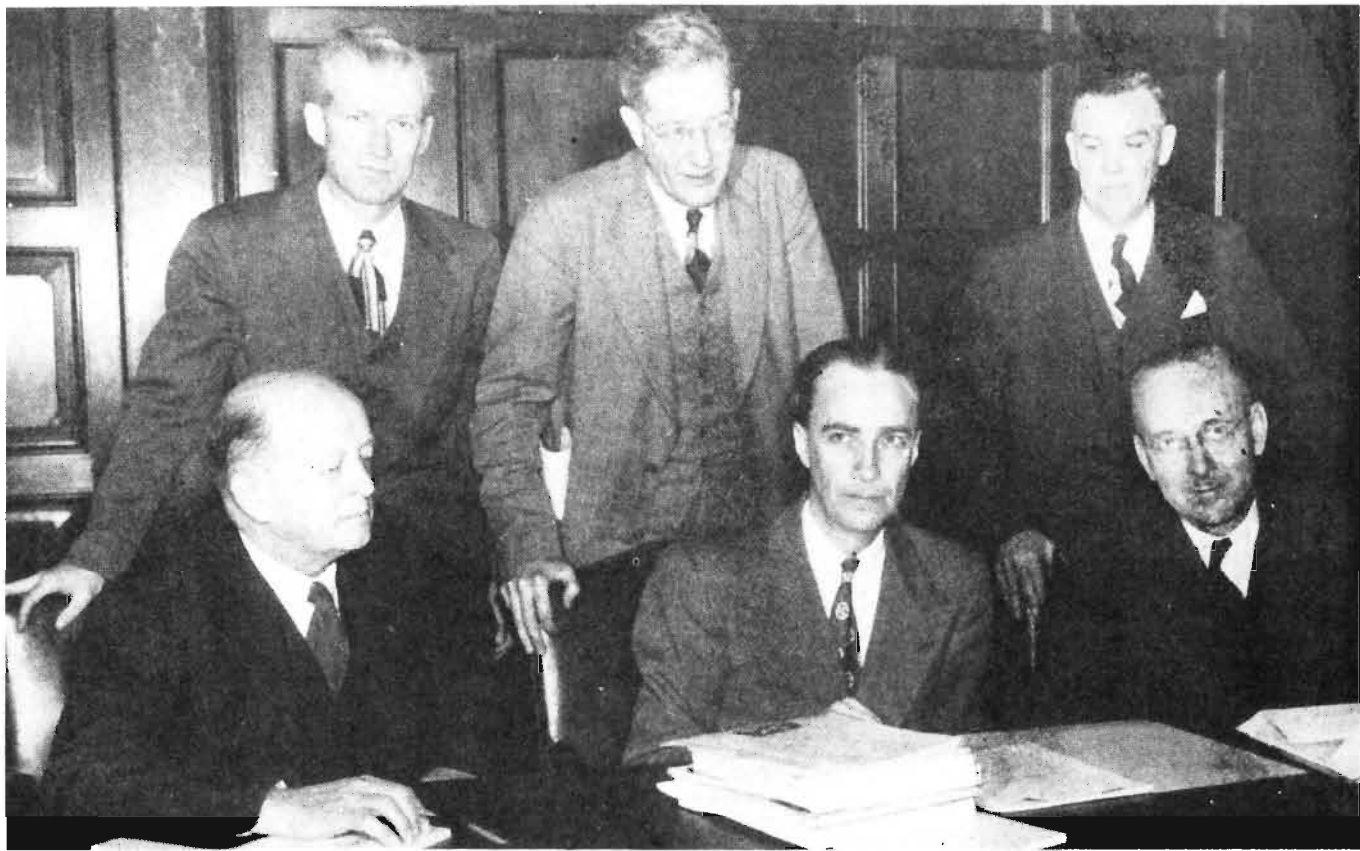
By J. FRANK BEATTY

THE immediate future of color television in the upper frequencies—a future that CBS insists can be a bright one if the FCC permits early commercial operation—awaits Commission decision. Today (Monday) members of the FCC, along with staff experts, are viewing developments in the color art during an inspection of CBS and Du Mont laboratories in the New York area.

CBS faced the united opposition of many other television developers at FCC hearings last week on its application to start, immediately, commercial color in the 480-920 mc (uhf) band. The present split band (vhf) ranges between 44 and 216 mc.

Case In Detail

CBS has developed sequential (mechanical scanning) color as against RCA's simultaneous (all-electronic) method. The network, however, merely asks the Commis-



NEW CHAIRMAN of FCC presides at first hearing since appointment, as color video problem was aired last week. Front row (l to r): Comr. Paul A. Walker,

Chairman Charles R. Denny, Comr. Ray C. Wakefield; back row, Comrs. Rosel H. Hyde, Clifford J. Durr and E. K. Jett.

The Challengers . . .



CBS COLOR BATTERY (l to r): Joseph H. Ream, vice president and secretary; Kenneth L. Yourd, senior attorney; Donald Horton, research; Julius Brauner, general attorney; Nathan L. Halpern, executive assistant; Adrian Murphy, vice president; Frank Stanton, president; William

B. Lodge, director of general engineering; Earl H. Gammons, Washington vice president; Lawrence L. Lowman, television vice president; Dr. Peter C. Goldmark, director of engineering research and development, and inventor of the present CBS color system.

. . . . The Defenders



THE RCA array (l to r): R. D. Kell, in charge of television system research, RCA Labs.; E. W. Engstrom, research vice president; C. B. Jolliffe, executive vice president in charge of RCA Labs.; O. B. Hanson,

NBC vice president and chief engineer; A. F. Van Dyck, assistant to Mr. Jolliffe; R. E. Shelby, in charge of development, NBC. In the rear: A. V. Bedford, G. H. Brown, RCA Labs.; G. L. Beers, RCA Victor.

... From a charge of plutonium when the bomb undergoes nuclear fission a temperature of 100,000,000 degrees is generated ... Eight minutes after ... the atomic cloud had towered to a height of 23,100 feet. At this time, it was about 11,000 feet in diameter." William Lawrence of the *New York Times* reminded listeners: "We should be thinking of the bomb today as the greatest problem facing the world, and how to stop it from being used at all against cities, against men and women, against navies, against air forces."

When the war ended and the era of the atomic bomb and the cold war began, an interest in radio documentaries developed. CBS established a documentary unit under the direction of Robert Heller. One project, organized in 1946, was called *One World Flight*, named in honor of Wendell Willkie's "One World" slogan in the 1940 presidential campaign. To produce it, Norman Corwin visited 37 countries in four months. Edward Murrow collaborated with Fred Friendly to produce *I Can Hear It Now*, an album of recorded reminiscences that later became the documentary radio series, *Hear It Now*. Journalist Drew Pearson became noted for exposes, especially for his attacks upon the Ku Klux Klan and Eugene Talmadge, former governor of Georgia.

On the entertainment side of radio, more detective shows debuted. Phillips H. Lord, who created such successes as *G-Men*, *Gangbusters*, *Counterspy*, and *Mr. District Attorney*, presented *Policewoman* in 1946, the true story of events in the life of Sergeant Mary Sullivan of the New York City Police Department. The fictional Sam Spade and his faithful secretary, Effie Perrine, first appeared in CBS's *The Adventures of Sam Spade* on July 12.

Sky King debuted in 1946 on ABC and combined adventure with moderate suspense in a family-oriented setting. Swooping down in his plane, "The Songbird," Sky would fight trouble and rescue Penny and Clipper from as much evil as could be put into 15, and then later, 30 minutes.

The networks continued to excel in comedy shows. Jack Benny moved back into the number-one spot (up from fifth in 1945), and Fanny Brice provided the new name in the top 15 of popular programming.

Prewar radio favorites began to reappear. Merwyn Bogue, Kay Kyser's "Ish Kabibble" character, broadcast again. Red Skelton resurrected his "Junior" character on Tuesday nights for NBC. Eddy Duchin became the pianist-emcee on *Kraft Music Hall*, and Johnny Desmond sang on NBC's *New Follies*. Henry Morgan renewed his biting humor and jibes at sponsors on ABC broadcasts.

To complete the range of programs, the networks presented Helen Hayes in *First Lady of the Theater*, a Saturday night dramatic series on CBS; Dick Powell in *Rogues Gallery*, an adventure series on MBS; Perry Como on *The Supper Club Show*, a Monday-Friday song review for NBC, and Milton Berle in *The Court of*

Petty Grievances, a short-lived comedy series on CBS. To measure its audiences, radio relied on Hooper, Nielsen, and the Cooperative Analysis of Broadcasting, but CAB in July suspended service after 17 years.

Arch Oboler, a writer whose fame was established by radio, nipped at the medium that helped to feed him. He declared: "Humbug fills our free American air. From early morning until the last spot announcement ... an amazing assortment of evasions, half truths, and untruths activate the kilocycles ... Nostrums for every bodily function are jingled and jangled to rhythm and rhyme. Not an ache from head to toe is left unplowed by the big plow of advertising humbug. You may ask what this has to do with radio writing. Simply that some of us can't write honest radio under such circumstances ... We must clean house ... Those manufacturers, such as the soap and cigarette people, should profit from the general want for those commodities, not through outright untruths."

Humburg may have filled the air in Oboler's opinion, but godlessness did not. Three San Francisco AM stations (KQW, KPO and KFRC) denied air time to Robert Harold Scott to present atheistic views. The FCC, although denying Scott's petition for the revocation of these stations' licenses, warned that "if freedom of speech is to have meaning ... it must be extended as readily to ideas which we disapprove or abhor as to ideas which we approve." To the displeasure of 5,000 letter-writing listeners, Scott in November received time from KQW San Francisco.

To the displeasure of broadcasters, James Petrillo, head of the American Federation of Musicians, sought to impose new labor conditions on broadcasting. Petrillo saw networks as a cause of musician unemployment at the affiliated stations and wanted standby musicians hired. He wanted broadcasters to compensate for use of transcribed programs, limit transcribed shows and recordings, pay additional fees for rebroadcasts, ban music that originated outside the U.S., and refuse noncommercial educational programs, among other demands. Congress, in April, passed the Lea Act that made it unlawful to force hiring of unneeded personnel, to pay more than once for a service, or to pay for services not performed. In defiance of the Lea Act, Petrillo ordered AFM members not to play for combined AM-FM programs and not to play for TV unless paid at radio scale or above. Petrillo argued: "Television is not going to grow at the expense of the musicians. As television grows, the musician is going to grow with it or we are not going to assist in its development."

To test the Lea Act, Petrillo called a strike against WAAF(AM) Chicago when it refused to hire three unnecessary AFM musicians. The government charged the AFM with violating the Lea Act, the Sherman Antitrust Act, and other laws, but Federal District Court Judge Walter La

Buy, in December, ruled that the Lea Act was unconstitutional. Broadcasters took an appeal that they eventually won, but Petrillo struck deals with some adversaries. The AFM accepted the record manufacturers' offer of a 37 1/2% increase in musicians' pay, and the transcription firms accepted the AFM's demand for 50% more for musicians, or \$27 per man for 15-minute programs.

A long-standing insistence by the networks on live broadcasts fell by the wayside when Bing Crosby signed a new contract with ABC. Crosby signed at \$30,000 a week to transcribe his show for Philco to eliminate the necessity of rebroadcasting for a different time zone.

The history of 1946 also shows: ABC bought King-Trendle Broadcasting Corp. (WXYZ Detroit, WOOD Grand Rapids, Mich., and the Michigan Radio Network) for \$3.65 million. William Paley, back from service at SHAEF headquarters in Europe, moved up to the chairmanship in January, and named Frank Stanton to succeed him as president (Paul Kesten, who had been executive vice president, was named vice chairman, but—in ill health—resigned later that year). Donald Flamm, one-time owner of WMCA(AM) New York, who argued that he was forced to sell his station (see 1944), won a \$350,000 verdict against Edward J. Noble, ABC board chairman. Westinghouse, touting its Stratovision (see 1945) as ideal for TV, reported that usable signals, relayed by airplanes at altitudes of 25,000 feet, had been picked up 250 miles away. John H. DeWitt, chief engineer of WSM(AM) Nashville, reported that he had bounced a radar signal off the moon during his wartime service with the Signal Corps.

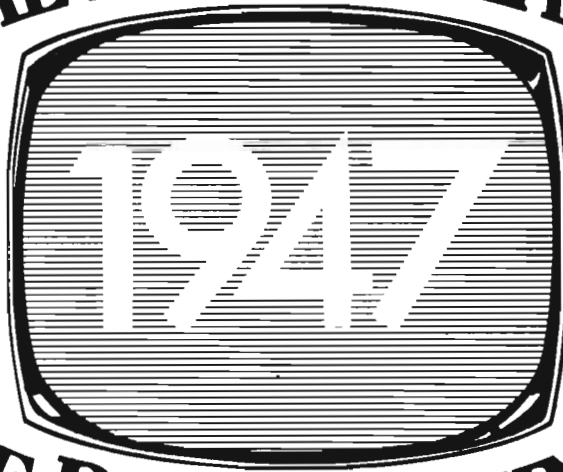
With black-and-white television gaining popularity, color ahead, and FM a slow but inevitable contender for markets, broadcasters looked to their ever-increasing domains and checked the FCC's Blue Book. In the meantime, Americans continued to listen to AM, wait for FM, and hope for less expensive and better programmed TV.

Stay Tuned

1. Which FCC commissioner was criticized by Senator Homer Capehart for a "brazen effort to sabotage the FBI in its efforts to uncover communists?"
2. Who was the comedian who insisted on heckling a network vice president in his broadcasts?
3. What was Phonevision?
4. How did the Supreme Court rule on the Lea Act that AFM's Petrillo defied?
5. How did the FCC react to the explosive growth in radio stations numbers?

The answers
in "1947."

THE FIRST 50 YEARS



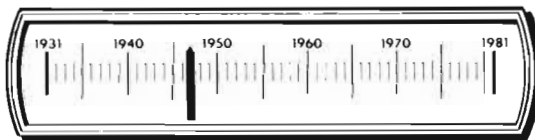
OF BROADCASTING

The postwar proliferation of radio stations began to worry the FCC in 1947. The commission issued "An Economic Study of Standard Broadcasting" that cited increasing competition for advertising. The FCC forecast the siphoning of advertising revenue from the older stations by the newer ones, and envisioned the capture of markets by the first station in a new area and a lockout of subsequent stations. According to the FCC, factors favorable to the greatly expanded postwar broadcast industry were the potentials for increased business, greater advertising volume, more disposable income, and bigger radio audiences. The FCC's list of factors unfavorable to

the radio industry was longer. It included the potential for a recession, for a "fractionating" of the radio audience, for a "more critical comparison of the cost and effectiveness of broadcast" with other media, for an increase in newspaper advertising, for a cost-revenue squeeze caused by rising purchase prices of stations, and for rate cutting because of the increased inventory of time that would be available for sale.

The FCC declared 28% of an anticipated 1,063 U.S. radio communities (by 1948) would be "over-expanded, should the present high level of business activity decline." With more than 400 new stations (AM and FM) going on the air in 1947, bringing the total near the 2,000 mark, the FCC predicted a sizable number would fail.

Broadcasters questioned the commission's right to issue any economic study and feared that the FCC's next step might be the proclamation of rate book. Speaking for many in radio, BROADCASTING answered: "Some stations will fail, of course, as we have repeatedly insisted. Others will trail red ink for months or years before they consistently turn a profit. Those that survive will be stations which, competitively, render superior service to their listeners, and, consequently, to the advertisers. . . . The question of survival in a highly competitive art hinges to a great extent on the ingenuity of individual stations both in programming and in selling time. . . . These factors are considered in the economic report, but they are intangibles which, despite their importance, do not show up in charts and graphs."



Great Britain took over its coal industry, but relinquished its grasp on India; the latter country re-emerged in August as Hindu India and Moslem Pakistan. U.S.-Soviet relations worsened, prompting financier Bernard Baruch to describe the stand-off as a "Cold War." In America, the supersonic age became a fact: A Bell X-1 was flown faster than sound.

Motorists got the news that B.F. Goodrich had developed a tubeless tire. The House and Senate overrode President Truman's veto to pass the Taft-Hartley Act. The Los Angeles Rams painted horns on headgears to become the first pro football team with helmet insignia. Other 1947 news out of California: Navy veteran Richard M. Nixon was elected to his first term in the U.S. House of Representatives. And in

BROADCASTING . . .

parts topped \$1 billion. There was a boom in car radios, as Americans—after wartime restrictions on the production of such equipment—could take radio with them down the highway. The number of car radios sold in 1947 jumped to 2.5 million, worth \$150 million up from the 150,000 sold in 1946, worth \$9 million.

Network radio was beginning to change. Bing Crosby's 1946 coup in which he won the right to transcribe his ABC network program in advance created an aftershock in 1947. *Fortune* magazine in January declared that none of Crosby's past performances "measures up to the magnitude of his assault on the established framework of radio," and labeled Crosby's change to transcriptions "a direct attack on the radio business . . . or at least on the two biggest networks, NBC and CBS . . . [which] have an absolute ban on transcribed shows for big-name stars." *Fortune* wondered: "If complete top-caliber programs can be recorded and sold directly to individual stations, what is to become of networks as networks?"

What became of them in 1947 was all good news for them. They prospered and expanded their reach. With the numbers in inverse order to their ratings rank, MBS had 488 affiliates by Dec. 31; ABC, 265; CBS, 174, and NBC, 167.

The cold war was taking on a deeper chill. Along with popular songs introduced in 1947, such as Alan Jay Lerner's "Almost Like Being In Love," Hoagy Carmichael's "Ivy," and Oscar Hammerstein's "So Far," radio audiences were introduced to the perceived threat of the Soviet Union. There

Despite the FCC pessimism, there was no mass failure of radio stations in 1947. Radio as a whole prospered, gained audience and revenues—1,962 stations on the air by Dec. 31 and 37 million radio homes in the U.S. Total net time sales for broadcast advertising reached a new high of \$374,086,686, a healthy 12% more than in 1946. (Net time sales represented gross billings less frequency and promotional discounts. These receipts were before deduction of agency commissions, considered an expense of sales). Estimated radio gross billings in 1947 were \$555,400,000.

For the first time, the money Americans spent for receivers, tubes, batteries and

Probers Warn Petrillo Not to Strike

Hearings Recessed Pending Study Of Evidence

By J. FRANK BEATTY

AN ARM of Congress—the House Labor subcommittee investigating James Caesar Petrillo, AFM president—has assumed the role of unofficial mediator in the threatened strikes of musicians against networks and recording companies.

Plainly shocked at the audacity of the union czar in hurling the strike threats during an investigation into his domination of the AFM, the subcommittee members last week warned him of the public's rights and suggested he examine labor laws carefully before taking any drastic action.

With this Congressional advice to ponder, President Petrillo awaits recall at further hearings to be held after a 60-day recess. Meanwhile, the subcommittee will watch his actions closely and go into standby, featherbedding and other AFM practices.

Recess of the hearing was announced Friday afternoon. Subcommittee members denied that the postponement amounted to a death blow for the whole investigation, insisting that more time is needed



"IT'S LIKE this, gentlemen," says James C. Petrillo at House probe.

union leader and to study the committee's findings to date.

When the subcommittee resumes hearings it plans to meet in cities around the country as well as Washington, it was indicated Friday. Back of the investigation is the expressed desire to learn whether the AFM leader's tactics



HOUSE PROBERS hung on every word during two-day grilling of James C. Petrillo, AFM president. L to r: Rep. Richard M. Nixon (R-Calif.); Chairman Carroll D. Kearns (D-Pa.); Rep. Graham A. Barden (D-N. C.); Rep. O. C. Fisher (D-Tex.); Rep. Wingate H. Lucas (D-Tex.).

sions of the Taft-Hartley and Lea statutes.

The probers' exposure of Mr. Petrillo's tactics occurred during a Monday-Tuesday session at which the AFM president, in a brilliant setting of klieg lights, newsreel cameras and microphones, used all the tricks in his bag to stage the best performance in his career.

Good Time for All

He was the star witness against himself, and saw to it that everybody had a good time—especially the subcommittee. Through the long grilling he gave quick and pointed answers to nearly all questions, most of them adding up to the fact that technology is taking work from his boys and he is going to do something about it. Much of the

AFM control over use of film sound tracks in television. He absolutely controls recording. He wants to get many new jobs out of FM and television.

AFM head was described as "dictator" and also praised for patriotism in accepting Lea Act decision and Taft-Hartley law.

He admitted in effect that he had threatened a network strike to compel affiliates to hire musicians they don't need because local strikes wouldn't be effective. This was considered a possible Taft-Hartley Act violation.

Mr. Petrillo is toying with a plan to slap a 5 or 10-cent royalty charge on

—Broadcasting, July 14

were anti-Communist alarms and calls to ostracize Communist sympathizers.

Experts and journalists discussed the Soviet threat on such special shows as CBS's four-day series, *You and the Russians*.

Commentator Walter Winchell, once a liberal, issued this attack on the Soviet Union: "The third World War is already being fought . . . We are losing it . . . When the Communists are ready, there will be 50 Pearl Harbors, atomic explosions erasing our cities . . . Trained Communist spies are among us locating targets for the sneak attack . . . We must start rearming now."

Harold Stassen, the former governor of Minnesota and a perpetual presidential hopeful, used an NBC broadcast, *America versus Communism in One World*, to issue a 12-point program "to clear Communist infiltration," which included exposing "the identity of all known Communists," prosecuting "them vigorously for their violations of law," urging "our fellow-citizens to refuse to associate with them," and removing Communist sympathizers from federal, state, and local payrolls.

H. V. Kaltenborn, expressing opinions based upon a 42-day tour of 14 countries, issued this warning in an NBC four-part series: "The one controlling impression of my trip around the world is the ever-present Communist menace. In France it dominates the political situation. . . . Pope Pius made Communism the principal theme of what he said to me. . . . Greece is in turmoil because of Communism. In

Egypt they explain the street riots in terms of Communist agitation. . . . China faces economic ruin because of the unending internal strife caused by Communists. Japan's leaders want some kind of military occupation to continue until there is no Red menace. . . . There is no peace. The war we thought we won has not been won. Two world wars have left the world less safe for democracy than it was. . . . A militant, aggressive Communist Russia has its spies, agents, saboteurs hard at work in every country, including our own."

Blacklists, secret FBI files, and special hearings proliferated in the U.S. On March 22, President Truman ordered an examination into the loyalty of all government employes. *The New Republic* charged that since the war the networks fired 24 so-called left-of-center commentators in a protective purge. Admirers of William L. Shirer felt that CBS's move of Shirer's broadcasts to a less prominent time slot precipitated his quitting and sprang from the same source as the other network firings. The Red scare was dominant as innuendo and rumor fueled the fires and affected lives.

The scare touched but didn't destroy FCC Commissioner Clifford Durr who had objected to FBI reports to the commission on radio personalities, owners and employes. He asserted that the reports were unsolicited and based on "gossip, rumor, and nonexpert opinion on political, economic or social philosophies." Durr incurred the wrath of a Senate bent on a

hunt for fidelity. Senator Homer Capehart (R-Ind.), a member of the Foreign and Interstate Commerce Committee, labeled Durr's criticism "a brazen effort to sabotage the FBI in its lawful duty and responsibility to uncover Communists and other disloyal persons." He declared that Durr should be investigated.

Amid growing apprehension over Communism, President Truman launched a campaign to win allies for America through economic aid. In March Truman spoke on the networks in behalf of \$400 million in aid for Greece and Turkey, explaining that "the seeds of totalitarian regimes are nurtured by misery and want. They spread and grow in the evil soil of poverty and strife. . . . The free peoples of the world look to us for support in maintaining their freedoms. If we falter in our leadership, we may endanger the peace of the world—and we shall surely endanger the welfare of our own nation."

At a Harvard university commencement in June, Secretary of State George C. Marshall unveiled the European Recovery Program (the Marshall Plan) and used radio to promote this plan to fight "hunger, poverty, desperation, and chaos." The U.S. made the Marshall plan available to Communist as well as non-Communist countries on the premise that a stable Europe would choose freedom and democracy.

It was also in the name of freedom and democracy that Justin Miller, National Association of Broadcasters president, agi-



PICTURE OF THE CONVENTION according to a consensus of BROADCASTING editors was taken at a rollicking CBS affiliates dinner. Three of the most divergent winds in radio were caught blowing with

phenomenal singleness of purpose when (l to r) Justin Miller, NAB president, Frank Stanton, CBS president, and Chairman Charles R. Denny, of the FCC inflated toy balloons.

—Broadcasting, Sept. 29

tated for the repeal of the Mayflower ruling of 1941 that banned the airing of editorials. The edict, Miller persisted, "violates the First Amendment of the Constitution and the Communications Act." With the majority of the broadcasters endorsing editorializing, the FCC was moved to promise an inquiry in early 1948 to see whether station editorializing would meet the twin objectives of serving the public interest and affording balanced perspective.

The FCC's Blue Book of 1946 continued to rankle both those who felt its program standards unmet and those who feared government intrusions into programming. FCC Commissioner Durr charged his colleagues with "laxity in the enforcement of the principles" of the Blue Book since "many renewals have been granted, without a hearing, on the basis of programs which ... fail to meet any reasonable standards of public service."

Shortly thereafter, the NAB retaliated with a 34-page rebuttal to the Blue Book in the form of a letter to Representative Harris Ellsworth (R-Ore.) It condemned the Blue Book as illegal, punitive and im-

proper, stating that "the effort of the commission ... to indict broadcasting licensees on the theory that they are making too much money is an unwarranted indirect attack upon freedom of speech." To buttress its position, the NAB released a study of member stations' programming, documenting that the average station aired 66% commercial time and 34% sustaining time, a record well within the Blue Book's 80-20 guidelines.

"The result of the NAB's survey," BROADCASTING argued, "clearly points up the weakness of two main Blue Book contentions: (1) that larger stations carry fewer sustainers than small stations, and (2) that fewer sustainers are carried during choice evening hours than at other times. The cardinal weakness, of course, is in the FCC's assumption of the right to intrude in such matters."

While the Blue Book storm raged on, a new format for musical programs, built around the disk jockey, was gaining quiet but strong acceptance. Long before the war, radio had found success with morning shows and late night shows built around personalities and recordings, but in a

limited way and only at certain times of the day. Martin Block's *Make Believe Ballroom* on WNEW(AM) New York was one of the more successful prewar favorites that continued in the postwar period. However, advances in recording techniques, low overhead and a growing audience for this fare combined to make it more profitable for stations in the late '40's.

By the fall of 1947, a BROADCASTING trends survey found that nine out of 10 stations currently had disk jockey programs, with the average station broadcasting locally produced DJ shows 2.2 hours daily. It also found that 35% of those stations reported disk jockey programs harder to sell to national accounts than other locally produced shows, but 60% of the stations found disk jockey programs easier to sell locally than other locally produced shows.

Network comedy programs, however, still held most of the top 15 rated spots. *Bob Hope*, (NBC) *Jack Benny* (CBS), *Fibber McGee & Molly* (NBC), *Charlie McCarthy* (NBC) and *Amos 'n' Andy* (NBC) occupied the top five slots.



WMPS Memphis announced promotion plans in connection with its forthcoming increase in power from 1 kw to 10 kw at luncheon for timebuyers and trade press Aug. 26 at New York's Ritz-Carlton. Group includes (l to r): Harold Krelstein, WMPS general manager; Joseph Lincoln, Young & Rubicam;

Frank Palmer, Kenyon & Eckhardt; Linnea Nelson, J. Walter Thompson Co.; Chester Slaybaugh, Morse International; Jean Lawler, Sullivan Stauffer, Colwell & Bayles; Thomas McDermott, N.W. Ayer & Son Inc.; Frank Silvernail, BBDO; Terence Clyne, The Biow Co. Inc.

—Broadcasting, Sept. 8

NBC's Fred Allen was next in popularity, but he outdrew all his competitors in the national press following an incident in the spring. Allen often was given to impromptu and caustic remarks about the business of broadcasting during his programs. After network criticism of his jokes about network vice presidents as "people who find molehills on their desks in the morning and must make mountains of them before they go home at night," Allen had 35 seconds of his show cut off when he attempted to air a similar jibe that had been censored by NBC. The advertising agency demanded a rebate and Allen, who had been chastised the week before for running overtime, delivered his rebuttal through newsprint: NBC has a vice president in charge of program ends who saves up the seconds and minutes that programs run overtime and when he accumulates two weeks of time, takes a vaca-

tion.

New in 1947 and ranked 12th was *My Friend Irma* in which Marie Wilson, as an earlier-day Marilyn Monroe, played the beautiful "dumb blonde" legal stenographer. For example, asked about compulsory military service, Irma responded that "a girl shouldn't have to go out with a sailor unless she wants to." When Cathy Lewis, playing Jane Stacy, Irma's sensible roommate, asked her why she went out with Al who "has no job, no money, no clothes, no car, no prospects and no future," Irma characteristically replied, "I have to stick with him in case things get tough."

For FM, special progress seemed ahead in 1947. Roy Hofheinz, FM Association president, predicted 1947 would be the "FM year." By the end of 1947, 238 FM stations were on the air, 680 more had been authorized, and 431 applications

were pending.

Continental Radio Network on March 26 broadcast the first program of an exclusive FM network. By September the network had grown to 27 stations but had only one commercial sponsor. To lessen interference created by stations drifting off their assigned channel, the FCC in April proposed a reallocation of FM channels based upon a four-channel separation. Although this plan would affect 90% of the approximately 200 stations licensed by April, the FCC supported the change because, in its view, "the limited number of FM stations that have completed full construction . . . [allowed] changes in frequency assignments . . . [to] be made at this time without causing substantial expense to the stations now on the air or under construction."

Television gained space in more living rooms. By the end of 1947, 12 television stations broadcast to 14,000 American households. They were reaching a penetration level of .04%. The average black-and-white television receiver in 1947 cost buyers \$274.

Television in 1947 grew to the extent that the Television Broadcasters Association drafted a program code to guide the mediums before "self-appointed outsiders" pressed their codes. Coaxial cable linked New York to Boston in November through AT&T, but, despite such basic foundations, network television waited. When AT&T filed a proposed intercity coaxial-cable base rate of \$40 per mile per month for an eight-hour day, broadcasters balked at the high cost. One video broadcaster reacted to the news by describing those fees as "the best sales argument for programming television by film that has been advanced so far."

To cut costs, Zenith proposed "Phonevision," then an experimental system of "pay-as-you see" video whereby subscribers could receive the show selected with the cost added to their phone bill. While newspapers supported such a "juke box vision," as BROADCASTING entitled an applicable editorial, practically all broadcasters rejected the idea on the premise that on-air television, supported by advertising, should continue to be free to audiences.

To end uncertainty of black and white or color at that time, the FCC, to RCA's delight, denied CBS's petition for commercial color video in the 480-920 mhz band. The commission said there was inadequate testing and that "there may be other systems of transmitting color which offer the possibility of cheaper receivers and narrower bandwidths that have not yet been fully explored." The decision spurred production of black and white equipment and rekindled interest in television licenses now that the standards had stabilized.

Late in 1947, the FCC heard arguments from FM, TV, and nonbroadcast services as to whether television should relinquish the portion of the band assigned to TV channel 1. Although the FCC issued no

RECORD RADIO GIVE-AWAY

Prizes for Women Who Guessed Identity

of 'Mrs. Hush' Total \$17,590

WHEN Mrs. William McCormick, a Lockhaven, Pa., housewife, answered her telephone on March 15, and told Ralph Edwards, m. c., of NBC's *Truth or Consequences* show, that the mysterious "Mrs. Hush" was Clara Bow, she became the winner of prizes totalling \$17,590, an all-time high for radio give-aways. Not only did this fabulous contest make Mrs. McCormick happy, but it raised more than \$400,000 in contributions to the "March of Dimes" campaign.

Last Jan. 25 *Truth or Consequences*, sponsored by Procter & Gamble Co. for Duz, began broadcasting a mysterious voice of a woman called "Mrs. Hush" who, each week, recited a four-line verse which contained clues to her identity. To be eligible for the competition, listeners had to write a letter in 25 words or less on "We should all support the March of Dimes because" and enclose a contribution to the campaign along with the entry. Three letters were picked each week and the writers were phoned during the broadcast to give their opinions on who "Mrs. Hush" was. The first week of the contest three prizes were offered, and by the time Mrs. McCormick guessed the answer on March 15, there were more than a dozen.

Mrs. McCormick, her sister, and a neighbor had gotten their heads together and figured that "Mrs. Hush" was Clara Bow. They had sent in a total of 24 letters during the time the contest was in progress at the rate of one a week. It

was Mrs. McCormick's eighth letter that was picked as one of the three best for the week ending March 15.

Three Share Prizes

The prizes, which Mrs. McCormick and the two other women are still trying to split three ways were: A 1947 Ford Sportsman convertible automobile; Bendix washer; United Airlines trip to New York for two with a week-end suite at the Waldorf-Astoria Hotel; a \$1,000 I. J. Fox full length silver fox coat; a Columbia trailer which sleeps four and includes stove and refrigerator; a \$1,000 diamond and ruby Bulova watch; a 1947 RCA Victor console radio phonograph with a \$100 library of Redseal records; a Jacobs home freezer filled with Birds Eye frozen food; a Tappan gas range; Electrolux vacuum cleaner with all attachments; a Crosley Shelvador refrigerator; a week's vacation for two at Sun Valley, Ida., with transportation paid; a Brunswick billiard table installed in the home; an Art Carvel \$1,000 diamond ring; a complete Hart, Schaffner and Marx wardrobe for each adult in the immediate family; a Fitzgibbons residence steel heating boiler; free maid service for one year; a 144-piece set of American china; a Remington-Rand typewriter; a Luscombe Silvaire airplane worth \$2,500; a complete house painting job inside and out by Sherwin-Williams.

More than one million entries were received by the program.

Wayne Coy Appointed FCC Chairman

Truman Also Selects Sterling To Succeed Retiring Jett

TERMINATING months of speculation about future makeup of the FCC, President Truman last Friday announced the appointment of Wayne Coy, director of the *Washington Post* stations, as chairman of the FCC. Chief Engineer George E. Sterling, Maine Republican, was elevated to a commissionership in succession to the veteran E. K. Jett, who resigned the same day to become vice president and director of radio of the *Baltimore Sunpapers* on Jan. 1. The *Sunpapers* have WMAR (TV) on the air and hold grants for both AM and FM.

Messrs. Coy and Sterling assume office as recess appointees. They will be nominated formally when Congress convenes Jan. 6, and their appointments will be subject to Senate confirmation.

Mr. Coy will be sworn in promptly—probably today (Monday). Because Mr. Jett's resignation does not become effective until Dec. 31, Mr. Sterling will not assume his post until after the first of the year.

White House Secretary Charles

Ross announced the Jett resignation and the Sterling appointment in the President's name Friday afternoon, shortly after Mr. Jett had conferred with the President. Later that day, the President announced Mr. Coy's appointment to the chairmanship along with a statement outlining his reasons for the recess appointment (See page 4).

The new appointments came a fortnight ahead of predictions. It would not surprise observers to see another resignation—that of Left-Wing Commissioner Clifford J. Durr, Alabama Democrat—occur within a few weeks. He has been at loggerheads not only with fellow commissioners, but with FBI Director Hoover and with the Republican and conservative Democratic wings of Congress.

Served Under Roosevelt

Mr. Coy, 44, a Democrat who served two years as one of the late President Roosevelt's anonymous assistants and was Assistant Director of the Budget from 1942-44, was named to succeed Charles R. Denny, who left the Commission chairmanship Oct. 31 to become vice president and general counsel



—Broadcasting, Dec. 29

final edict at the time. BROADCASTING in November headlined: "Death Knell Impends for TV Channel One"—a prophecy that eventually was to come true.

With or without channel 1, television remained the big about-to-be. Television delivered, albeit somewhat delayed, such 1947 visual extravaganzas as a total eclipse of the sun on May 20 as filmed in Bocayuva, Brazil, and the November wedding of Princess Elizabeth and Lieutenant Philip Mountbatten, Duke of Edinburgh, in Westminster Abbey.

NBC sent Ben Grauer with a crew of engineers and cameramen to film the eclipse and to fly the film back to the states. When NBC telecast the film less than 60 hours after the eclipse, network executives labeled the feat "a scoop."

With the help of the BBC, NBC telecast films of the royal wedding two days later; trans-Atlantic video didn't exist. Radio, however, described the event as it occurred, while NBC-TV on the wedding day presented such background material as films of Princess Elizabeth as a little girl.

If radio still scooped television in on-the-spot presentation of far-away events, television surprised radio with the ebullience of some of its new shows. *Howdy Doody* had arrived along with *Kukla, Fran and Ollie*, and, for adults, Kraft presented its *Television Theater*. On Dec. 27 for NBC *Howdy Doody* first brandished his freckle-faced mystique for a

whole generation of peanut-sized patrons. He was backed by Buffalo Bob Smith, Clarabell Hornblow, Princess Summer-Fall-Winter-Spring, Phineas T. Bluster and Dilly Dally of the wiggly ears. It captured the children's imagination, initiating a new genre in children's programming. *Kukla, Fran, and Ollie* began as a 15-minute, local program for WBKB-TV Chicago on Oct. 13. The Kuklapolitan Theater presented such durables-to-be as puppet Ollie, the one-tooth, scatterbrained dragon; puppet Kukla, his bald-headed friend; live hostess Fran Allison and the voices of puppeteer Burr Tillstrom. When adults finished giggling at these contrived antics, they could watch Kraft's hour-long adaptations of famous writers' comedies and dramas being played by Broadway veterans. The *Kraft Television Theater* premiered for NBC on May 7.

When the FCC in June approved the first station sale according to the Avco rule (KMED[AM] Medford, Ore.), broadcasters accused the commission of once again interfering in station business, causing station prices to inflate, and of adding auctioneer duties to the FCC's already overdeveloped regulatory domain.

When James Petrillo, president of the American Federation of Musicians, in late summer forbade duplication of network musical programs on FM without separate contracts with locals, angry broadcasters met with one another and with the Justice

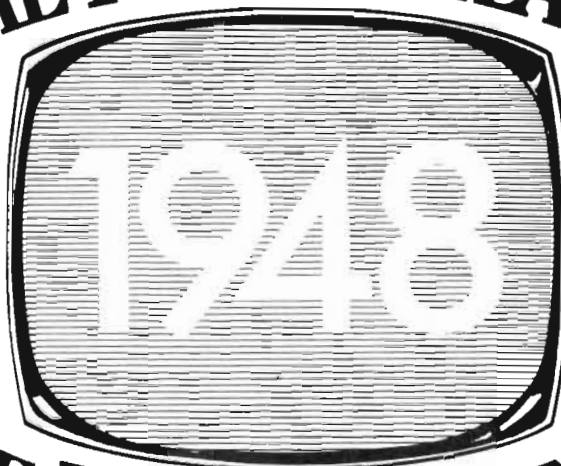
Department. When Petrillo, in October, ordered AFM members to stop recording transcriptions as of Dec. 31 and "never again to make them," AM and FM broadcasters tightened their coalition to stop Petrillo. In the meantime, following the Supreme Court's June action upholding the Lea Act, which forbade union featherbedding, the government was preparing Petrillo for violation.

Stay Tuned

1. Who was the first woman to become an FCC commissioner?
2. Which network was successful in its talent raids through capital gains deals?
3. Whatever became of TV's channel one?
4. Who was the Texas broadcaster that combined wire reports and sound effects to effectively re-create baseball broadcasts?
5. Why did Edwin H. Armstrong sue RCA and NBC?

The answers
in "1948."

THE FIRST 50 YEARS



OF BROADCASTING

Network talent raids and the growing role of local station programming provided notable chapters for radio's 1948 history.

In television, the FCC froze new station grants, a decision that was to put station applicants into a waiting line for nearly four years while the FCC worked out a national plan of TV assignments. But existing TV licenses and networks were undeterred from introducing a number of programs that turned out to have enduring appeal.

FM stations continued to increase in 1948, but the service still existed in the shadow of established AM. Most consumers, already having AM sets, were unready to purchase another aural set, even though it promised superior sound.

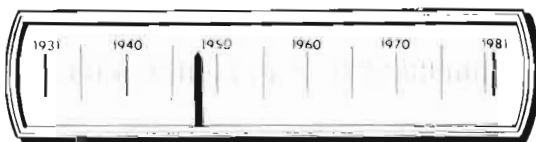
As an election year, 1948 brought broadcasters problems in editorializing, censorship and equal time.

President Harry Truman, who won election after an arduous campaign, referred to the fourth and fifth estates as the "kept press and the paid radio." The Democratic strategy involved buying little radio time. Instead, Truman personally stumped the country, earning the sobriquet, "Give 'Em Hell, Harry," for peppery speeches about the dangers of Republican economics. Republican candidate Thomas E. Dewey, on the other hand, took to the air to deliver decorous speeches. By election eve pollsters were finding many "undecided" or pro-Dewey voters. Buoyed by the findings of the best-laid polls, commentator H.V. Kaltenborn as well as other reporters on election night discounted an early Truman lead and declared a Dewey victory. By morning the Truman victory was undisputed.

A BROADCASTING analysis in November estimated that the major political parties bought \$1.7 million in air time during the 1948 campaign.

The movement to repeal the Mayflower edict (the FCC ban on editorializing), which gained industry support in 1947, gathered momentum with the electioneering of 1948.

At a March FCC hearing to reassess the ban, ABC President Mark Woods insisted: "Operation in the public interest places a positive duty upon the broadcasters to editorialize vigorously whenever they believe that it is in the public interest to do so." CBS President Frank Stanton warned: "The time is running



Turmoil continued overseas: Mohandas K. Gandhi was shot to death by a Hindu fanatic on Jan. 31 in New Delhi; Russia put a land blockade around West Berlin in April; the Free State of Israel was proclaimed in Tel Aviv as the British evacuated Palestine in May; Joseph Cardinal Mindszenty, Roman Catholic primate of Hungary, was arrested Dec. 27 by the Communist government on charges of treason, espionage and black-market dealing. In the U.S., aviation pioneer Orville Wright died, and former State Department employe Alger Hiss was indicted on perjury charges in connection with the passing of secret documents to Whittaker Chambers for transmission to a Communist spy ring. But the biggest gasps of the year might have come from publication of the first Kinsey report, on "Sexual Behavior in the Human Male." And in

BROADCASTING ...

out for those who would keep radio in a special compartment of artificial restraint" by withholding a privilege "which is not denied to any other class of our citizens—except perhaps convicts confined in prison." NBC President Niles Trammell emphasized: "The line between the printed newspaper and the radio newspaper is breaking down, and there is no reason to impose restrictions on public expressions by radio which are not imposed on our free press."

James Lawrence Fly, who was FCC chairman when the Mayflower decision was invoked in 1941, argued against repeal on behalf of the American Civil Liberties Union. Fly testified there appears "an il-

lusion of green pastures on the part of the broadcasters. I wonder if they want to sink to the ... level of the press ... Radio is splendid. Radio is powerful. It is dynamite. In terms of public opinion, it is atomic ... Radio is not like a newspaper. It cannot be like a newspaper. It should not be like a newspaper. I think it's high time it recovered from the illusion of green pastures. They're not so green."

The Mayflower review was still in progress when the FCC issued another decision that underscored the regulatory distinctions between radio and the printed press. By a 4-2 vote in a case involving the renewal of the license of WHLS(AM) Port Huron, Mich., the FCC held that a station could not be held responsible for libelous utterances by a political candidate because Section 315 of the Communications Act prohibited broadcasters from censoring political broadcasts. The prohibition, said the FCC, was "absolute ... whether the material is libelous or not."

The industry reacted with indignation. In an editorial, BROADCASTING asserted: "In deciding, after two-and-one-half years of pendency, a simple license renewal case that it could have skipped as it has done hundreds of others, the four-man majority hurled defiance in the faces of the states, the Congress and Supreme Court, and even of logic itself ... [and contributed] confusion, coercion, fear and stark amazement ... The broadcaster will just have to carry that which any wild-eyed politician wants to spout, whether it's obscene, libelous or subversive. Once the station opens its microphone to one

candidate, it is 'open sesame' to all others.'

Texas broadcasting stations informed the FCC that Texas libel laws prevailed and that "radio stations carrying libelous material will be subject to state laws." To investigate the controversy, a congressional committee asked for hearings. The committee, in an interim decision released the following month, accused the FCC of exceeding its authority and embarking "upon a dangerous and mischievous line of reasoning" that placed the broadcaster in a "dilemma of self-destruction." The committee assured broadcasters that "for the time being, at least until the matter is settled, the honest and conscientious broadcaster who uses ordinary common sense in trying to prevent obscene and slanderous statements ... need not fear any capricious action."

While the rubric of "common sense" provided only slight protection for stations from legal ill winds, the committee's interim pledges helped broadcasters weather the 1948 political squalls.

The words "equal time" in Section 315 were also being defined. The FCC in October decided that equal time "applies only to candidates competing with each other in the same contests ... [although] elementary principles of fairness may dictate that a station which has afforded considerable time during the primary to candidates for nomination ... for a particular office should make a reasonable amount of time available to candidates for that office in the general election."

The 1948 political coverage offered a new dimension: television. By the summer of 1948 cable linked 14 eastern TV stations in 13 states that had a total of 168 electoral votes. Both parties chose Philadelphia for their conventions since the city was on the New York-Washington cable link. Through wire and other relays, television carried the conventions to 18 stations in nine major markets and to an audience estimated at 10 million. The radio and TV news corps turned out in record numbers: 456 for the Republican Convention; 463 for the Democratic gathering. Later in July, the third party candidacy of Henry A. Wallace (vice president and member of the cabinet in Franklin D. Roosevelt's administration) was offered by the Progressives at a convention in Philadelphia, chosen to take advantage of facilities and connections already in place. It was a shorter convention that drew less than 250 accredited newsmen from radio and TV. Stratovision, Westinghouse's TV relay station in airplanes, transmitted the conventions to the Midwest with poor to satisfactory results. Suddenly, the world had grown smaller.

For the first time a political party platform included references to television as well as to radio. The Democrats urged "the vigorous promotion of worldwide freedom in the gathering and dissemination of news by press, radio, television and newsreel with complete confidence that an informed people will determine wisely the course of domestic and foreign policy."

1947 duPont Award Winners



duPONT AWARDS for 1947 are presented (top photo) to Edward R. Murrow (l), CBS analyst, and H. Leslie Atlass (r), vice president in charge of CBS Central Division and owner of WBBM Chicago, which received the award for stations over 5 kw [BROADCASTING, March 8]. Dr. Francis P. Gaines, chairman of the awards committee, is center figure. Lower photo shows Dr. Gaines handing the plaque to Walter Annenberg, publisher of Philadelphia Inquirer and owner of WFIL, which won top honors for stations under 5 kw. Mrs. Jessie Ball duPont, widow of Alfred I. duPont, in whose memory the annual awards were established, is at right.

—Broadcasting, March 15

The plank existed because 1948 networking made the power of television manifest. Coaxial cable and station affiliates lured audiences and sponsors. NBC in January announced plans to install a microwave radio relay between Philadelphia and Baltimore as an answer to AT&T's crowded coaxial cable service. Western Union in February announced plans to provide TV network services by a microwave relay between New York and Philadelphia. ABC in August put its WJZ-TV (later WABC-TV) New York on the air

and began lining up affiliates. DuMont, licensee of TV stations in New York, Washington and Pittsburgh, entered networking.

But NBC and CBS were the biggest forces in network television although their psychology of affiliate attraction differed. CBS adapted its 20-year-old AM affiliate compensation principles to television, reasoning that network-station relationships in television paralleled those in radio. NBC based its policies on the differing economics of television and radio. Be-

HENNOCK TO FCC

(See "Our Respects To . . ." and editorial, page 44)

FOR THE first time in 21 years of radio regulatory history a woman—Miss Frieda B. Hennock—will grace the FCC bench beginning next July, irrespective of whether the Senate sees fit to confirm President Truman's nomination of the New York lawyer and Democratic party worker.

The Senate Interstate Commerce Committee, to which the nomination automatically was referred, will consider Miss Hennock's qualifications at its regularly scheduled meeting this Thursday or next, after it receives a report from the three-man subcommittee named last week. Unless the Republican leadership, with the scent of victory in the national elections this November in its nostrils, decrees that the important FCC post (along with others in government) shall not be filled, it is expected a favorable report will issue.

Should the committee, along

privileges and compensation until the new Congress convenes in January. Once the new Congress meets, however, the interim appointment will expire and a new nomination (or renomination) would be entailed for the full seven-year term.

But the most likely action, in the view of seasoned observers here, is that the Senate committee will report Miss Hennock favorably, with the Senate promptly following suit. There are many reasons auguring for favorable action, it was pointed out, even though the assignment involves the balance of political power on the Commission.

Anxious to Serve

Miss Hennock, in her forties, is anxious to assume the Commission-ership, despite the deep cut in income. Her income, according to friends, is several times the \$10,000 FCC annual stipend.

Miss Hennock, it was learned authoritatively, conferred a fortnight ago with FCC Chairman



Miss HENNOCK

nated a subcommittee comprising Sens. Brewster, Maine, chairman, Capehart of Indiana, Republicans;

week. Since the vacancy does not occur until Comr. Clifford J. Durr completes his tenure June 30, there appeared to be no reason to expedite consideration, it was pointed out.

An active party worker in New York City and State Democratic circles, Miss Hennock has been particularly effective as a campaign fund raiser. She was most active in the O'Dwyer mayoralty campaign of two years ago and also figured prominently in party activities in the fourth-term Roosevelt campaign.

Appointment a Surprise

The appointment came as a distinct surprise to everyone with the possible exception of Mr. Coy and those who endorsed her appointment. Among the latter, it is understood, were Paul Fitzpatrick, New York State Democratic chairman; Edward J. Flynn, New York City party leader; Mrs. India Edwards, director of the women's

—Broadcasting, May 31

cause of the high television costs, NBC affiliates shared the video line charges, program costs, and the initial expense of network operations.

ABC and NBC opened Midwest television networks in September on the same day, sharing some stations. ABC debuted over WEWS Cleveland, WTMJ-TV Milwaukee, WBEN-TV Buffalo, N.Y., and WENR Chicago. WBEN-TV and WTMJ-TV were also NBC affiliates, so they shifted to the NBC debut later in the day to join WSPD-TV Toledo, Ohio, and WWJ-TV Detroit.

In May, ABC, closely held by Edward J. Noble and associates, went public with an offering of 500,000 shares of voting stock at \$9 a share; within two hours the issue was fully substantiated. By December, 20th Century-Fox had begun negotiating to buy ABC.

Texas broadcaster Gordon McLendon, whose enterprise in sports programming and music was to leave a mark on radio from the 1940's on, began re-creating baseball games on a national scale on his Liberty Broadcasting Network. Without going to the ball park, Liberty utilized a mix of wire reports and sound effects to simulate on-the-scene play by play.

AT&T helped network TV in March by filing substantially lower rates for intercity television transmission than it had a year earlier. Instead of \$40 per airline mile a month as it asked in 1947, AT&T requested \$35 per airline mile a month for eight consecutive hours a day, and \$2 a month per mile for each additional consecutive hour. However, TV broadcasters accused AT&T of preventing the growth of other relay systems. Philco in September filed suit against AT&T, charging violation of the Communications Act and alleging that AT&T sought to "coerce and compel

Philco to abandon the use of its own relay and make a connection with AT&T's carrier facility in Philadelphia." By October DuMont and Western Union had joined the fracas. Western Union argued that it had no subscribers for its microwave relay between New York and Philadelphia because AT&T refused to allow those channels to be tied in with telephone company facilities. For its New York-Philadelphia facilities, Western Union charged \$4,700 per month with a minimum one-year contract—a total of \$56,400 per year for eight hours of daily service.

FM stations continued to increase, with 326 new stations broadcasting in 1948.

Edwin Armstrong's FM Continental Radio Network added Eastern and Midwestern affiliates. A group of farm cooperatives planned an FM Rural Radio Network. Transit Radio offered FM radio in buses in Cincinnati and then branched out. By the end of the year, FM radio played in public transportation vehicles in St. Louis; Cincinnati; Houston; Wilkes-Barre-Scranton, Pa.; Huntington, W. Va., and Worcester, Mass. Transit FM particularly attracted small business because of its low rates and guaranteed, captive audiences of bus riders.

Emerson Radio in October introduced a \$29.95 FM receiver, "The Conqueror," which it billed as the set that would bring FM to the masses.

But the excitement of television was eclipsing FM. Thirty-one commercial TV stations began operations during 1948 to make a total of 50 broadcasting by year end. A "Telestatus" report in BROADCASTING counted 236 television advertisers on 20 stations in 11 markets for the week of June 6-12. The Gulf Oil Corp. in June started the first regularly sponsored

simulcast. *We, the People*, a celebrity interview hour, on both CBS radio and TV.

Texaco on June 8 started what was to be a TV ratings winner, the hour comedy-variety *Texaco Star Theater* on NBC. Milton Berle won the job as permanent host in September after competing against such summer try-outs as Harry Richman, Georgie Price, Henny Youngman and Morey Amsterdam. After each opening number—in which four Texaco servicemen sang about their work from "Maine to Mexico"—Berle appeared outrageously dressed, played on sight gags, and kept up running banter with a mixture of acrobats, singers and other comedians.

Sid Stone, Berle's announcer, adapted a pitchman's monologue to sell Texaco products. "I'll tell ya what I'm gonna do," Stone began. "As a special added inducement, I'm gonna give away with each and every 10-cent potato peeler one of my Marfak lubrication specials, a complete squeak-killin', easy-ridin' treatment for your motor car . . . All right, what else am I gonna give away? I'm gonna throw in a can of my double-dipped, double-strength Havoline new and improved motor oil (holds up can). You work hard all day, usin' your vocal chords. Natcherly, your larynx gets tired. The more you talk, the hoarser you get (into whisper; drinks from Havoline can, then shouts) and your voice comes right back." *The Texaco Star Theatre*, its Hooperating (the dominant audience measurement of the time) reaching an incredible 80.7, lured a generation to television.

Another television staple began June 20 when Ed Sullivan first hosted his hour *Toast of the Town* variety show for CBS, premiering with Broadway composers Richard Rodgers and Oscar Hammerstein,

relatively unknown comedians Dean Martin and Jerry Lewis, and boxing referee Ruby Goldstein. Despite Sullivan's stiff body language and mumbled introductions, his show rated number two with a 51.8 Hooper.

Ted Mack first appeared as host of *The Original Amateur Hour* on Jan. 18 for DuMont, and offered a parade of tuba players, comics, singers, impersonators and jugglers. Following the format of Major Bowes's radio show, Mack's viewers voted for their favorites who then won scholarships.

Besides comedy and variety, television presented prestige drama and music, as well as quiz shows. *Studio One* debuted Nov. 17 on CBS, and *Philco Playhouse* on Oct. 3 on NBC. In a special experiment, ABC in November telecast an entire production of Verdi's "Otello" from the Metropolitan Opera House in New York. *Break the Bank*, a 30-minute ABC quiz show, continued on radio and became an AM-TV simulcast in October. Drawn by cash prizes of up to \$10,000, *Break the Bank* drew an immediate and large following.

The top 10 commercially sponsored TV shows were: *Texaco Star Theater* (80.7 Hooper rating), *Toast of the Town* (51.8), *We, the People* (46.4), *Small Fry Club* (36.5), *Amateur Hour* (31.9), *Kraft TV Theater* (30.2), *Chevrolet on Broadway* (29.9), *Americana* (28.6), *Bigelow-Winchell* (25.4), and *NBC Symphony* (24.5).

Its growing popularity notwithstanding, television faced problems of costs, technology, royalties and allocations. Costs still exceeded income. A BROADCASTING "Telestatus" report estimated the operating costs of a TV outlet in a medium-sized city as \$500,000 a year; costs for video time and talent for a 30-minute quiz show as \$1,800; a sports show as \$2,200; a dramatic show \$5,600; a news show \$1,400, and a film as \$1,000.

There were technical problems. One, much publicized, occurred when CBS telecast an Air Force Association show from Madison Square Garden. It lost the signal just as Gypsy Rose Lee began her act. Censorship was erroneously assumed. To preserve broadcasts, ABC developed "video recordings," films of television

programs photographed from the face of a cathode ray receiver tube as the live program was in progress. ABC declared this single system of recording sound and pictures was cheaper than the procedure of the separate kinescopic recording of sound and film used by CBS and Paramount.

Royalties needed to be determined for both television actors and musicians. Acknowledging that large payments were not possible for actors in TV films, Ronald Reagan, president of the Screen Actors Guild, insisted that television at least accede to the principle of royalty payments as film was likely to become an important TV staple. Allowing American Federation of Musicians members to perform for television, James Petrillo, AFM president, ended the AFM TV ban in March, while still negotiating terms of settlement.

In May the FCC ordered hearings on high-band television, took channel one away from TV and reassigned it to non-governmental fixed and mobile services.

One big result of those hearings was that the FCC in September imposed a freeze on TV licensing to study color television standards, tropospheric interference, additional channels, city-by-city assignment of channels, and educational channel reservations.

Speaking for most in the industry, BROADCASTING editorialized that, "Contrary to all the usual implications . . . , the temporary freeze which the FCC has imposed upon television applications is stabilizing and reassuring and should be welcomed. The primary objective of perfecting television's technical standards is adequate justification for the move . . . The march of television will continue . . ." Nobody knew then that the freeze would last four years.

Besides the growing competition of television and FM, AM radio faced problems of FCC investigations and network talent raids. Charges by the Radio News Club of Hollywood that G.A. (Dick) Richards required writers and announcers to slant and falsify news prompted the FCC in March to begin an investigation of Richards's stations, KMPC(AM) Los Angeles, WJR(AM) Detroit and WGAR(AM) Cleveland. In November, the commission ordered a hearing.

The growing purses on radio giveaway shows drew the attention of the FCC which started looking for violations of the anti-lottery laws. In June, a Manhattan taxi driver's wife won \$20,000 in cash and merchandise from *Stop the Music* for correctly identifying a tune. In August, the FCC proposed rules that would practically bar all such programs from the air. There was almost unanimous opposition to the proposed rules at FCC hearings in October.

Besides helping to spark the FCC inquiry, *Stop the Music* gained fame when it pushed Fred Allen off the air. Cast opposite the popular quiz show, Allen parodied the competition and offered to reimburse any listener who was called by

Still in the Saddle!



FCC CHAIRMAN Wayne Coy today still holds the reins of radio, patrolling the ether ranges east and west of the Pecos. Like many another Democratic chieftain, the Indianian appeared destined for the last roundup Tuesday night, but the powerful medicine of Big Chief Truman decreed otherwise. (Horse, saddle and Stetson by KYAK Yakima, Wash.)

Folsom and Wilson Are Given RCA Promotions

FRANK M. FOLSOM, RCA executive vice president in charge of Victor Division, elected president of Radio Corp. of America Friday on recommendation of Brig. Gen. David Sarnoff who relinquishes presidency but retains chairmanship of board and continues as chief executive officer as well as chairman of NBC board and of RCA Communications Inc.

At same time RCA directors elected John G. Wilson, vice president and general manager of RCA Victor, successor to Mr. Folsom as executive vice president.

Gen. Sarnoff held both presidency and board chairmanship since retirement in 1947 of late Gen. James G. Harbord.

Mr. Folsom assumes presidency Jan. 1 and will headquarter in New York. He joined RCA as director and vice president in charge of Victor Jan. 1, 1944 after 30 years in merchandising and two years as chief of Procurement Branch of U. S. Navy. Born May 14, 1894, in Sprague, Wash., attended public schools in Washington and Oregon, began business career at 16 with Lipman Wolfe Department Store, Portland.

In July 1940 he entered government on National Defense Advisory Commission as Assistant Coordinator of Purchases. In 1941 he was named special assistant to Under Sec-



MR. FOLSOM



GEN. SARNOFF



MR. WILSON

Born in Alma, Ill., Aug. 17, 1900, he was captain in Coast Artillery in World War I.

of promotion and able to share in the highest management responsibilities.

—Broadcasting, Dec. 6

Stop the Music, while listening to Allen for prizes lost up to \$5,000. Despite such an insurance policy, Allen's ratings stayed too low for renewal. *Break the Bank's* phenomenal success begot imitations such as *Hit the Jackpot* and *Sing It Again*.

Radio network talent raids were a highlight in 1948. CBS began them with a novel tax interpretation. A star could form a corporation with himself as the major asset, employe and stockholder. When a network purchased control of that star's program, the star would then pay a capital gains tax rather than a steeper tax on straight income. Under such a plan, CBS took from NBC and ABC Freeman F. Gosden and Charles Correll (*Amos 'n' Andy*), Jack Benny, Edgar Bergen ("Charlie McCarthy"), Bing Crosby, Ozzie and Harriet Nelson and Red Skelton.

The top 15 rated evening radio network shows in order: *Walter Winchell, Radio Theater, Fibber McGee and Molly, Jack Benny, Bob Hope, My Friend Irma, Duffy's Tavern, Arthur Godfrey's Talent Scouts, Fred Allen, Phil Harris-Alice Faye* (a season premiere), *Crime Photographer, Bob Hawk, Mr. District Attorney, Charlie McCarthy*, and (tied for 15th) *People Are Funny* and *Burns and Allen*.

Besides the debut of the successful *Phil Harris-Alice Faye* show (NBC), a melange of sarcastic comedy and music, 1948 brought everybody's favorite teacher, Eve Arden, as *Our Miss Brooks* to radio (CBS). NBC also began a prestigious documentary series, *Living-1948*, summaries of current issues.

The FCC remained a center of action and contention. Mrs. W.J. Virgin refused to comply with FCC's Avco ruling requiring her to sell KMED(AM) Medford, Ore., to an FCC-preferred purchaser. She kept the station. The FCC renewed the licensee of WBAL(AM) Baltimore, despite allega-

tions of inadequacies under the commission's Blue Book and despite a competing application for the facility by Drew Pearson.

Congressional investigation of the FCC began in August and centered on the members' allegiance and official stands on political broadcasts. Commissioner Clifford Durr, a liberal, quit the FCC upon expiration of his term in July, and publicly criticized Truman's government loyalty program. The FCC changed its visage by admitting to its ranks the first woman member, Frieda B. Hannock, a Truman appointee.

Patent problems surfaced in July when Edwin Armstrong sued RCA and NBC for alleged infringements of five of his basic FM patents. Armstrong charged that RCA and NBC "deliberately set out to oppose [the growth and development of FM] . . . and impair the value thereof by delaying the commercial development and public use of said inventions and to compel plaintiff to sell and transfer control of such patents to RCA . . ." In addition, Armstrong argued that RCA and NBC tried to influence the FCC to allocate to FM "so small a number of useable radio frequencies as to make its development and use on a national basis impossible."

The AFM reached a peaceable settlement with record companies which agreed to pay royalties to a "public music fund" administered by an impartial trustee.

As ever, broadcasting technology promised more and better service. *The Philadelphia Inquirer* and its WFIL-FM in January started regular transmission of two facsimile editions a day. Paramount Pictures in January demonstrated film that could be developed in 66 seconds. Westinghouse in August applied for commercial license for airborne video and FM networking relays. Columbia Records introduced its

33 1/3 rpm, long-playing record, RCA introduced its "extended play" record, as well as its seven-inch, 45 rpm disk.

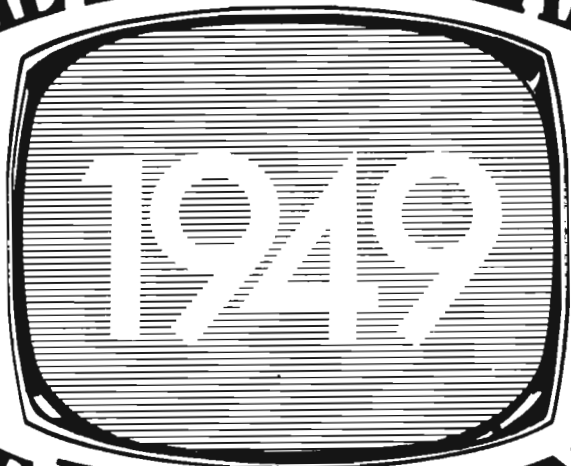
With FM making slow advances, AM pushing for more advertisers and audience, and TV seducing viewers with Howdy Doody, Milton Berle, and Ed Sullivan, BROADCASTING at yearend dubbed 1949 as "the year of decision" for the 2,662 AM, FM, and TV stations: ". . . it is a year of decision as to wisdom in sales approach and in prudent management. Television has the glamour and the momentum . . . Sound radio has the coverage and the impact and the programs and the story of a hundred thousand sales successes . . . FM's pace has been the least spectacular these past few months. FM has the quality voice. It has the advantage of uniform day and night coverage. FM has not taken advantage of its advantages. If it doesn't shout them from its antenna tops in a well-greased campaign, 1949 could well be its 'Year of Decision.'"

Stay Tuned

1. What happened to the FCC's Mayflower and Avco rules?
2. Which state tried unsuccessfully to censor TV films before their telecasts?
3. How did the Emmy get its name?
4. Who played the title role in the *Lone Ranger* when it started in TV?
5. What was the controversial issue in the so-called "record war"?

The answers
in "1949."

THE FIRST 50 YEARS



OF BROADCASTING

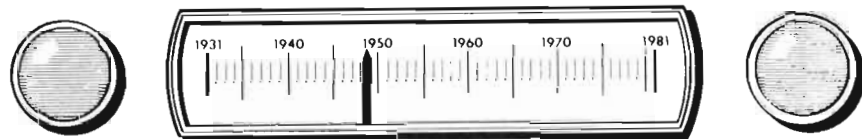
Taxes, talent battles and television changed broadcasting in 1949. The FCC tried to ban giveaway shows, it allowed editorializing and it held color hearings. FM was all but ignored as public attention was attracted to the burgeoning television industry, and broadcasting was the scene of a search for Communist sympathizers.

In one precedent-setting situation, broadcasters protested a city tax. In another, broadcasters used tax laws to lure high-priced talent.

In that first situation, Little Rock, Ark., levied a tax on broadcast stations. It irritated station owners who pointed to precedents and interstate commerce laws in their appeals. When the Arkansas Supreme Court in Little Rock in May upheld the tax, G.E. Zimmerman, vice president of KARK(AM) there, turned to the U.S. Supreme Court for help. He declared: "The decision opens the way for every city to tax stations, and there's nothing to prevent a city from doubling the tax every week. We don't object to the amount of the tax, but we deny that the city has the right to impose it. This is the foot in the door." The U.S. Supreme Court in November refused to review the decision, clearing the way for Little Rock to levy taxes of \$250 a year on the generation of radio waves, and \$50 on solicitors of local advertisers. The edict ignored the protection of interstate commerce normally accorded broadcasting and left a retinue of broadcasting's tax lawyers running for the legal cover from which to launch a second defense.

Conspicuously absent from KARK's defense, the National Association of Broadcasters rebutted criticism on the grounds that "no request for NAB help was made." In a December editorial, "Little Rock Bottom," BROADCASTING labeled the Little Rock case "potentially the most dangerous assault upon radio's freedom ever dreamed up by municipal authorities in their lust for revenue. . . . Whether it's censorship in Pennsylvania or a tax in Little Rock . . . , it's still interstate commerce. . . . Radio will be on the *qui vive* for the very next test case. . . . On the next occasion, we are confident, the NAB will pitch in from the start with best counsel procurable."

In national radio, network executives used tax-break incentives to raid top talent. This version of star wars, begun in



Ireland severed ties with Britain by leaving the commonwealth April 18. The Chinese Communists took over the rest of the mainland as the Nationalist Chinese government fled to Formosa Dec. 7. In the U.S., Axis Sally (Mildred E. Gillars) and Tokyo Rose (Mrs. I. Toguri D'Aquino) were convicted of treason for wartime propaganda broadcasts and sentenced to prison. America's A-bomb monopoly ended when President Truman announced Sept. 23 that the USSR had exploded a bomb of its own. The average motion-picture theater admission had risen to more than 35 cents. That was for such Oscar-winning films as "All the King's Men," thinly disguised fiction of the life of the late Senator Huey Long of Louisiana. Just a little farther north, Ponder won the Kentucky Derby, telecast for the first time by WAVE-TV Louisville in May. And elsewhere in BROADCASTING . . .

1948, invoked the novel CBS approach of buying control of a star's corporation. The performer would then save money by paying a tax on capital gains rather than the steeper tax on income. As television began to lure audiences, performers and sponsors, the radio networks, particularly CBS, resorted to talent wars and razzle dazzle programming. Designed to bolster radio ratings while storing up video futures, the CBS plan worked, at least temporarily.

By early January, CBS, with Jack Benny and Amos 'n' Andy (both acquired from NBC), led the Sunday night radio ratings against NBC's Horace Heidt's *Opportunity for Youth*, and ABC's Walter

Winchell, and *Stop the Music*. By late January, CBS had wooed Bing Crosby from ABC, as well as Edgar Bergen, Red Skelton, Fibber McGee and Molly, and *Ozzie and Harriet* from NBC. Fred Allen, in his Jan. 23 broadcast for NBC, quipped: "I'll be back next week, same time, same network. No other comedian can make that claim."

CBS kept buying talent. CBS Chairman William S. Paley, in a 1976 BROADCASTING interview, analyzed his strategy of the 40's: "At that time I was not only thinking of radio, when I wanted to bolster our standing and please our audiences; I knew that television was right around the corner. I wanted people who I thought would be able to transfer from radio to television. That gave us a very good start in television and a big advantage indeed."

NBC did not match offers. Its executives said that some top radio stars might not prove equally popular in television, and that advertisers, for some time, would not pay for the increased talent costs of television. NBC, after receiving what it called a "unanimous and enthusiastic" vote of confidence from its affiliates in March, prepared countermoves by lowering costs and announcing a program to develop new personalities and ideas. It denounced "any plans which would require NBC to confine its efforts to top ratings for one season at the expense of the future."

Despite this, NBC in the first four months of 1949 lost almost \$7 million in advertising revenue. To recoup its losses in talent and money, NBC rescinded its rule against the use of

transcribed shows on network programming. To recoup his network's ratings, Mark Woods, ABC president, planned to spend more for AM programming in 1949 than in 1948.

Continuing its raids, CBS in March signed "the backwoods philosophers," *Lum and Abner* (Chet Lauck and Norris Goff), and "the sophisticated wit," Abe Burrows, for both radio and television. NBC managed to renew Fred Allen for both radio and TV.

The talent wars extended to network rating claims. CBS President Frank Stanton wrote advertisers a letter claiming that, as of early March, CBS Radio ruled with "... nine of Hooper's top-15 most popular evening programs ... , the other six, divided equally between two other networks." NBC President Niles Trammell countered with, "These figures played a limited one-week engagement. Hooper's latest show NBC with five, CBS, seven. ... Hooper continues to tell the same old story—NBC delivers more ratings over 10, over 12, than any other network."

The claims for dominance also extended into daytime ratings, cost-per-thousand and even the most minutes of sponsored time.

Regardless of how the pie was sliced, radio network time sales amounted to \$128,903,467 in 1949. That was 30.3% of the total \$425,357,133 in time sales for all radio.

On the TV side, FCC data showed 1949

advertising expenditures of \$10,795,512 for network, surpassing spot (\$7,275,013) and local (\$9,459,608).

The increased competition was reflected in changes in the networks' top echelons. Frank K. White, president of Columbia Records and past treasurer and vice president of CBS, in April moved to Mutual as president. Frank Stanton signed to continue as CBS president at a base salary of \$100,000 a year for 10 years. Mark Woods signed to continue as ABC president at \$75,000 a year for five years. Sylvester L. (Pat) Weaver, vice president and radio-TV director of Young & Rubicam, joined NBC in July as television vice president. Niles Trammell in October became NBC's board chairman, and Joseph McConnell, RCA executive vice president, succeeded him as NBC president.

However, the networks closed ranks to attack the FCC's position on giveaway programs, censorship and editorials. In the postwar radio boom, giveaways had gained extraordinary popularity.

The FCC, which historically had been leery about giveaway programs (it had unsuccessfully petitioned the Justice Department to investigate *Pot O' Gold* in 1939), renewed its antigiveaway crusade in 1949, by which time 38 giveaway shows each week occupied approximately \$650,000 worth of air time and paid out an average of \$185,000 in money and merchandise. The FCC set out to investigate the giveaways' effect on audiences, on competing

radio talent, on sponsors, as well as the legality of such shows under antilottery laws.

Garry Moore, purveyor of \$64 questions on his show, *Take It or Leave It*, offered the increasing perspective of one caught in the middle of the dispute. "As a performer," Moore said, "I deplore giveaway shows. As a radio man, I can't blame a client for buying time. ... If the person trying for the jackpot loses, both he and the audience identifies itself with the contestant. I'm the villain in the plot, the croupier at the gambling casino—and no one loves a croupier—who has taken this fortune away from the person because I've refused to give him a hint and let him win a few thousand. So I became the enemy of the audience."

In August, the FCC, in a 3-to-1 vote with Commissioner Frieda Hennock dissenting, proposed new rules designed to eradicate giveaways as of Oct. 1. The FCC said it would not renew a station's license if the broadcaster planned to permit "the broadcasting of any advertisement or of information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance. ..." The FCC said giveaways fell afoul of the lottery law by requiring a "consideration" from the audience. "A scheme involving award of prizes designed to induce persons to listen to the particular program certainly involves consideration furnished directly or indirectly by members of the public who are induced to listen."

The networks reacted swiftly and acerbically. ABC, the hardest hit with 13 giveaways, denounced the FCC ruling as "an invalid attempt to extend existing law" that "is inconsistent with the system of private broadcasting ... and is a first step by the federal government into actual program planning." CBS (with eight giveaways) and NBC (with seven) similarly decried the extension of FCC authority. Although filing in New York courts for injunctions to stay the FCC action, these three networks challenged the FCC ban for the same reasons: that the FCC lacked authority to invoke rulings based on the antilottery provisions of the U.S. Criminal Code, and that even if the FCC had authority, the FCC had improperly interpreted the antilottery section. MBS (with 10 giveaways) did not file for injunctive relief; network President Frank White said: "It appears Mutual has no programs in that category."

Some, like Fred Allen, rooted for the FCC, believing that the FCC's ban would take "radio away from the scavengers and give it back to the entertainers." Allen worried that when giveaways "dominate the networks, they chase listeners away and cheapen the whole medium. In the beginning radio was static. Out of the static came words and then entertainment. When the shyster element got in, they gave away everything but entertainment."

But the listening public liked giveaways. A Gallup poll showed that 83% of the



THE much discussed CBS designed and constructed color converter, which, with a simple adapter built into the set, enables a black-and-white television set also to pick up the color broadcasts of the CBS sequential color TV system, is examined by a viewer. Converter is mounted on the front of the set. When viewer wants to see color television, he merely slides it in front of his screen. If he wants to see the broadcast in black-and-white, he slides the converter aside.

population listened to giveaways, although 32% listened "very seldom"; 53% of those who tuned in described the giveaways as "interesting," and 50% of all interviewed wanted giveaways to continue.

The networks sought an injunction from the courts to stay implementation of the new FCC rules. By the end of September, the FCC suspended its new antigiveaway rules until at least 30 days after the decisions in the pending court tests. By the end of the year, a BROADCASTING survey indicated that the networks broadcast 31 giveaways, 10 fewer than in 1948, and that of the 20 that were on the air in 1948, eight had improved their ratings, but 13, including the phenomenal *Stop the Music*, decreased in popularity. The prognosis indicated decline, but the year ended with the giveaway's fate before the courts.

A First Amendment issue arose in Baltimore in the "Baltimore gag" rule, so named after the city's Rule 904 that restricted the publication of news about persons facing criminal charges. The AM stations involved—WCBM, WFBR, WITH (all Baltimore) and WSID in adjacent Essex, Md.—the American Newspaper Publishers, and the American Civil Liberties Union defined the issue as free speech versus court imposition of censorship backed by punitive contempt orders. The Seventh Maryland Judicial Circuit Court decided that a defendant's right to a fair trial superseded the right to free speech; therefore, after judging WITH, WCBM and WFBR guilty of contempt for violating the

court's rule prohibiting publication or broadcast of certain news (in this case a reported confession) in advance of the defendant's trial. The court fined the stations \$300 each plus costs, and fined WITH commentator James P. Connolly \$100 and costs. The ruling came despite pleas by former FCC Chairman James Lawrence Fly, counsel for the ACLU, who called Rule 904 "a drastic piece of legislation having the effect of law and backed up by the most sinister method of punishment in our system of law."

However, the Maryland court of appeals in June reversed the lower court ruling and BROADCASTING wrote: "The state of Maryland last week joined the other 47 states in granting basic rights of free speech to radio stations and newspapers."

The FCC in June sanctioned "fair and balanced" editorializing by stations by repealing the eight-year-old Mayflower ban in a 4-to-1 vote. Broadcasters welcomed this restitution of First Amendment rights, but worried about FCC guidelines that were simultaneously imposed. The commission majority emphasized that with this new right, stations had "an affirmative duty generally to encourage and implement the broadcast of all sides of controversial public issues over their facilities, over and beyond their obligation to make available on demand opportunities for the expressions of opposing views." This caveat aroused anxiety. "The opinion does give broadcasters the chance to live dangerously," BROAD-

CASTING editorialized. "Stations which venture into editorializing in politics and on public affairs may find themselves in hot water on license renewals because fairness and balance are chameleons. What might be fair comment today could be construed as unfair a year hence. . . . Broadcasters must move warily. They cannot risk using their microphones as private mouthpieces to the exclusion of other views. . . . The right, however limited, is there. To that extent it is a victory for radio. . . ."

The FCC bequeathed to radio another victory of sorts when in June it repealed the four-year-old Avco rule that required competitive bidding for stations put up for sale. Broadcasters repeatedly complained that Avco placed the FCC in the role of auctioneer; the FCC finally revoked the rule, conceding that it often inflicted "severe economic and other hardships" on buyers and sellers. With the rule repealed, stations no longer needed to advertise for competing bids; station sales only needed FCC approval.

Such news paved the way for active station trading in the still growing broadcast industry composed of 1,912 AM stations (compared with 1,621 in 1948), 700 commercial FM stations (458 in 1948), and 51 commercial TV stations (16 in 1948) by the end of 1949.

Despite the increases in FM stations and \$6-\$7.5 million in estimated FM time sales, Edwin Armstrong feared for the future of his invention. Even with the still



AFTER SESSIONS of Associated Press directors' centennial meeting held in Corpus Christi, Tex., Jan. 4-6, leading newspaper publishers with radio station affiliations were guests of Ted Dealey, president of *Dallas Morning News* (WFAA). Mr. Dealey, first vice president of AP, picked up a group of the executives by plane in Corpus Christi and flew them to Dallas. Standing on steps of nearly completed \$6 million *News* building: (L to r) Col. Robert R. McCormick, *Chicago Tribune* (WGN); Mr. Dealey; George F. Booth, Worcester, Mass. *Telegram-Gazette* (WTAG); Arthur Hays Sulzberger, *New York Times* (WQXR); Josh L. Horne, Rocky Mount, N. C. *Telegram* (WCEC); Edward H. Butler, *Buffalo News* (WBEN); Leonard K. Nicholson, New Orleans *Times-Picayune* (WTPS); E. Palmer Hoyt, *Denver Post*; Paul Bellamy, *Cleveland Plain Dealer* (WHK); Roy A. Roberts, *Kansas City Star* (WDAF), and Buell Hudson, Woonsocket, R. I. *Call*. Also a guest, but not shown, was J. R. Knowland, Oakland, Calif., *Tribune* (KLX).



GATHERED in the trophy room of Ted Dealey's Dallas ranch house were radio, newspaper and city personalities and their wives. (L to r): Mayor James Temple of Dallas (which operates municipal station WRR); Martin B. Campbell, WFAA general manager; Jess Sweeton, Henderson County sheriff; Mrs. Campbell; George F. Booth, Worcester, Mass. *Telegram-Gazette* (WTAG), and Mrs. Joseph Lubben, wife of the *Dallas News* assistant business manager.

—Broadcasting, Jan. 24

existing "television freeze," the networks, set manufacturers as well as curious audiences fastened their attention on television and often ignored FM.

With only 875,000 FM sets produced in 1949 compared with 6.5 million AM sets, the FM Association in August accused set manufacturers of a "public be damned" attitude toward FM development. A suggestion by FCC Chairman Wayne Coy that FM stations be required to duplicate AM programming when facilities were jointly operated aroused FM Association President William E. Ware to declare that "such restrictions would sound the death knell of FM."

Armstrong protested what he alleged were RCA's delaying tactics in the settlement of a patent suit he had brought against that company. Even though the FCC required FM sound on television and though Zenith paid royalties to Armstrong, RCA refused. At the end of 1949 RCA was still taking depositions, a form of legal slow motion.

In television exploration began in the yet uncharted territory of upper band (UHF) television. RCA/NBC received permission from the FCC to build and operate a UHF station at Bridgeport, Conn., for the rebroadcast of programs of its low-band New York station, WNBT(TV).

The FCC in July proposed a new allocations table that would provide for 2,245 television stations in 1,400 communities, and included 1,702 UHF assignments in 1,179 areas and 543 VHF assignments in 221 areas. The proposed allocations plan was not implemented and was superseded in later years.

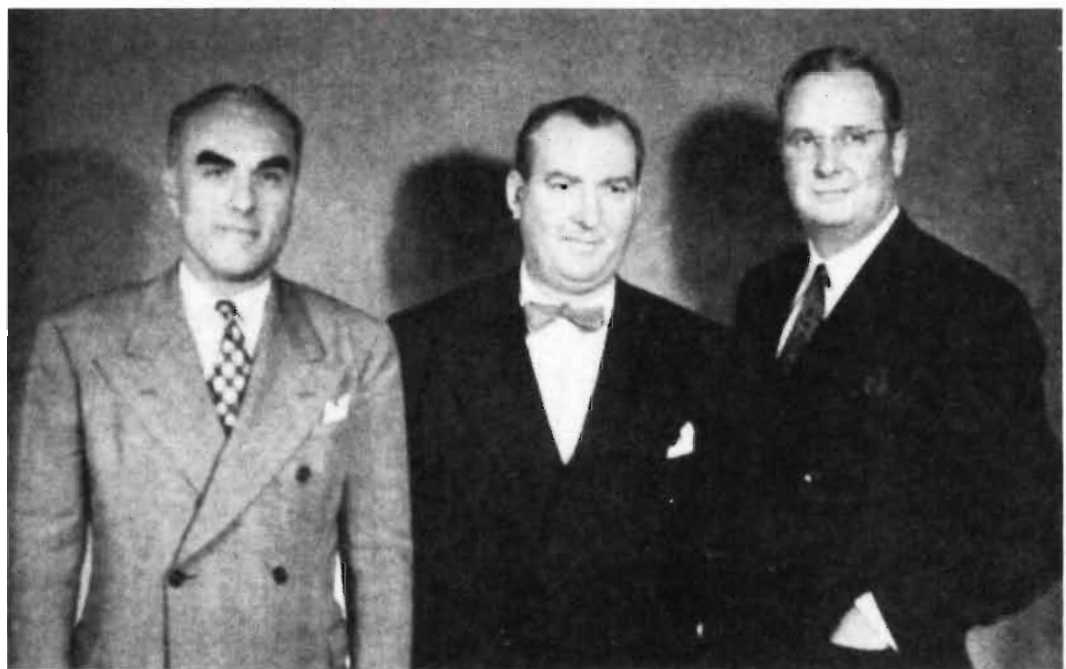
In the name of efficiency, the FCC had combined hearings on many television issues in August and September, the color controversy first. As before, RCA and CBS faced each other through a barrage of propaganda over their respective systems. This time, however, a third competitor appeared, Color Television Inc. of San Francisco. RCA color employed an all-electronic, 6-mc system. CBS, at that time, used a disk-type, or mechanical system, designed to avoid the problems of optical image registration that CBS attributed to all-electronic systems. RCA promoted its systems as "completely compatible" with the existing black-and-white sets, while CBS explained that existing sets would need modifications to receive color signals in black and white.

While RCA and CBS pressed their color systems on the FCC, other television interests, led by DuMont, urged the FCC to establish "a period of not less than two years [for] development, experimentation and field testing of presently known and other possible systems of color television." DuMont argued that although some companies were attempting to see "how bad a color picture they can get away with," the DuMont laboratories wanted color video to be as good as black and white. Any color system approved by the FCC then, DuMont reasoned, would in a short time be rendered obsolete by new



CONGRATULATIONS on his election as president of the Pioneers Club are extended to William Hedges (r), NBC vice president, by (l to r) Mark Woods, ABC president and past Pioneers president; Edgar Kobak, MBS president and immediate past president of the Pioneers, and H. V. Kaltenborn, club's founder. Annual dinner was held at Toots Shor, New York restaurant, March 31 [BROADCASTING, April 4].

—Broadcasting, April 11



JAMES W. BLACKBURN (l) and Ray V. Hamilton (r), principals in Blackburn-Hamilton Co., meet in Chicago with Harold R. Murphy to make plans for opening of the firm's new Chicago office at 333 N. Michigan Ave. Aug. 15. Mr. Murphy, formerly vice president of Calumet Publishing Co. and prominent in midwest publishing and broadcasting activities, will be in charge of the firm's midwest headquarters. Blackburn-Hamilton, exclusive media broker, also has offices in Washington, D. C., and San Francisco.

—Broadcasting, Aug. 8



KEY figures from WCCO Minneapolis line up at CBS outlet's display booth at Minnesota State Fair: (l to r) Sig Mickelson, director of public affairs; Larry Haeg, farm service director; Cedric Adams, newscaster and radio personality; Merle S. Jones, general manager, and Tony Moe, sales promotion manager.

—Broadcasting, Sept. 19

McCONNELL NBC PRESIDENT

Trammell Board Chairman

By ED JAMES

JOSEPH H. McCONNELL, 43-year-old executive vice president of RCA, was elected president of NBC last Friday. Niles Trammell, 55, president of the network since 1940, became chairman of the NBC board.

The change clears the way for the complete reorganization of the network.

As chairman of the board, Mr. Trammell will remain active in NBC, it was officially announced, but will be relieved of administrative duties. Regarded even by grudging competitors as one of the best salesmen in radio, Mr. Trammell will concentrate his energies in sales as well as talent and station relations, it was said.

Mr. Trammell assumes a position relinquished by Brig. Gen. David Sarnoff, who is also chairman of the board and chief executive officer of RCA. Gen. Sarnoff remains a member of the board of the RCA broadcasting subsidiary.

The elevation of Mr. McConnell, a crack administrator, was regarded as a logical curtain opener in the projected reshaping of the network. He was a principal architect of the



Mr. TRAMMELL

reorganization plan, and his appointment as president was intended to place him in charge of its execution.

Because Mr. McConnell's assumption of the presidency is effective immediately, it was believed the network's reorganization would be accelerated ahead of the timetable that had been anticipated.



Mr. McCONNELL

Within weeks, it became known, the network will be split into three principal operating divisions, one for television, one for radio and a third for owned and operated stations, both radio and television.

The next high-level executive appointments at the network, it was believed, would be those of a chief of the radio division and a chief of

stations. Sylvester L. (Pat) Weaver Jr., vice president in charge of television, will continue to head that division, it was thought.

The reorganization plan was made by Booz, Allen & Hamilton, management consultants, but it was known that Mr. McConnell, as RCA vice president in charge of finance and later as RCA executive vice president, worked more closely with the consultants throughout the preparation of the plan than did any other RCA or NBC executive in the organization.

Although officials at NBC have been reluctant to discuss the reorganization plan, competent sources have outlined to BROADCASTING the structure that will emerge from the drastic reshaping.

When the surgery is done, the network will compose a management group responsible for company-wide policies and practices. In this level general company administrative functions such as legal, finance and personnel will reside.

Beneath the top management level will be the three principal operating divisions. The radio and

—Broadcasting, Oct. 10

technology, to the detriment of consumers and manufacturers. Still undecided, the FCC slated more color demonstrations for 1950.

The FCC in September labeled as "unlawful" AT&T's policy of refusing to connect private television network facilities with AT&T lines. Besides maintaining that its policy was legal, AT&T argued that unrestricted interconnection was harmful to a carrier and that duplication of facilities and services was inefficient, uneconomical and contrary to the public interest. The FCC countered that such connections were still necessary to video's development. More hearings were scheduled.

In 1949, the American Society of Composers, Authors and Publishers made new demands upon TV music. The new ASCAP terms, signed in October, but retroactive to Jan. 1, called for rates negotiated on a per program basis and approximately 10% higher than the fees paid by AM radio. The five-year contract brought an uneasy peace.

In Pennsylvania, the state board of censors assumed the right to censor TV films before telecast as it did movie films in theaters. Motion picture exhibitors backed the censorship ruling since they resented having to meet censorship requirements when "the corner saloon showing television did not." Allen B. DuMont Labs (WDTV[TV] Pittsburgh), Philco Television Broadcasting Corp. (WPTZ[TV] Philadelphia), Triangle Publications (WFIL-TV Philadelphia), WCAU Inc. (WCAU-TV Philadelphia) and WGAL Inc. (WGAL-TV Lan-

caster) brought suit to restrain the state's board of censors from interfering with television. In a landmark decision in October, TV won. That month, the U.S. District Court for Eastern Pennsylvania ruled the board of censors requirement invalid because it infringed upon the interstate commerce jurisdiction of Congress and because the ruling imposed an undue and unreasonable burden on the interstate commerce of TV. Judge William L. Kirkpatrick felt that the FCC's licensing power was a better system of censorship than the board's because the former "avoids the danger of whittling away the constitutional guarantees of freedom of speech and the press."

With television becoming a force in America, an Academy of Television Arts and Sciences was created to issue the Emmy awards, named after the "immy," the image orthicon television camera tube. The first series covered only the entertainment in the Los Angeles area. Los Angeles television viewers saw Shirley Dinsdale win the "Outstanding personality of the year" for her ventriloquist act with her dummy, "Judy Splinters."

Telethons appeared. Milton Berle, the number-one-rated video clown, raised \$1.1 million in pledges for the Damon Runyon Memorial Cancer Fund in a 16-hour marathon on NBC. Sports lured viewers. Besides baseball's World Series, boxing, basketball and bowling gained the greatest audiences. Political pomp appeared when, for the first time, the networks, through pooled facilities, televised the inaugural ceremonies.

TV viewing increased so much in 1949 that Hooper for the first time extended its ratings coverage beyond metropolitan New York to all areas receiving TV network programming. The October 1949 Hoopers revealed Milton Berle as still television's number-one star, with a 69.4 rating based on 30 NBC-TV cities. Arthur Godfrey, with his Hawaiian shirt and ukelele, held the next two spots with his *Talent Scouts*, which premiered Dec. 6, 1948, and rated 55.8 in eight CBS cities, and *Arthur Godfrey and Friends*, rated 45.6 in 33 CBS cities. *Arthur Godfrey and His Friends*, a musical variety that debuted on Jan. 12, featured Pat Boone, the McGuire Sisters and Julius LaRosa as some of its regulars. Ed Sullivan rated the number-four spot with a 45.6 based on 16 CBS cities. *Fireball Fun For All*, a new show spawned by Berle's success, rated 40.9 based in 32 NBC cities. Hosts John (Ole) Olsen and Harold (Chic) Johnson combined music, slapstick and insult comedy.

Fireside Theater, another new NBC show, debuted in April and by October gained a 39.2 rating based on 17 cities. This anthology series premiered with "Friends of the Family," a situation comedy that starred Virginia Gilmore, Yul Brynner and Peter Barry. *Philco TV Playhouse*, another dramatic anthology, gained the number-seven spot, with a 38.7 in 36 NBC cities.

Stop the Music, the radio giveaway show with host Bert Parks, debuted on television on May 5 and attained the number-eight spot with a 37.6 rating for 15 ABC

cities. *The Original Amateur Hour* occupied the ninth spot, with a 35.4 for 15 NBC cities, and *Cavalcade of Stars*, a new variety show for DuMont with host Jack Carter, held the 10th spot, with a 35.3 based on 17 DuMont cities.

Television increasingly provided variety shows, kid shows and situation comedies. The success of Ed Sullivan's *Toast of the Town* and *Cavalcade of Stars* produced similar extravaganzas. Phil Silvers began 30 minutes of variety for NBC with his *Phil Silvers Arrow Show*. Sid Caesar hosted *The Admiral Broadway Revue*, an hour-long, NBC variety show billed as the first "continuing Broadway-type revue" for television. Regulars included his co-star, Imogene Coca, plus Mary McCarthy and Marge and Gower Champion. Dave Garroway appeared for NBC with *Garroway At Large*, a low-key, variety half-hour with regulars Connie Russell, Jack Haskell and the Songsmiths.

The success of *Howdy Doody* and *Kukla, Fran & Ollie*, which went national over NBC on Nov. 12, pinpointed children as a ready and waiting audience. ABC created *Super Circus*, a 60-minute presentation of music and circus acts, complete with clowns and animals. DuMont in June started the continuing saga of *Captain Video*, the "Guardian of the Safety of the World," who with his Video Rangers and mystifying equipment, preserved goodness in the universe by fighting such no-goods as Nargola, Mook the Moon Man and Dr. Pauli, evil head of the Astroidal society.

ABC brought *The Lone Ranger* to television in September, starring Clayton Moore as the vigilante of the Western plains and Tonto, played by Jay Silverheels. Announcer Fred Foy created the unforgettable opener: "A fiery horse with the speed of light, a cloud of dust and a hearty hi-yo Silver! The Lone Ranger! With his faithful Indian companion, Tonto, the daring and resourceful masked rider of the plains led the fight for law and order in the early West. Return with us now to those thrilling days of yesteryear. The Lone Ranger rides again!"

The success of radio situation comedies encouraged the transfer of this genre to TV. Gertrude Berg brought *The Goldbergs* of radio to CBS-TV on Jan. 17. "Yoo-hoo, Mrs. Bloom" could now be seen as well as heard. Jackie Gleason played Chester Riley, the riveter of radio fame, for DuMont's *The Life of Riley*, with Rosemary DeCamp as his wife, Peggy.

Network television programming was costing more to produce. The average cost of a 60-minute variety show ran \$5,900; a 60-minute drama, \$10,800; while a 30-minute variety show cost \$3,800; a 30-minute drama, \$3,500, and a 30-minute quiz show \$1,730.

NBC celebrated 10 years of telecasting in April. In July NBC-TV announced another technological breakthrough: NBC processed and aired film of Senator Tom Connally (D-Tex.) as he announced the Atlantic Pact ratification with only a 65-



BOYS—FOUR OF THEM—won the national awards in the second Voice of Democracy contest [BROADCASTING, Jan. 24]. Last year all four winners were girls. The successful contestants were (l to r): George Morgan Jr., Hutchinson, Kan.; Kerron Johnson, St. Paul; Richard Caves, Everett, Ohio; Charles Kuralt, Charlotte, N. C.

—Broadcasting, Feb. 7

Editor's Note. The "Voice of Democracy" contest was then sponsored by the National Association of Broadcasters, the Radio Manufacturers Association and the U.S. Junior Chamber of Commerce. There were 250,000 entries in the 1949 contest, which invited high school students to write and broadcast scripts on the topic, "I Speak for Democracy." Winners were given college scholarships and were brought to Washington for a week that featured an awards luncheon, visits to Congress and a meeting with President Truman.

minute delay, thus establishing a new speed record.

Other technological advances led to wars in the phonograph field. Again, CBS and NBC stood on opposite sides as RCA pushed its 45-RPM record while Columbia ram-rodged its 33 1/3-RPM disk. Columbia Records' chairman of the board, Edward Wallenstein, declared that the situation was a "war which Columbia Records has not initiated, and in which it cannot be defeated." As of March, Mercury Records sided with Columbia, Capitol Records allied with RCA, and Decca, continuing to make 78-RPM records, remained neutral. When RCA in April made 45's available to the public, RCA felt confident that the increasing popularity of disk jockeys, the riders of short selections, would spur 45's on to popularity. Sales of Columbia's 33 1/3 long-playing record outpaced those of RCA's 45, short disk, Columbia vowed to refrain from entering the 45-RPM field, and RCA promised to promote the 45's indefinitely, because "a sales job is not done in 30 days or in five years."

Some of the most popular songs on those much disputed records had a quality of innocence that belied the world of the Cold War and the Communist witch-hunts. "Some Enchanted Evening," and "Bali Ha'i" from "South Pacific," "Bib-bidi-Bobbidi-Boo," from "Cinderella," and "Rudolph, the Red-Nosed Reindeer" captured American hearts.

But blacklists and innuendo cast shadows over America; many worried that the stranger across the crowded room might mistakenly report them to *Counterattack*, a newsletter that published lists of alleged Communist sympathizers based on hearsay and questionable evidence. Nevertheless, once *Counterattack* or any of the other Communist trackers marked a performer, his career from then on proceeded with difficulty if at all. The American Federation of Radio Artists, the Radio and Television Directors Guild, and the

National Association of Broadcast Unions and Guilds began to investigate the existence of blacklists after William McD. Sweets was fired as the director of the Phillips H. Lord agency shows, *Gangbusters* and *Counterspy*.

Dorothy Parker, as chairman of the Voice of Freedom Committee, "a national network of monitors to democratize the national networks," issued this statement against censorship by blacklist: "Radio listeners are interested in the talent and not in the race, religion, or political beliefs of writers, directors and performers. Radio is too vital and important a medium for education and culture for the public to permit it to be stifled by blacklists. You can count on the complete support of our 2,500 monitors throughout the country in any action you undertake to oppose this new device for censorship over the air."

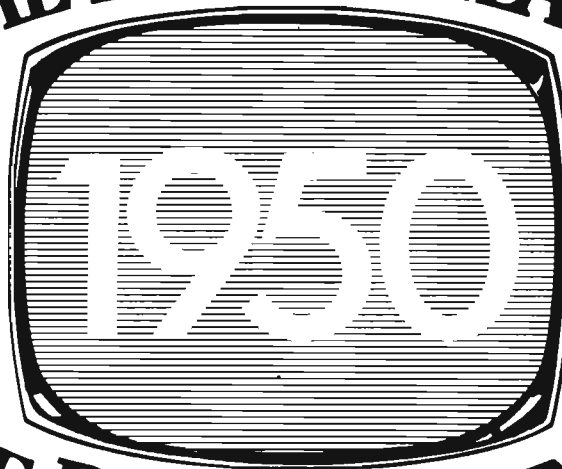
With the close of 1949, many in broadcasting were caught up in conflicts more real than those portrayed on *Captain Video* and *The Lone Ranger*. The fifties were about to begin.

Stay Tuned

1. What was the book that listed 151 names in broadcasting said to be sympathetic to the Communist cause?
2. How did this compendium affect the casting for the TV version of the *Aldrich Family*?
3. Which color system won FCC approval in 1950?
4. What was the elaborate Sunday night show that NBC Radio launched in a counteroffensive to TV?
5. Which TV network landed then budding stars Jackie Gleason and Art Carney?

**The answers
in "1950."**

THE FIRST 50 YEARS



OF BROADCASTING

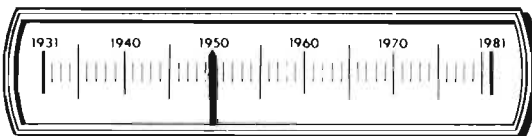
Color TV battles, talent raids, the Korean war and Communist purges shaped broadcasting in 1950.

RCA and CBS presented opposing color TV systems for FCC approval. RCA had developed an electronic dot system, totally compatible with existing black-and-white sets. CBS had devised a field sequential system that required an adapter on black-and-white sets. RCA wanted more time to perfect its system; CBS wanted immediate approval from the FCC. In addition, Communication Measurement Labs, DuMont, Paramount Television, Chromatic Television Labs, Don Lee Labs, Hazeltine Electronics and General

Electric all advocated their own components or systems for color broadcasting. CML had patents pending for an as yet unfinished ultra high frequency color system. DuMont received a patent in May for a three-color, direct-view television tube which, according to DuMont officials, provided "an all-electronic system of high definition, compatibility, and also large picture size." DuMont in March developed and began marketing a closed-circuit color television system designed for medical, industrial and merchandising use.

Paramount Television Productions Inc., in conjunction with Chromatic Television Labs, Inc. and Don Lee Broadcasting System, also announced development of tri-color, direct-view TV tubes. About the same time, Hazeltine Electronics Corp. presented its "dot-sequential" system, which company officials claimed was an improvement over the RCA system because of its "constant luminance sampling" method.

All of these played minor, if interesting, roles in the color war since most industry observers pointed to Color Television Inc. with its "line" system as the only real threat to RCA or CBS. Arthur S. Matthews, CTI president, referred to his company as "the small dark horse" that sought a "fair chance" without "domination over this industry." He called RCA and CBS "monopolistic" and their color systems "impractical and undesirable." For a time, GE, with its late (July) entry of what it called a radically different color method based upon "frequency interlace" stood as a fourth, "serious" competitor. Its system, GE claimed, had compatibility, economy and freedom from "twinkle, crawl, flicker and color shifting."



Masked bandits robbed Brink's Boston office of more than \$2.7 million on Jan. 6. President Truman, on Jan. 31, authorized the Atomic Energy Commission to produce the hydrogen bomb. In November, Puerto Rican nationals failed in an attempt to shoot their way into Truman's temporary Washington residence, the Blair House, and assassinate the President. The Supreme Court, on Dec. 11, ruled that under the Fifth Amendment no one could be forced to testify against himself. The Nobel prize for peace was awarded to America's Ralph Bunche. Hollywood film companies, worried about the inroads of TV and slumps at the box office, launched a national attendance-building drive with the slogan, "Movies Are Better Than Ever." It failed. And in BROADCASTING ...

The Condon Committee, a board of eminent engineers designated by the Senate Interstate and Foreign Commerce Committee and headed by Dr. Edward U. Condon, director of the National Bureau of Standards, found the RCA dot, the CTI line and the CBS field system to be mutually exclusive. CBS appeared to have won.

In early September the FCC made an interim decision with some big if's. The agency gave preliminary approval to the CBS system but put color set manufacturers on the spot. Although lacking licensing power over them, the FCC all but ordered them to incorporate "bracket standards" in future sets to accommodate

both the existing 525-line monochrome pictures and the 405-line color images proposed by CBS. If set makers agreed, the FCC announced, it would postpone a final color decision and instead "propose" to adopt the CBS field-sequential system, a move that would allow the consideration of other systems. If set manufacturers wouldn't or couldn't make bracketed sets, the FCC said, it would decide immediately for CBS. The FCC issued such conditional rulings to minimize the increase of black-and-white sets that might be made obsolete during further exploration of the color issue.

Both RCA and CTI remained publicly confident that their systems would be approved. CTI, in fact, announced a new compatible "dash sequential" system of color TV as the basis for requesting the FCC to reopen hearings.

That ploy didn't work. The only thing the FCC waited for was news from the manufacturers. When the set manufacturers almost unanimously replied that it would be impossible to meet the FCC proposed November deadline for production, the commission in October approved the CBS system.

CBS President Frank Stanton promised 20 hours weekly of color programming within two months, but Allen B. DuMont, president of DuMont Labs, and Ross D. Siragusa, president of Admiral Corp., said their companies would not build the CBS type of color set. Eugene F. McDonald Jr., president of Zenith Radio Corp., stated: "We have no intention of halting or slowing up the production of the present type of black-and-white receivers."

Anger, money and legal savvy motivated those replies. Set

ABC TOP COMMAND

Woods Named Vice Chairman; Kintner President

MARK WOODS, president of ABC since 1942, last Thursday was elected vice chairman of the network and Robert E. Kintner, executive vice president since 1946, became president.

Edward J. Noble, principal stockholder in the network, continues as chairman of the board.

The change was said to have been made to free Mr. Woods from administrative duties and enable him to make wider use of his persuasive abilities as a salesman.

The shift in top command at ABC last week was not unlike that which occurred at NBC a month ago when Niles Trammell, also celebrated as a salesman, was moved from president to chairman of the board, and Joseph H. McConnell, a crack administrator, was elected president.

Mr. Kintner, as executive vice president, has been assuming more and more top administrative assignments in the past year, to permit Mr. Woods to concentrate his



Mr. KINTNER



Mr. NOBLE



Mr. WOODS

ing the door to a future sale was indicated, however, in the vigorous facilities expansion that the network has carried on for the past

any sale price.

Mr. Woods, a veteran broadcaster, entered radio in the early 1920's as a financial officer, assist-

tive vice president and administrative officer.

He became president of the Blue Network Inc. when it became a

—Broadcasting, Jan. 2

manufacturers expected legal action to halt any definitive ruling, and waiting meant conservation of capital and energy. Smaller firms, such as Webster-Chicago and Tele-Tone Radio, planned to quickly produce the necessary color converters and adapters.

BROADCASTING's situation report was headlined "Battle Lines Form on Color." Senator Ed Johnson (D-Colo.), chairman of the Senate Commerce Committee, accused manufacturers of staging a "sit-down strike." James D. Shouse, vice president and director of Avco Manufacturing and chairman of the board of Crosley Broadcasting, accused the FCC of making the public "the goat," and said that "the commission is more interested in protecting future buyers who have refused to buy sets than present owners whose purchases made the television we now have possible." Pilot Radio Corp. sought a temporary injunction against implementation of the FCC's color order, filing in Brooklyn, N.Y. But it withdrew its filing to avoid a jurisdictional clash with RCA, which filed suit in federal district court in Chicago, labeling the FCC color decision as "contrary to public interest, convenience, and necessity; unsupported by substantial evidence, . . . arbitrary . . . capricious, and . . . an abuse of discretion; adopted before the FCC had discharged its statutory duty to inform itself adequately before issuing a final order" and asserting that the order deprived "plaintiffs of property without due process of law."

RCA in November won a temporary restraining order that stopped implementation of the color ruling until the court made a final decision. However, the FCC insisted that the court's action "in no way impairs any of the findings or determinations made by the commission . . . The

only thing the court has done is to postpone the date when regular operation can begin in accordance with the new color standards."

The Chicago federal court in late December upheld the FCC's approval of the CBS color system but prohibited the commercial introduction of that system until the U.S. Supreme Court could make a ruling on the RCA appeal that was expected.

Meanwhile, other matters were engaging the attention of broadcasting. Fighting in Korea increased news audiences, created news censorship and threatened set production. Since the Korean invasion occurred on a Sunday, a day without afternoon newspapers, radio gained a war news exclusive. And television, for the first time, played a significant war coverage role. John Steelman, special assistant to President Truman, acknowledging that the problems in 1950, "are somewhat different than they have been in the past because of the growing importance of television," called for the formation of a Broadcasters Defense Council to organize radio and television for instant availability to the government.

A special Hooper survey for July 5-11 showed a 63% increase in listeners for network radio news programs. This spurt encouraged increased sponsorship of news shows. In fact, the war eradicated the usual summer slump in radio ratings.

War news brought back war censorship. By mid-August the U.S. requested voluntary curbs on information "to make it more difficult for hostile intelligence . . . to find out what is going on." By mid-December General Douglas MacArthur asked correspondents to withhold war information about planned activities, moves in progress, boundaries and undefended

lines as well as other information on the United Nations, the enemy and America's allies. By late December, MacArthur imposed complete censorship on Korean front reporters and required all material be "screened and cleared."

War priorities produced a rationing of manufacturing materials. The National Production Authority on Dec. 1 imposed reductions of up to 30% on the use of copper, aluminum, nickel and cobalt, as well as on rubber and steel. These late-year rations did not significantly affect 1950's production except to create confusion and a scramble for substitute materials. In 1950, manufacturers produced more than 7 million television sets, 6.5 million AM radios and 875,000 FM receivers.

RCA Board Chairman David Sarnoff urged the U.S. to expand its international broadcast service by developing a \$200-million world network of shortwave and medium wave transmitter stations designed to counter the effects of Communist propaganda. To that end, President Truman requested and received \$62.6 million to spread "truth" through expansion of the Voice of America. In addition, a private group of broadcasters aided the American plan of attack by organizing Radio Free Europe in American-occupied Germany. (It was not until years later that Radio Free Europe was disclosed to be an activity of the Central Intelligence Agency.) As BROADCASTING wrote, "The shooting war is now localized in Korea. In the psychological war, the battle-lines are global. Radio is a weapon. It is a war for the minds of men."

To fight Communist influence at home, self-appointed vigilantes of the airwaves set out to discredit people rumored to be Communistic. Loyalty oaths and blacklists proliferated. KFI-AM-FM-TV Los Angeles in