

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C. RECEIVED

JUL 6 1942

NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

FRANK E. MULLEN

INDEX TO ISSUE OF JULY 3, 1942

Fly Vigorously Defends FCC Anti-Monopoly Rules.....	2
More Than Million Radios In Massachusetts.....	6
FCC Split Revealed As Craven Endorses Sanders Bill.....	8
Trade Notes.....	11

No. 1443

vk

July 3, 1942

FLY VIGOROUSLY DEFENDS FCC ANTI-MONOPOLY RULES

Taking full advantage of his day in court - or as it has worked out many days - Chairman James L. Fly, appearing before the House Interstate Commerce Committee now considering the Sanders Bill which contemplates changes in the Communications Act, continued to put up a spirited defense for the FCC anti-monopoly Chain Broadcasting Regulations.

Mr. Fly divided his discussion of the rules into the following parts: Exclusivity of affiliation, territorial exclusivity, duration of affiliation contracts, station rejection of network programs, network ownership of stations, network control of station rates and freedom of speech and the chain broadcasting regulations. Each of these he discussed under three headings - "The Abuse", "Illustrations", and the "Cure", which was always the much discussed anti-monopoly FCC regulations. The FCC Chairman also took up the licensing of networks, newspaper ownership of radio stations and clear channel investigations.

In connection with the newspaper ownership, Mr. Fly said that "we have formed no conclusions as to whether the Commission has authority to refuse a license to a newspaper". The Chairman said the Commission would reach a decision on this soon (later he spoke of several months) and that he had "no objection" to Congress expressing itself on the subject of newspaper ownership of radio stations and added that the Commission might decide to throw the entire problem into the lap of Congress.

On the other hand, he said, the Commission may have the power "under the public interest concept to make a decision".

The Chairman steadfastly declined to say whether he had formed his own opinion on the newspaper-radio point.

"I don't know what my own personal judgment will be", he said.

"Congress Sanders has asked several previous witnesses why newspapers should be put in a proscribed class. He has asked why they should be treated differently from churches, schools and moving picture companies, et cetera. My answer is that if in the future there should arise a marked tendency for the ownership of radio stations to gravitate into the hands of churches, schools or motion picture companies that would be a matter which the Commission should properly look into", Chairman Fly testified.

Mr. Fly predicted tremendous developments in television and frequency modulation.

"Both of these fields", Mr. Fly added, "are set for unlimited commercial expansion immediately after the war. I have the greatest hope that these two industries will flourish during the immediate post-war period.

"There is already one FM network and the linking of television stations into one or more networks is clearly foreshadowed."

Mr. Fly said before the war the Commission had prepared to study the clear channel situation as ordered to do by Congress but was prevented from doing so by a shortage of engineers. Basically he suggested the clear channel situation is an engineering problem and a very interesting one.

Mr. Fly produced an exhibit which he said shows "that in 1941 the Columbia Broadcasting System had a net income, after Federal income tax had been paid, amounting to 55.8% of the total depreciated value of all of its property, tangible and intangible. In the case of NBC, the comparable percentage is 67.2.

"Mutual shows no profit as an independent entity, but, of course, the stockholders do show substantial profits. Page 2 of the exhibit shows that the consolidated net broadcast income of seven Mutual stockholders for 1941, before payment of Federal income tax, amounted to 67.5% of the depreciated value of all their broadcast property. Note that the Mutual figure is before Federal income tax. Figures after Federal income tax are not available since the tax cannot be allocated between the broadcast and the non-broadcast income of these seven Mutual stockholders.

The witness also introduced an exhibit which he said shows that whereas the NBC Red and CBS networks have 40.2% and 37.8% of the total nighttime power, the Blue and Mutual have only 8.7% and 8.5% respectively. The importance of these figures is not that two of these networks are bigger than the other two. On the contrary, the important thing is that two of these networks do not have sufficient power to be audible throughout the nation. It is the listeners deprived of Blue and Mutual network programs rather than the networks themselves whom we should consider. The exhibit also shows that only 6.3% of the nighttime power of the country is unaffiliated with any national network. Obviously, no new network can enter the field if it must seek its affiliates only from these small and scattered independent stations."

Chairman Fly then took up the various regulations as follows:

EXCLUSIVITY OF AFFILIATION - The abuse: In order to get programs from one network, stations frequently are required to contract not to carry even a single program from any other national network. As a result, listeners in a number of cities are deprived of many network programs, and the country's radio service is limited.

"The cure: Regulation 3.101 provides that network affiliation contracts may not be so drawn as to prevent a station, if it so desires, from carrying programs from another network."

"TERRITORIAL EXCLUSIVITY - The abuse: Frequently certain stations decide not to carry particular network programs. Territorial exclusivity means that if the regular affiliate in an area decides not to carry a program, the network may not offer that program to any other station in that area. Thus, the regular affiliate in any area is in a position not only to reject a program, but also to prevent listeners in his area from hearing that program over any other station in that area."

"The cure: Regulation 3.102 provides that the regular affiliate may not prevent some other station from carrying a network program in the event that the regular affiliate rejects it. The regular affiliate may, of course, have first call on the programs of its network; but in the event that it chooses to reject such a network program, it cannot under our regulation block a neighboring station from bringing the rejected program to listeners in that area."

"DURATION OF AFFILIATION CONTRACTS - The abuse: One of the amazing things about these affiliation contracts is the term they cover. While the station is bound by the contract for five years, the network is only bound for one year. Since these contracts protect the station for only one year in any case, our regulation limiting contracts to two years is not a limitation at all from the point of view of the station's certainty of affiliation.

"The network, of course, likes to have its stations bound to it for five years; but it is easy to see how this provision adversely affects the public interest. A network may be offering excellent service and putting on excellent programs at the time an affiliation contract is signed. During the five-year period thereafter, its service and programs may deteriorate. But no matter how low it falls, the station is still bound to take such programs, and only such programs.

"The cure: Regulation 3.103 originally provided that an affiliation contract might not exceed one year - which was at that time also the period of the license. Subsequently, the Commission lengthened the term of the license, and coincidentally the maximum term of affiliation contracts, to two years. Thus, a station is in a position at least every two years to survey the entire field and make such arrangements as appear best at that time.

"Option Time - The Abuse: By taking an option on all the hours of its affiliates, CBS is able to discourage non-network programs. NBC achieves substantially the same effect by optioning the best hours of its stations. These options discourage not only local programs but also transcriptions. Advertisers are unwilling to invest large sums in developing programs which may be moved on 28 days' notice. The result has been that stations have been cramped in their efforts to produce worthwhile local programs and to procure high-quality transcriptions.

"The cure: Regulation 3.104 does not ban options, but it does subject the optioning of time to four restrictions which the Commission found to be in the public interest."

"STATION REJECTION OF NETWORK PROGRAMS - The abuse: Under the law, a station licensee has the responsibility of determining what shall and what shall not go out over his transmitter, and this responsibility is not transferable. There is reason to believe that under some affiliation contracts, the licensee gives up his right to reject improper network programs.

"The cure: Regulation 3.105 provides that a station may not contract away his right to reject unsuitable or improper programs.

"The networks on the whole allege that their present contracts are unexceptionable in this respect; and if this is the case the regulation is quite unobjectionable. However, to the extent that such contracts do or may hereafter impair the principle of licensee responsibility, Regulation 3.105 serves as a remedy.

"NETWORK OWNERSHIP OF STATIONS - The abuse: In addition to the hundreds of stations affiliated by contract with NBC and CBS, these networks were the licensees of 10 and 8 stations respectively at the time of our Report on Chain Broadcasting."

"Since the announcement of our regulations, this concentration of stations has already improved somewhat. Thus 3 of NBC's 10 stations have been transferred to the Blue Network, Inc. In addition, WMAL here in Washington has been transferred back from NBC to the Washington Star. Thus, when the Blue network is sold, it will have 3 stations and NBC will have 6.

"The cure: Regulation 3.106 provides that no network shall own more than one station in any locality. When the contemplated sale of the Blue is completed, this requirement will automatically be met. The regulation also provides that a network shall not be the licensee of a station in any locality where the existing stations are so few, or of such unequal desirability, that competition would be substantially restrained by such licensing.

"NETWORK CONTROL OF STATION RATES - The abuse: NBC's standard affiliation contract provides that, if a station sells time to a national advertiser for less than that which NBC charges network advertisers for that time, then NBC may lower the station's network rate proportionately. Thus, if you, as a national advertiser, go to a station and say, 'I want an hour over your station, and I'll pay so many dollars', the station may have to reply: 'We'd like to, but if we did NBC would crack down on us.'

"This might properly be considered outside the Commission's concern, if it did not affect listeners adversely. However, listeners are affected. Many programs which might be put on by national advertisers, through transcriptions or otherwise, are banned because network rates must be charged even though the network is not used. Thus listeners are deprived of programs which might otherwise be broadcast.

"The cure: Regulation 3.108 provides in effect simply that stations may fix or alter their own non-network rates without hindrance from the networks.

"Note that this regulation, like all the others, does not give the Commission any control whatever, direct or indirect, over anybody's rates. As with the other regulations, 3.108 provides merely that control of such matters shall remain where it belongs - with the 900 or more station owners all over the country."

X X X X X X X X

MORE THAN MILLION RADIOS IN MASSACHUSETTS

With 1,044,830 sets in Massachusetts alone, the percentage of radios in the homes, as shown by U. S. Census reports still continues very high. Reports have not been received from about two-thirds of the States. The latest heard from are:

OCCUPIED DWELLING UNITS WITH RADIO, FOR STATE AND FOR CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - <u>Massachusetts</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total dwelling units (including urban)	1,120,694	1,044,830	41,793	34,071
Rural-nonfarm dwelling units	94,541	85,934	5,975	2,632
Rural-farm dwelling units	23,720	20,502	2,457	761
Beverly	6,987	6,673	178	136
Boston	197,393	183,927	7,504	5,962
Brocton	18,137	17,014	722	401
Cambridge	28,717	26,771	744	1,202
Chelsea	9,956	9,188	468	300
Chicopee	10,082	9,594	294	194
Everett	11,763	11,238	177	348
Fall River	29,799	27,538	1,410	851
Fitchburg	10,951	10,268	506	177
Haverhill	13,193	12,001	826	356
Holyoke	14,716	13,812	457	447
Lawrence	21,987	20,285	1,019	683
Lowell	24,932	22,485	1,491	956
Lynn	27,602	25,589	970	1,043
Malden	15,365	14,795	314	256
Medford	16,022	15,128	304	590
Melrose	6,896	6,595	103	198
New Bedford	30,640	28,060	1,712	868
Newton	17,432	16,574	248	610

(Cities continued)

7/3/42

Area - Massachusetts (Continued) Cities	Total	With Radio	No Radio	Not Reporting Radio
Pittsfield	13,018	12,325	383	310
Quincy	20,367	19,132	259	976
Revere	8,493	7,792	179	522
Salem	10,549	9,814	329	406
Somerville	26,264	24,980	459	825
Springfield	40,303	38,501	725	1,077
Taunton	9,335	8,310	316	209
Waltham	9,167	8,680	177	310
Worcester	48,812	45,365	1,273	2,174
<u>Area - Kentucky</u>				
Total dwelling units (including urban)	698,538	444,416	235,650	18,472
Rural-nonfarm dwelling units	179,890	115,079	60,144	4,667
Rural-farm dwelling units	280,365	134,773	138,523	7,069
Ashland	7,441	6,527	742	172
Covington	18,028	16,417	1,177	434
Lexington	13,849	10,813	2,730	306
Louisville	89,955	76,864	10,798	2,293
Newport	8,047	8,077	685	285
Owensboro	8,351	6,769	1,255	327
Paducah	9,607	6,785	2,512	310
<u>Area - Alabama</u>				
Total dwelling units (including urban)	673,815	321,671	329,039	23,105
Rural-nonfarm dwelling units	157,226	82,906	69,176	5,144
Rural-farm dwelling units	289,280	86,115	193,489	9,676
Anniston	6,697	4,297	2,238	162
Birmingham	71,798	55,265	14,156	2,377
Gadsden	9,300	7,084	1,957	259
Mobile	20,512	13,441	6,369	702
Montgomery	21,932	13,234	7,790	908
Tuscaloosa	6,556	3,979	2,294	283

X X X X X X X X

Sherman Gregory, Manager of Station WEAJ, has been appointed to the Radio Defense Committee of New York City. The committee is concerned with the use of radio in local civilian defense.

X X X X X X X X

FCC SPLIT REVEALED AS CRAVEN ENDORSES SANDERS BILL

The lengthy hearings on the Sanders Bill to reorganize the Federal Communications Commission closed yesterday (Thursday) with Commissioner T.A.M. Craven sharply opposing Chairman James L. Fly in endorsing the bill and the former declaring that it was high time the Commission itself should be done over and the Communications Act rewritten.

It had been expected that Commander Craven would pull no punches and in this the spectators were not disappointed. Known to be a hard hitter, conscientious, and honest, Mr. Craven struck back at practically every statement made by Chairman Fly and in such a way as made it apparent that there was a very serious rift between the former Naval officer, Chairman Fly and the Commission members backing the latter.

The two concluding witnesses were Mark Woods, President of the Blue Network, and E. K. Jett, Chief Engineer of the FCC. Commander Craven, who had fortified himself with a 34 page prepared statement (Mr. Fly having sprung one 74 pages long) charged that the views Mr. Fly expressed in opposition to the Sanders Bill were not those of all the members of the Commission.

Mr. Craven, in endorsing the Sanders Bill, expressed the opinion that newspapers should not be barred from operating radio stations. He also upheld the networks saying:

"As has already been demonstrated, a network is only an aggregation of individual stations joined together by contractual arrangement for the simultaneous rendition of particular programs. Congress has not seen fit, and wisely I believe, to confer upon the Commission the power to regulate the business practices or business policies of individual stations. I can see no greater reason why such power should be conferred when stations are considered in the aggregate as networks. The necessary result of such action would be to confer upon the Commission the power to impose its will upon all licensees with respect to all business practices growing out of the network relationship. Quite aside from the elements of censorship which are necessarily involved when the source of program material may be regulated, I can see no need for this action. On the contrary, I can see much harm that might result therefrom.

"As a result of the extensive investigation which the Commission has already made of this subject, it has been demonstrated to my satisfaction, first, that networks as we now know them are essential to our system of broadcasting, and, secondly, that in the main such networks operate efficiently and well. There are, of course, certain imperfections in the structure and certain practices which if continued or extended may have an adverse effect upon the quantity and quality of radio service available to the public. But it is my view that if legislation on this subject is considered necessary, Congress itself should outlaw certain specific practices considered harmful or reprehensible, and that within the

limitations thus established the parties be permitted to work out their own economic destiny without interference by the Commission.

"I believe that the solution of the problem of network broadcasting rests in permitting the greatest freedom of action both from an economic and from a program standpoint in so far as is consistent with provisions of general law. However, in order to meet the views of those who desire to impose specific limitations, I can agree that it may be helpful for Congress to enact certain provisions which will serve as guideposts to the industry, but which do not directly or indirectly control its economic or program development."

"In view of recent controversies it would seem desirable that Congress specify more clearly to what extent and in what manner it desires the Commission to regulate broadcasting", Commander Craven continued. "If Congress desires the Commission to regulate the business practices of licensees, it should so state. If Congress desires this Commission not to regulate business practices of licensees, it should likewise specify clearly that the Commission has no such power. Likewise it seems desirable that Congress specify whether, before judgment has been rendered in Courts or other competent agencies, the Commission has power to take into consideration alleged violations of laws, other than the Communications Act, which affect the conduct of the licensees."

"I regard the Commission as an agency created by Congress to administer policies established by the Congress. I do not regard the Commission as an agency empowered to promulgate new social-economic policies. We regulate some of the media for the dissemination of facts and opinion. Therefore our actions affect the value to the public of these media for free speech. Hence when the Commission encounters conditions and problems not foreseen at the time the basic legislation was enacted, it seems most desirable that the Commission return to Congress for further instructions. From this standpoint at least, this Commission hearing on the Sanders Bill seems opportune."

"As indicated previously, the fount of many of the problems is the shortage of radio frequencies. Consequently, the number of available facilities is so limited that it is impossible for everyone to be granted a radio license even if he were qualified. In fact, facilities will be so extremely limited that even if we had 100 national networks devoted exclusively to speech-making in 15 minute blocs, the last person of today's population would have to wait 37 years for his or her return, and then could reach only a small portion of the people then living in the nation."

"I believe in sound competition, and monopolies contrary to public interest are as abhorrent to me as to anyone else. However, the forcing of unsound competition in the fields of radio will nullify the directions of Congress to distribute radio broadcasting facilities fairly and equitably among the various States and communities. Moreover, the forced application of the doctrine of unlimited economic competition will result in a further

7/3/42

concentration of competitive stations in the large cities and a dearth of facilities in the smaller communities throughout the nation. Likewise, if too many stations are forced into the large cities, the net result will be impaired program service to the entire nation. Such a policy of unlimited economic competition must of necessity impair good engineering standards, with the consequence that rural radio listeners may be sacrificed for a regulatory theory in which the commercial aspects of radio broadcasting are overemphasized and the public service aspects are neglected. "

"In recent years the Commission has operated under a plan of organization which, in my opinion, is basically unsound. In addition to making possible, and in fact requiring, an undesirable combination of the legislative, judicial and administrative functions, it is unwieldy and cumbersome. The result has been that too many matters which should have received careful attention have received too little attention or none at all. It therefore seems desirable to me that the Act be both specific and compulsory with respect to a division of the Commission and its major functions.

"The administrative and judicial work of the Commission can be divided along natural lines, namely: (1) Broadcasting - this includes television, high frequency, domestic and international broadcasting; (2) common carriers - this includes domestic land lines and radio as well as international radio and cable; and (3) radio services involved in safety of life at sea and in the air, the preservation of property, regular radio operations aboard ship and aircraft as well as emergency and auxiliary uses of radio, amateur radio, and the licensing of all radio operators. "

Commander Craven concluded by saying:

"It is obvious that we shall have new communication problems for Congress and the Commission. The present-day problems will be obsolete and forgotten. Tomorrow we may wonder why we worried so much about today's problems. Therefore it seems essential that we do not base long-term legislation upon what may appear to be a good detailed solution of today's minor troubles in radio. We should avoid the danger of regimenting the future along the grooves of today's thinking, and it is for this reason I hope that any new legislation which may be enacted by Congress will contain statements of broad policy together with such checks and balances as are deemed necessary to insure the development of radio as a free American enterprise in which the public has confidence. "

X X X X X X X X X

::: _____ :::
 ::: TRADE NOTES :::
 ::: _____ :::

The Treasury Department in a report read by Representative Louis Ludlow, of Indiana, estimated the value of contributed service in advertising war bonds at not less than \$100,000,000. With regard to radio the report stated:

"Radio stations and networks, without exception, and program sponsors in large numbers have cooperated. They have contributed a total of not less than 60,000 station hours of time.

 The estimated expenditure for radio broadcasting by the Department of the Interior in connection with promotion and publicity for the fiscal year of 1941 was:

Division of Information, \$17,112; Consumers' Counsel Division, \$258; Office of Land Utilization, \$450; Bureau of Reclamation, \$1,564; National Park Service, \$322; Fish and Wildlife Service, \$9,295; Bonneville Power Administration, \$2,910, Miscellaneous Service Division, \$630.

 The Federal Communications Commission on June 30 adopted these amendments of Part 42 (Destruction of Records) of its Rules and Regulations:

"This note shall be inserted immediately after Section 42.1:

"NOTE. - The following shall not be considered violations of these rules and regulations:

"(a) The furnishing of original filed messages to the United States Government in support of bills.

"(b) The transfer of messages or copies thereof pursuant to the Rules and Regulations of the United States Office of Censorship.

"(c) The destruction of records when in the judgment of Defense Commanders or other military or naval authority such destruction is necessary to prevent such records from falling into the hands of an enemy of the United States."

 Many Latin American broadcasters are in danger of being forced off the air unless vital replacement parts are released soon by the United States, said John F. Royal, NBC Vice-President in Charge of International Relations. Mr. Royal is back in New York after a two-week visit to Mexico City.

Emphasizing the critical nature of the shortage of tubes and other radio materials, Mr. Royal said that some broadcasters are still waiting for equipment ordered months ago. Two important Mexican stations, he added, are now on their last set of tubes and will have to go off the air unless American supplies, being held at the border, are soon released.

 Arthur Hungerford, Business Manager of NBC television, now commissioned Lieutenant, J.G., reports for Navy duty at the Harvard University training center, Cambridge, Mass., as of July 1. After a two-month training course, Lieut. Hungerford will be assigned to a post.

For the first time, restrictions which may continue in effect for the duration of the war are contained in two suspension orders directed against priorities violators. They prohibit Manning, Bowman & Company, Meriden, Conn., from selling electrical supplies containing aluminum under any conditions, and the Illinois Pure Aluminum Company, Lemont, Ill., from selling any articles containing aluminum on orders not rated A-1-j or higher.

Sylvania announces a new window display for radio tube servicemen. Central figure is a typical radio serviceman at attention, saluting. Headline copy reads, "On the Alert To Keep Radios Working". Copy at the base says, "You need your radio now - let us keep it working." On the base of the display is a plea by to Buy War Bonds And Stamps Now!"

The Philco Radio and Television Corp., of Philadelphia, Pa., has been granted a construction permit for an experimental relay television broadcast station to be located between Wyndmoor, Pa. and New York City, and to be used for relaying television programs originated by the NBC station WNBT in New York to Philco's main television broadcast station WPTZ, for rebroadcasting. Channels 13 and 14 (230,000-242,000) 15 watts;

Also Philco was granted construction permit for new experimental television relay station; Channels 13 and 14, 230,000-242,000 kilocycles; power 15 wats.

Likewise Philco was granted a modification of its construction permit authorizing a new commercial television station, for move of transmitter, make changes in antenna system, increase ESR to 1000, and for extension of completion date.

Three current sponsors on the Columbia Broadcasting System announced the expansion of all their programs on Columbia to the full network under the new 15% discount rate. This brings to seven the number of CBS programs using the entire network. The sponsors taking advantage of the new CBS discount rate and expanding their programs to the full network are Philip Morris & Company, Ltd., Liggett & Myers Tobacco Company and Coca Cola Company.

Lois Lorraine, for 5 years on the publicity staff of CBS, has been appointed press representative for Station WEAJ

The General Electric Co., Schenectady, N. Y., has been granted authority to cancel the outstanding construction permit of experimental television relay broadcast station W2XGI, and to delete the call letters.

Station KTRB, Modesto, Calif., has applied to the FCC for modification of construction permit which authorized increase in power, change in hours of operation, install new transmitter, directional antenna for night use and move transmitter requesting extension of completion date from 8/30/42 to 11/30/42.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC. 1 JUL 1942

GENERAL LIBRARY

30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

J. W. WOLLEN

INDEX TO ISSUE OF JULY 7, 1942

Canada Questions Press-Owned Stations And Sunday Ads.....	2
Nelson Promotes Reed, Former G-E Head, To London.....	3
Mackay Radio Sees Loss In Closing Domestic Circuits.....	4
Sanders Bill Report May Go Over Until Fall.....	5
Several Radio Trades Eligible For Deferment.....	5
U. S. And British Communications Heads Confer.....	6
Professor Explains How Radio News Helps Papers.....	6
Other Work Seen For Men In Closed Domestic Circuits.....	7
RMA Wartime Committee Chairmen Named.....	8
California Congressman Blasts Commentator.....	8
Batt And Knowlson Reported Advanced In WPB Revamp.....	9
Home Radios In Missouri And Washington State.....	10
Trade Notes.....	11
Changes In Sylvania Radio Tube Organization.....	12

No. 1444 *gr*

July 7, 1942

CANADA QUESTIONS PRESS-OWNED STATIONS AND SUNDAY ADS

It will not bring any peace of mind to the operators of newspaper-owned stations in this country, now under scrutiny of the Federal Communications Commission, to learn that press-owned stations are also under questioning in Canada. Also the possibility of a reduction in Sunday radio advertising through cooperation of privately-owned stations was suggested by Maj. Gladstone Murray, Canadian Broadcasting Corporation General Manager, to the House of Commons Radio Committee at Ottawa.

Being told by Dr. Augustin Frigon, Assistant General Manager of the Canadian Broadcasting System, that newspapers now own or control 26 broadcasting stations, M. J. Coldwell, C.C.F. leader declared that these stations are approaching "a monopoly of public opinion" which "would be a very unhealthy thing".

E. G. Hansell declared that he stood "absolutely with Mr. Coldwell against private monopoly. At the same time, a Government monopoly could be just as bad", Hansell added.

In a statement to the Editor & Publisher, Gladstone Murray, General Manager of the Canadian Broadcasting Corporation, said "Newspaper control of radio stations is criticized on the assumption that there is inherent competition between radio and the press and that therefore newspaper control of radio might be expected to be disadvantageous to radio; also that combination of the two media might tend to confer unhealthy power over public opinion by relatively few vested interests.

"My personal view is that under democracy it is impracticable to prevent newspapers from gaining control of radio stations. Moreover I do not recognize any natural or inherent antagonism between these media. Properly conceived the printed and spoken word are complementary to each other. As to the submergence of the radio side by the newspaper side of such amalgamations the competition of independent radio and particularly of national network radio provides a powerful corrective in terms of efficiency of operation and listener appeal. To my mind the only real danger is the possible existence of secret control either of radio by the press or of the press by radio. Given full publicity of all such interlocking arrangements the functioning of an enlightened and free democracy can be safely trusted to prevent abuse of power or damage to the public interest."

Speaking of news broadcasts, Brooke Claxton (Lib., Montreal-St. Lawrence-St. George) said there is a feeling some newscasts are "shaded". He had received complaints of the news

1/17/42

broadcasts in reference to the House of Commons speech of Resources Minister Crerar. Mr. Murray told the committee he would obtain the script and its source.

With regard to Sunday advertising, Mr. Murray said the Canadian Broadcasting Corporation is anxious to reduce Sunday advertising and is enlisting the support of privately-owned stations which have already indicated a readiness to cooperate.

Sunday radio advertising was brought before the committee by Mr. Coldwell, C.C.F. Leader, who suggested it be reduced.

Mr. Murray said advertising had been eliminated on Christmas Day and the corporation would like to take similar action every Sunday but the popularity of commercially-sponsored United States programs which had a large following was a serious difficulty. An appeal had been made to private stations, which Mr. Coldwell said were chiefly concerned, and these stations had indicated a highly cooperative reaction.

X X X X X X X X

NELSON PROMOTES REED, FORMER G-E HEAD, TO LONDON

War Production Board Chairman Donald M. Nelson has named as his London representative, Philip D. Reed, present head of the WPB Bureau of Industry Branches and former Chairman of the General Electric Company. Mr. Reed will serve as a member of the Anglo-American Production and Resources Board. This appointment is considered to be an aftermath of and Mr. Nelson's answer to the charges of Robert R. Guthrie, formerly of the WPB that higher War Production Board officials, including Mr. Reed and J. S. Knowlson, former President of the Radio Manufacturers' Association, had unduly delayed conversion of the radio and other other industries.

In addition to giving Mr. Reed the British assignment, which is regarded as a distinct promotion, being a far more important post than Reed's present assignment, Mr. Nelson also named Mr. Knowlson as his Deputy on the newly created Board. Mr. Knowlson, regarded as No. 2 of the WPB, will, however, remain in Washington to work with Sir Robert J. Sinclair, Director-General of the Army requirements of the British War Office, who will come to Washington. Mr. Reed will leave for London at an early date.

The following, as set forth in an RMA Bulletin, is the section of the Truman Senate Committee's report on the radio industry:

"Mr. Guthrie charged that curtailment of civilian radio production had not been sufficiently expedited and thus factories engaged in assembling civilian radio sets were not brought into war production with sufficient speed. He contended that in January and February of 1942 enough aluminum was allocated to the civilian radio

industry to produce three bomber planes. On January 23 an order was issued by the WPB limiting production of home radios by large manufacturers to 55 per cent of their rate of production in the first 9 months of 1941. Small manufacturers were limited to 65 per cent. A final order was issued setting April 22 as the shut-down date.

"In connection with the radio industry the Committee believes that the WPB have acted commendably in establishing a curtailment and conservation program. Their efforts have been in accord with the principles expressed by the Under Secretary of War, Robert Patterson, who stated:

"At the present time it is essential that all existing radio manufacturing facilities of the United States be kept going on commercial production to and only to the extent necessary to hold together their operative forces until such time as the load of national defense requirements can be placed on these facilities.

"In order to attain this end and thereby prevent the loss of skilled labor and disruption of facilities, I suggest that commercial production be curtailed at once but gradually that suitable quantities of materials for radio production be allotted to this industry to keep it going until it can assume its share of national defense orders. Action has been initiated in the War Department to place war production orders as rapidly as possible with the presumption that continued operation for commercial sales shall not delay or displace such orders."

"In view of the above facts, the committee (the Truman Senate Committee) is of the opinion that Mr. Guthrie's charges in this particular instance were not well founded."

X X X X X X X X X X

MACKAY RADIO SEES LOSS IN CLOSING DOMESTIC CIRCUITS

Operations of Commercial Mackay Corporation and subsidiaries for the three months ended March 31, 1942, resulted in a consolidated net loss of \$286,522, after deducting interest accrued on the outstanding 4% Income Debentures, as compared with a consolidated net loss of \$149,988 for the similar period of 1941.

"Revenues of the cable and radiotelegraph operating subsidiaries continue to be drastically curtailed as a result of the war", John L. Merrill, Chairman of the American Cable & Radio Corp. reports. "New direct radiotelegraph circuits have been established during 1942 between the United States and Russia, Australia, New Zealand, Egypt, China, Bolivia and Paraguay. However, the Mackay Radio and Telegraph companies will be further adversely affected by the closure of all point-to-point domestic radiotelegraph circuits within the continental United States pursuant to an order of the Defense Communications Board. This will result in a substantial reduction in revenues."

X X X X X X X X X X

7/7/42

SANDERS BILL REPORT MAY GO OVER UNTIL FALL

No immediate report will be submitted by the House Interstate and Foreign Commerce Committee on the Sanders Bill to reorganize the Federal Communications Commission hearings on which dragged along for almost three months. They were concluded last week when Edward Hidalgo, attorney for the Radio Corporation of America and its subsidiaries, put in the record a statement of Mark Woods, President of the Blue Net in answer to testimony of Mutual witnesses.

Mr. Woods stated that the "very existence of network broadcasting is dependent upon the ability of a network to operate as a cohesive unit and he said that ability is based upon option time.

Mr. Woods' statement alluded to the Blue's expansion since its separation from NBC early this year. It had 116 stations then, and has added 18 since, including several former MBS affiliates. There are about 40 additional stations seeking affiliation, he said. In February, 1939, the number of network station hours of commercial time was 932; at the same time this year it was 2068, an increase of more than 100%. In 1940 the average number of stations per commercial program was 38, and is now 75.

It is common knowledge, said Mr. Woods that RCA has agreed to dispose of the Blue to outside interests, if a fair price for RCA's investment can be obtained and when buyers can be found who will operate it in the public interest. Mr. Woods said the dominant thought in formulating any legislative pattern for radio should be "to permit its normal growth and expansion as a free enterprise".

A report on the Sanders Bill may be as far away as next Fall - anyway not until after the Congressional recess due to election year. It may be as long as that before Chairman Lea of the House Interstate Commerce Committee even appoints a subcommittee to redraft the Bill.

X X X X X X X X

SEVERAL RADIO TRADES ELIGIBLE FOR DEFERMENT

Among the 138 occupations essential to war production in which workers are eligible for, although not guaranteed, draft preferment by Paul W. McNutt, Chairman of the War Man Power Commission are the following having to do with radio: chassis assembler, radio; electrical tester, radio; and radio equipment assembler.

X X X X X X X X X

U.S. AND BRITISH COMMUNICATIONS HEADS CONFER

Sir Campbell Stuart, Chairman of the British Imperial Advisory Committee for Communications is in Washington conferring with James L. Fly, Chairman of the Federal Communications Commission "on various matters of mutual concern". Sir Campbell was reported to have come direct from London and it is not known how long he will remain in Washington.

X X X X X X X X X

PROFESSOR EXPLAINS HOW RADIO NEWS HELPS PAPERS

A study of radio and the newspapers has been made by Clifford W. Weigle of the Journalism Department of Stanford University which explains how, in his opinion, the broadcasting of news has helped the newspapers.

"Radio newscasts were aimed at the lowest level of mentality - those who never before read the newspapers", Professor Weigle states. "This created an interest in news and helped boost the sales of newspapers", he explained, adding the warning that "the solution of the radio problem will help determine the future prosperity of the press."

Highlights of Professor Weigle's report are:

"Printed advertising has certain definite advantages over audible advertising but this must be sold aggressively", Mr. Weigle said. "All the newspapers want is a half hour of the reader's time, but we have to keep fighting to get that half hour.

"Radio has several hours of the reader's time, and children, who will be the newspaper readers of tomorrow, are great followers of radio."

While newspapers obtained \$545,000,000 for advertising in 1940 to \$200,000,000 which went to radio, the networks showed a gain of 21.5% to a newspaper increase of 1.8%, Mr. Weigle said. A survey of principal accounts showed radio taking \$26,000,000 for drugs and toilet goods advertising to \$20,500,000 which goes to the press, and \$26,750,000 for groceries, including soap, to \$33,000,000 going to newspaper accounts.

Newspapers have \$26,500,000 in auto industry and petroleum product account advertising to radio's \$8,000,000, Mr. Weigle noted, yet the radio advertising of clothing, confectioneries, soft drinks and financial and insurance accounts increased over 100% in 1940.

News and commentators comprised 10 to 12% of the total radio time in 1940, Mr. Weigle reported, for an increase from about 7% before the war. He estimated the radio audience for news programs has increased 50% since the war. "Radio has not succeeded in competing with newspapers on local news", Mr. Weigle said. "Also it has no editorial leadership."

X X X X X X X X X

7/7/42

OTHER WORK SEEN FOR MEN IN CLOSED DOMESTIC CIRCUITS

The Board of War Communications had a conference yesterday (Monday) to study the problem of placement of personnel which has been thrown out of work by the closed domestic radio-telegraph circuits. The session was attended by representatives of the Army, Navy, Coast Guard, the FCC Engineering Department and various representatives of the labor union groups as well as the management heads.

"Domestic radiotelegraph, at least in the main, closed down on order of the Board of War Communications June 30", Chairman James L. Fly said, "and this has left substantial number of personnel available for other services. I will say it that way rather than in terms of their being out of a job because I don't think they are. There is considerable demand for radio operators and for engineers - people that are generally skilled in this field. I know we need some of them in our own monitoring service and I am sure the Army, Navy, and Coast Guard need people of this capacity, and it will be our endeavor to make a study - ask this cooperative group to make a survey of the problem and then ways and means of solving it to the best interests of all concerned."

Informed that about 80 stations were affected by the closure, Mr. Fly said:

"Some of them were more important stations, and of course one of the purposes of this conference is to get an accurate survey of the situation from the standpoint of personnel and their availability for necessary work either with the Government or otherwise."

"Some of the personnel of these 80 stations were retained by the companies to operate the wire circuits that we permitted later on", Edgar Jones, in charge of FCC Public Relations, remarked.

"I am sure that has happened", Chairman Fly said. "They are not all out of a job."

"Will this have any relationship to the work of the Man Power Commission?" Mr. Fly was asked.

"Well", the FCC Chairman replied, "in that its only tendency - of course it is our effort to do something with our own people and our own industry. I assume, of course, that whatever is done will be consistent with the general policies of the Man Power Commission. I don't think there will be any general significance in that connection. We do have some general studies with the War Man Power people that are current now."

X X X X X X X X

17/17-12

RMA WARTIME COMMITTEE CHAIRMEN NAMED

All committee work of the Radio Manufacturers' Association is largely centered on the large military production program of the industry, except for providing replacement and repair components for receiving sets in public use. For the latter functions, a special Committee on Replacement and Repair Parts, headed by Director J. J. Kahn of Chicago as Chairman, is being continued.

The industry's war effort will be largely under the direction of the RMA Executive Committee, acting in the interim between meetings of the Board of Directors and the new War Production Committee. The Executive Committee, of which President Paul V. Galvin is Chairman, includes Directors Ben Abrams, W.R.G. Baker, M. F. Balcom, H. C. Bonfig, J. T. Buckley, Ray H. Manson, J. J. Nance, James P. Quam, Ray F. Sparrow and Treasurer Leslie Muter. It also constitutes the Association's Finance Committee.

RMA Committee Chairmen, which have been appointed by President Galvin for the ensuing year, follow:

Replacement & Repair Parts Committee - Director J.J. Kahn, Chicago
Engineering Department - Director W.R.G. Baker, Bridgeport,
Conn., Director Virgil M. Graham, Emporium, Pa., Assistant
Director
Export Committee - W. A. Coogan, New York City
Membership Committee - Ernest Searing, Philadelphia
Traffic Committee - O. J. Davies, Camden, N. J.
Service Committee - M. J. Schinke, Chicago, Ill.
Legislative Committee - A. H. Gardner, Buffalo, N. Y.
Credit Committee - J. J. Kahn, Chicago, Ill.
By-Laws and Organization Committee - Leslie F. Muter, Chicago.

X X X X X X X X X X

CALIFORNIA CONGRESSMAN BLASTS COMMENTATOR

Addressing the House of Representatives last Monday, Congressman Leland M. Ford paid his respects to commentator Cal Tinney thus:

"I would like to draw the attention of the House and the country to what I would term the mouthpieces of the red purge. I would like to call particular attention to one Cal Tinney. This man is a commentator on the radio. He is either in business as a politician representing the red group or as a legitimate advertiser for business. I think he represents the red group. He is carrying on a program against Congress. He simply lies when he says that Congress is going to adjourn. Every Member on this floor knows that is not true.

"I suggest to every American in the United States that they not buy any Phillie cigars or anything that has Phillie tobacco in it, in view of the fact that they are subsidizing this mouthpiece of the red and communistic group as represented by one Cal Tinney. I say that anybody who would buy one single item from a group that is subsidized by the red purge is making a mistake. I suggest that the Americans get on one side and let these reds get on the other."

X X X X X X X X X X

BATT AND KNOWLSON REPORTED ADVANCED IN WPB REVAMP

A realignment of the War Production Board was expected to be announced today (Tuesday). According to the New York Times, which seems to have advance information on the subject:

"The reorganization involves the absorption by the WPB of the Army and Navy Munitions Board and apparently will also mean the appointment of Ferdinand Eberstadt as Deputy Chairman of WPB in Charge of Operations. Mr. Eberstadt has been head of the Army and Navy Munitions Board.

"William L. Batt and J. S. Knowlson will be appointed Deputy Chairmen with more general authority than Mr. Eberstadt will have. Mr. Batt is to receive a 'roving commission' to represent Donald Nelson and will probably have many of Mr. Nelson's powers delegated to him. In Mr. Nelson's absence he will apparently be in charge of WPB.

"Mr. Knowlson, who is at present Director of Industry Operations, will have specific duties. He is President of the Stewart-Warner Corporation and was elected President of the Radio Manufacturers' Association this year. As Director of the Division of Industry Operations he has authority to operate the priorities system and to administer regulations under requisitioning acts. His new duties as Deputy will apparently include the important functions of programming and scheduling. He will allocate between different industries and between different concerns within those industries the raw materials which they will need to expedite production programs. Production plans will be made in close touch with the Joint Strategy Board through the Combined Production and Resources Board.

"The appointment of Mr. Knowlson as Mr. Nelson's Deputy on the Combined Production and Resources Board has already been announced. It is understood he will also succeed Mr. Batt as Chairman of the Materials Requirements Committee.

"Actual operations will be in charge of Mr. Eberstadt who, until his appointment to the Army and Navy Munitions Board within the last year, was President of the New York brokerage firm of E. Eberstadt & Co.

"The reorganization will free Mr. Nelson of much of the heavy load he has been carrying. It will also make it possible for him to lift his sights on occasion from the national to the international industrial picture, for instance for his projected trip to London in August.

"The new setup represents the defeat of ambitions the armed services are reported to have entertained to get control of the flow of war materials into industry. Reports that the purchase of finished war materials was to be turned over to them caused alarm in some Congressional circles."

X X X X X X X X X

HOME RADIOS IN MISSOURI AND WASHINGTON STATE

A large percentage of the homes in Missouri and its principal cities are equipped with sets as shown by the U. S. Census reports. The State of Washington also follows:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES OF
\$25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - <u>Missouri</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	1,048,642	832,590	209,873	26,179
Rural-nonfarm dwelling units	204,507	153,707	46,461	4,339
Rural-farm dwelling units	290,788	171,489	111,860	7,419
Joplin	11,395	9,317	1,786	292
Kansas City	122,103	109,042	8,842	4,219
St. Joseph	21,716	18,746	2,677	293
St. Louis	234,872	213,392	16,034	5,446
Springfield	18,645	15,950	2,242	453
University City	9,007	8,806	111	90
<u>Area - Washington State</u>				
Total Dwelling Units (including urban)	537,337	472,553	49,224	15,560
Rural-nonfarm dwelling units	141,673	122,923	14,931	3,819
Rural-farm dwelling units	93,456	78,238	12,934	2,184
Bellingham	9,529	8,699	595	235
Everett	9,661	8,761	682	218
Seattle	126,354	111,729	9,718	4,907
Spokane	38,918	35,339	2,644	935
Tacoma	36,086	33,079	2,166	841
Yakima	8,535	7,579	621	335

The Census Bureau will issue a United States summary of home radios in about two weeks. The summary will be issued in advance of availability of detailed information for about three large States.

X X X X X X X X

Costa Rican authorities announced Monday the arrest of a Costa Rican and seizure of a clandestine radio transmitter which was understood to have been used to communicate with Axis agents, an Associated Press reports. The seizure of the radio transmitter followed an Axis submarine attack on a ship in Puerto Limon harbor, July 2 in which 23 Costa Rican stevedores were killed.

X X X X X X X X X X

: : :
: : : TRADE NOTES : : :
: : :

In a statement submitted to Congress of allocations as of May 31, 1942, under funds appropriated to the President, in military and naval appropriations \$149,875 was allocated to the Federal Communications Commission for expenses to analyze incoming short-wave propaganda. Up to May 31 \$144,935 of this amount had been spent.

For the suppression of subversive radio activities \$1,598,523 was allocated, of which \$1,580,626 has been spent.

The Blue Network has just published a brochure on "Where Will Your Markets Be After The War?"

Mrs. Ruth Moodie, formerly with Crossley, Inc., research specialists, has joined the Columbia Broadcasting System as an assistant to Charles H. Smith in the Research Department.

To keep Americans abreast of the country's war progress, the National Broadcasting Company devoted 197 hours and 38 minutes to 508 network broadcasts from Dec. 7 - date of the raid on Pearl Harbor - to June 1st.

It is reported that the FBI has rounded up 1687 short-wave transmitters and receivers that have been in alien hands.

Reporting on the Institute of Radio Engineers convention at Cleveland, T. R. Kennedy, Jr., of the New York Times, writes:

"New facts were brought out by engineers working with systems over which television views some day may leap half-way across the country by radio. The system is now being operated experimentally from New York to Schenectady, a distance of about 150 miles. Only one radio relay point is needed for that distance.

"The report concerned chiefly the reliability of the operation of the channel. The transmitter is atop the Empire State Building. The receiver, near Schenectady, is a mile below the horizon line from the top of the world's tallest building."

The New Zealand Broadcasting Board is one of five new subscribers to NBC Radio-Recording Syndicated programs. The New Zealand Board will broadcast the NBC's division's new "Flying for Freedom" series over Government stations.

The latest "Code of Wartime Practices for American Broadcasters" (Edition of June 15) by the Office of Censorship, is now being issued in printed form. Extra copies may be secured from the Censorship Office or the Government Printing Office in Washington.

The Commencement Address, "Broadcasting for Victory and Peace" delivered at De Pauw University, Greencastle, Indiana, May 31, 1942, by Niles Trammell, President of the National Broadcasting Company, and on which occasion he received the honorary degree of Doctor of Laws, has now been printed in the form of a booklet.

Station KARM, of Fresno, Calif., has applied for special service authorization to change frequency from 1430 kilocycles to 1030 kilocycles employing directional antenna,

In special ceremonies Saturday, July 11, at 2:30 P.M., EWT, the National Broadcasting Company will honor its employees who have died in action or are now in the armed forces. The ceremonies will be conducted in each of the NBC operated stations from coast-to-coast. In New York, dedication of the service flag, with two gold stars for men lost in action, will be broadcast by WEAJ from 2:30 to 2:45 P.M. The six other NBC-operated stations also will broadcast their own program.

There will be 224 blue stars, in addition to the two gold stars, in the NBC New York flag. The dedication address will be made by Maj. Gen. Sandeford Jarman, second in command of the First Army and Commanding General, Anti-Aircraft Defenses, Eastern Theater of Operations.

X X X X X X X X X X X X

CHANGES IN SYLVANIA RADIO TUBE ORGANIZATION

H. Ward Zimmer, General Manufacturing Manager has been appointed General Manager of Operations of the Hygrade Sylvania Corporation Receiving Tube Division, which includes three plants in Pennsylvania and one in New England. In continuing his general manufacturing managership, he will be in charge of equipment design and production, and general division purchasing.

Mr. Zimmer has been with the company for twenty-two years. In 1937 Mr. Zimmer became Assistant Manufacturing Manager, and in 1939 he was made General Manufacturing Manager of the Radio Tube Division.

R. M. Wise, Chief Radio Tube Engineer, is named General Manager of Operations, Special and Large Tube Division of Sylvania, which includes three other Pennsylvania plants. Continuing his general engineering responsibility as General Engineering Manager, Mr. Wise will be responsible for radio tube research and development engineering, commercial engineering and production development.

Mr. Wise, native Hoosier, attended the University of California. He joined the Hygrade Sylvania Corporation in 1929 and since that time important tube developments have come out of the Hygrade Sylvania Research and Development Laboratories, such as the 6.3 volt, the 1.4 volt, the Lock-In and the 14 and 35 volt AC-DC radio tubes.

The 6.3 volt tube, according to a Hygrade Sylvania news letter, has made possible the rapid expansion of auto radios, the 1.4 volt ushered in portable radios, and the 14 and 35 volt series widened the household radio market and aircraft receiver applications. Most recent and revolutionary development is the Sylvania Lock-In glass header tube which eliminates the old style Bakelite and prong base.

X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

RECEIVED

JUL 13 1942

FRANK E. MULLER

INDEX TO ISSUE OF JULY 10, 1942

Knowlson, Just Promoted, To Go With Nelson To England.....	2
Radio Engineers Warned They Are Facing Smart Foes.....	3
Claude Mills Out Of ASCAP.....	5
NBC Committee Meets To Promote Radio's War Effort.....	5
More States Roll Up High Home Radio Percentages.....	6
Trade Notes.....	9
Notice Served That Record Making Ends July 31.....	10
Radio War Guide Suggests Relative Program Importance.....	11

No. 1445

KNOWLSON, JUST PROMOTED, TO GO WITH NELSON TO ENGLAND

Not only has Donald Nelson, supreme tops of the War Production, elevated his fellow Chicagoean, James S. Knowlson, former President of the Radio Manufacturers' Association, to a Vice-Chairmanship in the so-called "realignment" of the War Production Board but Mr. Nelson has selected Mr. Knowlson to accompany him on the important forthcoming trip of the WPB head to England to confer with Sir Oliver Lyttleton, British production head, who recently visited Washington. Messrs. Knowlson and Nelson will also meet in London with Philip D. Reed, former Chairman of General Electric until recently head of the WPB Bureau of Industry Branches, but now Mr. Nelson's representative on the newly created Anglo-American Production and Resources Board.

Thus honors came thick and fast to Mr. Knowlson, former President of the Stewart-Warner Company, who up to the time of Thursday's big shakeup was WPB Director of Industry Operations. In the new lineup there is now only one man ahead of him, except Mr. Nelson, and that is William L. Batt, former Director of the WPB Materials Division. Both Mr. Batt and Mr. Knowlson have been made Vice-Chairmen of the WPB and will rank in that order but the former will serve as "Chief of Staff".

Both Mr. Knowlson and Mr. Batt, on certain occasions, will be Mr. Nelson's stand-ins. Mr. Batt will function in his absence as WPB Chairman. Mr. Knowlson will be his alternate on the combined Production and Resources Board through which British and American economies are to be given strategic direction.

Upon Mr. Knowlson will devolve responsibility for channeling materials through factories that make necessary munitions and essential civilian goods. His activities will be in addordance with policy decisions approved by Mr. Nelson.

Mr. Knowlson will have responsibility for program determinations, will serve as Mr. Nelson's Deputy on the combined Production and Resources Board and will be Chairman of the Requirements Committee.

"Just as the program development work is brought under Mr. Knowlson", Mr. Nelson said, "all of the operational work - including the industry and material branches, appropriate bureaus, and the field organization - is brought together under a Director General of Operations. This post has been given to Amory Houghton, formerly Deputy Chief of the Bureau of Industry Branches, the Bureau formerly headed by Philip D. Reed.

"Thus the programs and policies governing the flow of materials which are worked out under Mr. Knowlson are put into operating units controlled by Mr. Houghton."

In addition to the two Vice Chairmen, two Deputy chairmanships were created by realignment. One of the Deputies will head the Smaller War Plants Corporation set up recently by Congress to help small enterprises to participate in military production or in phases of civilian manufacture.

The other Deputy will be assigned to watch the progress of war production, functioning as a kind of "inspector general" in checking on the whole production program to anticipate bottlenecks, to detect the causes of failure and to help see that remedies are applied.

Neither of the Deputies has been chosen, but will be soon, Mr. Nelson promised. He added that the corporation's personnel shortly will be selected, emphasizing that from now on industrial conversion will take place chiefly in small business.

X X X X X X X X

RADIO ENGINEERS WARNED THEY ARE FACING SMART FOES

That they will have to get up pretty early in the morning to get ahead of their enemies in this war was the warning of Paul V. Galvin, President of the Radio Manufacturers' Association addressing the Institute of Radio Engineers Convention in Cleveland last week.

"You fellows are up against some clever engineers in the radio and electronics field in both Germany and Japan", Mr. Galvin declared. "An examination of the technical literature will show you that; and the Nazis have turned out apparatus which will command your attention and challenge your ingenuity. I wonder, sometimes, if all of you engineers thoroughly realize the importance radio is destined to play in the winning of this war. The whole pattern of war tactics and strategy has been altered by the use of radio communication and radio direction finders. The coordination of land, air and sea forces is accomplished by radio. Protection from the enemy and firing accuracy is accomplished by radar. It has been said that, in the aerial battle for Britain in the Fall of 1940, radio direction finding apparatus, which we in this country call radar, was a prime contributing factor of the R. A. F. maintaining superiority in the air over the Nazis with a much smaller aggregation of flying equipment. You are alive, I am sure, to your war effort responsibilities, but I implore you to do more. You must do more. We all must do more if we are to win this war."

Mr. Galvin said the management group as a whole, in whose hands the war production effort of this radio industry has been entrusted, are fully conscious of their very serious responsibility in this program.

"They have stripped their plants for necessary action and are producing apparatus in huge quantities", the RMA head explained. "They realize they will be continuously pressed to do more and better. They are just now feeling the acceleration from their early efforts. They are prepared, and will meet the requirements and will beat schedules. I am fully confident that the radio industry will come through for the Army and Navy on every score. It is a big order, I know, when we realize the magnitude of this vast radio and radar program. But the radio manufacturers are used to 'licking' big problems. They know their problems in this war effort, and they will be solved. To you radio engineers who are 'in the groove' and making your grand contribution to this great effort toward our winning the war, 'Hats off to you and keep up the good work' - and that, I am glad to say, goes for most of you. To you few who are not yet 'in the groove' giving your very best and your all in this war effort, I say, 'Break that old mental bottleneck - dust off the cobwebs and get in there with some good intelligent licks.' Your brainstorm may be the 'rabbit out of the hat' that will make a most valuable contribution to this effort.

"Industry, by its deeds in the war effort, is standing the business 'baiter' back on his heels. The critics of reputable business seem to have had a 'field-day' before the war. Today their demogoguery is being answered by action. The production job being done by industry in this war effort is a vindication of the private enterprise system. The public is, and will continue to be, very much impressed with the job industry is doing. These accomplishments of assembly, process, and method are all basically engineering. Let's be sure when these accomplishments have been recorded in history that the radio industry can proudly look back on its record.

"Yesterday morning I received a communication from James S. Knowlson, Director of the Division of Industry Operations of the War Production Board, Washington, D. C. In that communication I thought there was a paragraph that was of specific interest to the radio engineers, and I have 'lifted' that paragraph and am quoting it herewith:

'Of course, the radio industry has a tremendous job ahead and probably a good deal of grief because the art changes so rapidly it is hard to keep up with the requirements. Certainly, if necessity is the mother of invention, we are going to see a lot of new things in the radio and radar developments, and I imagine that when we go back to television we are going to find that most of the standards that have been made are obsolete. In the meantime, war production is the thing, and as you say, it looks like quite a job."

"Work hard during the war, fellows! Your fun is coming after the war is over. With all the new materials, new tubes, and new ideas developed during the war, you are going to have a picnic shaping them into playthings for commercial and civilian application. There will be no 'status quo ante bellum' for the radio engineer."

X X X X X X X X

CLAUDE MILLS OUT OF ASCAP

Following the retirement of Gene Buck as President about two months ago, E. C. Mills, ASCAP veteran, has resigned as Chairman of the Administrative Committee of that organization. The reasons for this are perhaps best told in Mr. Mills' own words:

"For the past three years, and particularly prior to the inception and during the progress of the controversy with the broadcasters, I have been completely at odds on policy and strategy with ASCAP's Board of Directors.

"It's better for ASCAP and better for me that I get out."

It was reported that in accepting the resignation of Mr. Mills, the ASCAP Board of Directors voted to pay him a year's salary \$35,000, providing he agreed to refrain from any action that might be inimical to the best interests of the Society. Also not to accept work in the performing rights field during the year's period.

Mr. Mills is a native of Denver, born in 1881. He participated in the purchase by RCA-NBC of a group of publishing firms which were merged into a subsidiary Radio Music, Inc. Later, Mr. Mills returned to ASCAP.

Mr. Mills was decorated as an Officer of the Academie Francaise, the Order of Merit (Rumania) and received the Panama Canal Gold Medal.

Mr. Mills has not announced his plans for the future.

X X X X X X X X

NBC COMMITTEE MEETS TO PROMOTE RADIO'S WAR EFFORT

The Planning and Advisory Committee of the National Broadcasting Company met in New York Thursday in its third conference of the year to promote cooperation of the network and affiliates in America's all-out war effort. Two of the principal questions to be discussed were concern furthering radio's participation in the war's prosecution, and methods of meeting acute shortages of men and materials in the face of an increasingly heavy war job.

Among Regional Chairmen meeting with the NBC network representatives were: Harry Stone, Station WSM, Nashville, Tenn.; Paul W. Morency, Station WTIC, Hartford, Conn., and James D. Shouse, Station WLW, Cincinnati, Ohio.

Niles Trammell, NBC President, headed the network's representation. Others were Frank E. Mullen, Vice-President and General Manager; William S. Hedges, Vice-President in Charge of Stations; Judge A. L. Ashby, Vice-President and General Counsel and Frank M. Russell, Vice-President in charge of NBC's Washington office.

X X X X X X X X X X

7/10/42

MORE STATES ROLL UP HIGH HOME RADIO PERCENTAGES

And still they come! The following additional States have been heard from in the home radio census:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND FOR CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - <u>New Jersey</u> The State	Total	With Radio	No Radio	Not Reporting on Radio
Total Dwelling Units (including urban)	1,100,260	1,020,466	48,243	31,551
Rural-nonfarm dwelling units	167,675	152,297	11,158	4,220
Rural-farm dwelling units	32,948	28,117	3,970	861
Atlantic City	17,791	16,042	1,204	545
Bayonne	19,123	18,183	506	434
Belleville	7,221	6,840	180	201
Bloomfield	11,479	10,916	129	434
Camden	30,478	27,655	2,052	771
Clifton	13,125	12,651	239	235
East Orange	20,394	19,324	281	789
Elizabeth	27,980	26,243	975	762
Garfield	7,143	6,669	277	197
Hackensack	6,789	6,359	205	225
Hoboken	13,324	12,481	523	320
Irvington	15,995	15,388	184	423
Jersey City	79,684	74,915	2,688	2,081
Kearny	10,474	10,046	195	233
Montclair	10,305	9,591	225	489
Newark	112,194	101,157	6,035	5,002
New Brunswick	8,667	7,926	459	282
North Bergen township*	10,991	10,555	238	198
Orange	9,249	8,601	423	225
Passaic	16,025	14,917	954	154
Paterson	38,685	35,757	1,955	973
Perth Amboy	10,292	9,464	483	345
Plainfield	9,866	9,287	342	237
Teaneck township*	6,904	6,771	43	90
Trenton	29,594	27,154	1,493	947
Union City	16,767	15,769	576	422
West New York	11,403	10,950	221	232
West Orange	6,558	6,248	82	228
Woodbridge township*	6,477	5,884	338	255

* Urban by special rule

Area - <u>Virginia</u>	Total	With Radio	No Radio	Not Reporting On Radio
Total Dwelling Units (including urban)	627,532	409,978	200,900	16,654
Rural-nonfarm dwelling units	174,219	114,756	65,952	4,511
Rural-farm dwelling units	209,208	95,552	108,054	5,602
Alexandria	8,774	7,931	668	175
Bristol	2,356	1,902	389	65
Buena Vista	1,012	744	247	21
Charlottesville	5,269	4,034	1,016	219
Clifton Forge	1,628	1,410	197	21
Danville	8,311	5,936	2,231	144
Fredericksburg	2,594	2,331	190	73
Hampton	1,649	1,262	316	71
Harrisonburg	2,312	1,940	267	105
Hopewell	2,247	1,873	301	73
Lynchburg	11,428	8,795	2,357	276
Martinsville	2,315	1,655	576	84
Newport News	9,724	7,439	1,966	319
Norfolk	37,403	30,085	5,985	1,333
Petersburg	8,170	5,648	2,276	246
Portsmouth	13,225	10,200	2,564	461
Radford	1,701	1,429	253	19
Richmond	50,917	43,084	6,704	1,129
Roanoke	17,949	15,386	2,194	369
South Norfolk	2,038	1,604	365	69
Staunton	2,913	2,393	372	148
Suffolk	2,978	2,240	657	81
Williamsburg	679	576	89	14
Winchester	3,308	2,897	332	79

Area - <u>Wisconsin</u>	Total	With Radio	No Radio	Not Reporting On Radio
Total Dwelling Units (including urban)	827,207	743,078	67,355	16,774
Rural-nonfarm dwelling units	161,089	140,321	17,571	3,197
Rural-farm dwelling units	202,887	165,075	33,707	4,105
Appleton	7,786	7,391	218	177
Beloit	7,383	6,926	326	131
Eau Claire	8,515	7,883	398	234
Fond du Lac	7,505	7,125	262	118
Green Bay	12,144	11,517	433	194
Kenosha	12,960	12,466	289	205
La Crosse	11,788	11,050	526	212
Madison	19,221	18,347	369	505
Milwaukee	164,335	156,662	4,578	3,095
Oshkosh	11,075	10,270	542	263
Racine	18,306	17,652	356	298
Sheboygan	11,092	10,504	327	261
Superior	9,644	8,979	463	202
Wausau	7,236	6,794	262	180
Wauwatosa	7,211	6,969	40	202
West Allis	9,570	9,318	131	121

Area - <u>Indiana</u>	Total	With Radio	No Radio	Not Reporting On Radio
Total Dwelling Units (Including urban)	961,498	826,603	110,444	24,451
Rural-nonfarm dwelling units	208,010	173,928	29,377	4,705
Rural-farm dwelling units	212,415	160,969	46,658	4,788
Anderson	12,412	11,376	591	445
East Chicago	13,169	12,072	773	324
Elkhart	9,800	9,216	342	242
Evansville	28,363	24,893	2,803	667
Fort Wayne	32,998	31,046	1,050	902
Gary	30,005	27,177	2,035	793
Hammond	18,432	17,402	483	547
Indianapolis	112,231	102,322	6,146	3,763
Kokomo	9,579	8,785	523	271
Lafayette	8,132	7,423	476	233
Marion	8,032	7,142	468	422
Michigan City	6,513	6,188	187	138
Misawaka	7,948	7,308	453	187
New Albany	7,547	6,537	738	272
Muncie	14,685	13,448	852	385
Richmond	10,191	9,396	510	285
South Bend	27,894	25,974	1,239	681
Terre Haute	19,654	17,189	2,052	413

Area - <u>South Carolina</u>	Total	With Radio	No Radio	Not Reporting On Radio
Total Dwelling Units (including urban)	434,968	209,542	212,721	12,705
Rural-nonfarm dwelling units	126,119	73,498	49,078	3,543
Rural-farm dwelling units	185,346	55,525	124,088	5,733
Charleston	20,410	12,198	7,505	707
Columbia	15,363	10,767	4,097	499
Greenville	9,708	6,447	3,018	243
Spartanburg	8,326	5,858	2,218	250

X X X X X X X X X X X X

Addressing the House of Commons, Brendan Bracken, Minister of Information disclosed that Britain would spend about \$34,400,000 on propaganda at home and abroad during the current fiscal year, an increase of \$9,740,000 over last year.

Of the Information Ministry's budget \$16,000,000 was spent on publicity services with more than half of this going for overseas propaganda.

Defending the British Broadcasting Co., which has semi-independent status although government-supported, Mr. Bracken called it "the largest and most trusted broadcasting instrument in the world". He said it reaches 200,000,000 hearers a week.

"The Axis powers look upon it as a might enemy", he said.

"I don't want to manage the BBC, but I would be prepared to do so if it were ordered by the House", Mr. Bracken commented.

X X X X X X X X

: : :
: : : TRADE NOTES : : :
: : :

Earl Godwin, ace Washington commentator, who was selected above all others to put on the forthcoming new Ford series of news broadcasts, dedicated his regular Thompson's Dairy broadcast in the Capital yesterday (Thursday) morning to Mrs. Frank M. Russell, wife of the vice President of the National Broadcasting Company in Washington.

It seems back in the old days when Mrs. Russell (then Miss Phoebe Gale) was handling publicity for NBC and WRC (and it has never been done better), Mr. Godwin was struggling along in the same organization with his early news broadcasts.

"Miss Gale was one of the first to help me get my program out of the basement", Mr. Godwin declared in appreciation.

Stockholders of Hygrade Sylvania Corp. were asked in New York last Tuesday to consider a change in the corporate name to Sylvania Products, Inc., according to a special dispatch to the Washington Star. The proposal will be voted on at a special meeting of common stockholders called for July 21.

The change has already been approved by officers and directors. It will not affect basic operations or policies, but is described as a step in the company's long-term program in preparation for post-war developments.

The three new members of the CBS Research and Sales Promotion Departments are Miss Betty Marks, Edward W. Side and Dr. Gerhard D. Wiebe. Miss Marks was formerly continuity head of WINS, Mr. Side, formerly production manager of the Blaker Advertising Agency, Inc., and Dr. Wiebe, comes to CBS from the Evaluation of School Broadcasts project of Ohio State University.

The Commission en banc amended subsection (a)(2) of Section 2.53 of its General Rules and Regulations to read as follows:

"(2) In the case of two or more stations, except amateur and broadcast, licensed in the name of the same person to use frequencies above 30000 kilocycles only, a licensed radio operator of any class except amateur or holder of restricted radiotelephone or radiotelegraph operator permit who has the station within his effective control, may be on duty at any point within the communication range of such stations in lieu of the transmitter location or control point during the actual operation of the transmitting apparatus and shall supervise the emissions of all such stations so as to insure the proper operation in accordance with the station license."

Lowell Thomas, the radio commentator, received \$95,645 in 1941 for his nightly 15-minute news broadcast sponsored by the Sun Oil Co., the firm's annual report filed in Philadelphia with the Securities and Exchange Commission disclosed Wednesday. The company also paid J. Howard Pew, President, and Joseph N. Pew, Jr., Vice President, \$63,385 each as annual salaries and J. Edgar Pew, Vice-President \$83,787.

NOTICE SERVED THAT RECORD MAKING ENDS JULY 31

In an effort to give more work to union musicians and to prevent broadcasting stations, restaurants and others from using records instead of "live musicians", James C. Petrillo, President of the American Federation of Musicians is now endeavoring to carry out his long threatened attempt to ban records. He has written a letter to the record manufacturers of the country that the members of his organization - numbering 150,000 musicians - will not make "records, electrical transcriptions or any other form of electrical reproduction of music" after July 31.

The manufacturers reply to this was that if they made records for home consumption only they would have no way of keeping broadcasting stations from using them. Mr. Petrillo declared they would have to find a way.

He estimated that the members of his organization received about \$3,000,000 a year in royalties from recordings, but that they "lost" \$100,000,000 annually as a result of the reduced employment opportunities caused by the availability of "canned music" in establishments that would otherwise employ union musicians.

"There are 800 radio stations in the United States and Canada", Mr. Petrillo said, "and 550 of them have no live music. They just use canned music twenty-four hours a day. There is a question of who survives - we or they. If the stations can't get records and won't hire live bands, that will be their funeral, not ours",

Referring to Mr. Petrillo's demands, the New York Times said editorially:

"We need not waste too much time on the economic reasoning by which Mr. Petrillo defends this high-handed action. He is evidently under the impression that if he forbids radio stations and restaurants to use records they will have to use orchestras and bands. He is mistaken. The net result will be simply that the public will hear less music. The small radio stations and restaurants would not be able to afford it. To the extent that the public is forced to spend money to make such arbitrarily created jobs for musicians, moreover, it will have just that much less to spend in ways that create other kinds of jobs.

"If Mr. Petrillo is right and justified in putting a ban on records 'to make more work' for 'live' musicians, then stage performers would be justified in putting a ban on motion pictures in the hope that it would make more work for 'live' actors, and the railroad and taxicab unions would be justified in putting a ban on telephone calls that saved people from actually going uptown or to Chicago.

"Even if Mr. Petrillo's economics were not fantastic, it is intolerable that a labor leader should dictate to the American people what kind of music it shall and shall not hear. But if we need to waste little time in exposing the nonsense in Mr. Petrillo's economics, we should waste less in denouncing Mr. Petrillo as an individual. It is much more important to remind ourselves that it is our political muddle-headedness and spinelessness that have made the Petrillo type of dictator possible. He is possible because the Administration and Congress and the Supreme Court among them have held that labor unions are immune from the laws against restraint of trade. Mr. Petrillo's latest ukase is the perfect fruit of that immunity."

X X X X X X X X X X

RADIO WAR GUIDE SUGGESTS RELATIVE PROGRAM IMPORTANCE

Suggestions to help broadcasters understand the relative programming importance of factual war information and general program ideas are continued in the second issue of the Radio War Guide published by the Office of Facts and Figures which has now been absorbed by the Office of War Information.

Explaining what factual war information consists of and how it might be used, the War Guide says:

"On an accompanying chart are the current rankings of the thirty-odd specific subjects on which Government departments or agencies are sending you announcements, transcriptions, scripts, etc., at the present time. In greater or lesser degree, all of these are related to the War effort. It has not been possible to include War information subjects issued by private organizations - however worthy.

"The Office of War Information, serving as the coordinating agency, has met with the Information departments of the Government to determine the relative radio importance of these War information subjects. These rankings are of course temporary.

"The time and types of programs and spots available for Government messages vary from station to station. We have no intention of telling you when, where, or how to space these. However, we have indicated in the headings of the various classifications the relative proportion of emphasis which each deserves in the War effort."

Under the heading of general program ideas are the following suggestions:

"Many stations have developed programs based on the six basic themes contained in the speech of the President on January 6, 1942. OWI appreciates the efforts of local stations to further the understanding of these problems and urges their continued treatment. The themes are:

- "1. THE ISSUES - What we are fighting for . . . Why we fight.
- "2. THE ENEMY - The nature of our adversary . . . Whom we fight
- "3. THE UNITED NATIONS AND PEOPLES - Our brothers-in-arms. . .
With whom we are allied in fighting.
- "4. WORK AND PRODUCTION - The war at home . . . How each of
us can fight.
- "5. SACRIFICE - What we must give up to win the fight.
- "6. THE FIGHTING FORCES - The job of the fighting man at the
front.

"Two of the most vital of the basic themes, however, have not received full radio treatment: The Issues and The United Nations and Peoples".

An "Anti-Inflation" Program is suggested and suggested that it be presented under the headings - "The Problem", "What Can Be Done To Stop It", the latter carrying a seven-point plan as to how to do this. Explaining the need for presenting the Anti-Inflation Program via radio, the Guide states:

"This seven-point plan will work only if the American people are willing to accept the sacrifices it entails. We know that radio will, as usual, accept the responsibility of clarifying those of the seven points which it is capable of handling.

"Specifically, Radio can help in the anti-inflation drive by telling people:

"In general, what they should know.
Specifically, what they can do."

Finally the Guide tells how different types of radio programs can bring home the seven-point plan to the people by suggesting a few general "springboard" ideas for different types of programs, namely - Forums, Roundtables, and Discussions; Consumer, Farm and Women's Programs, and Dramatic Programs.

X X X X X X X X

The WCAU Broadcasting Company, Philadelphia, Pa. has been designated for a hearing for new television (commercial) station to operate on Channel No. 5, 84,000-90,000 kilocycles, ESR 1128.

The Hughes Productions Co. of San Francisco, Cal., has been denied petition to grant application to convert outstanding construction permit into commercial television station, and designated application for hearing.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.

GENERAL LIBRARY

INDEX TO ISSUE OF JULY 14, 1942

Knowlson Temporarily WPB Chief Of Staff.....	2
Radio Forum Director Nelson's Advisor.....	3
Sees "Selfish Interests" Blocking Equipment Pool.....	4
Davis, Cowles, Jr. And Lewis Top OWI Radio Men.....	5
Slow Diathermy Response Arouses Fear Of Enemy Use.....	6
Army Radio Schools In Chicago's Two Largest Hotels.....	7
Petrillo Forces National Music Camp Off The Air.....	8
Radio Ban Puts Ships In Peril, Says Unionist.....	10
Trade Notes	11
Johnson New Hygrade Radio Tube Ad Manager.....	12

No. 1445

July 14, 1942

KNOWLSON TEMPORARILY WPB CHIEF OF STAFF

James S. Knowlson, former President of the Radio Manufacturers' Association, goes higher and higher closely following his promotion to Assistant Chairman of the War Production Board. William L. Batt, Donald Nelson's new chief of staff, was stricken with appendicitis requiring an immediate operation. This advanced Mr. Knowlson to second in command. In the absence of Mr. Nelson, Mr. Knowlson would now be the Acting Director of the world's greatest production organization.

Thus Mr. Knowlson goes to the head of the class of the little army of dollar-a-year men who have enlisted in war production. And it is a little army for as set forth in an article "Don Nelson's Men" in Business Week for July 4 - the first place we have ever seen all their names printed - there are about 700 so-called dollar-a-year men now serving in WPB.

They are divided into three classifications - Permanent Dollar-a-Year Personnel, Temporary Dollar-a-Year Personnel, "Without Compensation" Personnel. A hasty glance over this list of 700 dollar-a-year men as of June 4th, reveals the fact that not more than 20 or so are from radio or communications companies. In the Permanent Dollar-a-Year listing were noticed Edgar C. Brandt, Westinghouse Electric Manufacturing Co.; Frank Cliffe, Asst. Comptroller, General Electric Co.; William Day, Public Relations Supervisor, American Telephone & Telegraph; Joseph V. Dunn, Engineer, American Telephone & Telegraph Co.; Mahlow Fawcett, Superintendent of Manufacturing, Westinghouse Co.; William H. Harrison, Vice President, American Telephone & Telegraph Co.; Dean Harvey, Materials Engineer, Westinghouse Electric Mfg. Co.; James S. Knowlson, Pres., Stewart-Warner Corp.; George A. Landry, Western Electric Co.; Alphon Penrod, Western Electric.

In the Temporary Dollar-a-Year list were G. Keith Funston, Sales Planning Director, Hygrade Sylvania Corp.; Clarence G. Harvey, Staff Supervisor, American Telephone & Telegraph Co.; John M. Hipple, Assistant to Manager, Merchandising Dept., Westinghouse Electric Co., John A. Kennedy, President, Radio Station WSAZ.

In the "Without Compensation" category were: Mark F. Ethridge, Louisville Courier-Journal; W. G. Marshall, Vice President, Westinghouse Electric & Mfg. Co.; Joseph Mitton, Victor Talking Machir Co.; and David Sarnoff, President, Radio Corporation of America.

Business Week, a McGraw-Hill publication is not for sale on the newstands but reprints of the article "Don Nelson's Men" containing the names of all the dollar-a-year personnel may be had for 20¢ apiece by addressing Willard Chevalier, Publisher, Business Week, 330 West 42nd Street, New York City.

In commenting upon the new WPB alignment, David Lawrence wrote:

"Sooner or later, Mr. Nelson will have to set up a three-sided organization, consisting of industry on the one hand, the military on the other and the civilian governmental personnel in between. All three viewpoints are needed to achieve the desired result. Mere reshuffling of administrative officers, inside the WPB, just announced, is important but it does not strike at the root of the difficulty, and sooner or later the military viewpoint must be given greater weight if we are to win the war on the production front."

"In winning this war both the civilian and the military mind are required", the Washington Post said. We shall get the best results as well as save a great deal of time by a clear demarcation of function and by a harmonious dovetailing of the two functions. Strategy should be reserved to the military and supply to the civilian arm. And those in charge of both should be in constant association, since supply must be the servant of strategy. That, we take it, is what the new WPB reorganization amounts to. In addition to reasserting his authority over supplies, Mr. Nelson has been relieved of administrative detail so that he will be able to keep in close touch with the military chieftains who are developing and executing our war strategy."

X X X X X X X X X

RADIO FORUM DIRECTOR NELSON'S ADVISOR

Donald M. Nelson, Chairman of the War Production Board, announced the appointment of Theodore Granik, well known in the radio field as Director of the American Forum of the Air, as Special Advisor to the Chairman. He will advise on such problems as the Chairman may assign to him from time to time concentrating principally on problems in the field of public relations.

Mr. Granik, a New York and Washington attorney, formerly served as Assistant District Attorney of New York and more recently as Counsel to the United States Housing Authority. He will serve without compensation.

Mr. Granik, who is 37 years old, was formerly civilian adviser to Gen. Louis B. Hershey, Selective Service Director, and as Counsel to the Senate Committee on Small Business of which Senator James E. Murray (D.), of Montana, is Chairman.

The American Forum of the Air broadcast over the Mutual Network under the direction of Mr. Granik, has become one of the most talked of broadcasts originating in the Capital. Each Sunday night some current controversial subject is debated by high Government officials, members of Congress and others. Very often this debate becomes so heated that difficulty in keeping all the participants from trying to talk at once has been experienced by Mr. Granik.

X X X X X X X X X

SEES "SELFISH INTERESTS" BLOCKING EQUIPMENT POOL

Chairman James L. Fly of the Board of War Communications didn't speak optimistically when asked if there was anything new on the progress of the broadcast station equipment pool.

"We are engaged in various studies on the whole problem of equipment conservation", he said. Of course as you know the pooling idea has been obstructed here and there by certain selfish interests in the industry and it has made it somewhat difficult to proceed without more wholehearted cooperation. I might say this is something that is done wholly for the industry and it is to be regretted that we have anything but whole cooperation from the industry, and I am sure that looking toward the conservation of materials and endeavoring to lay a foundation for some assurance that we can continue to operate, that we will get the matter in satisfactory shape in pretty short order.

"I guess you are familiar with the Board's inquiry as to the various transmitter tubes of standard broadcast stations. There has been considerable publicity on that. That should give us some very useful information. We are also considering other ways and means to conserve existing materials that are already in the stations and in operation."

More than 570 of 906 radio broadcast stations will be forced off the air within another year, Federal Communications Commission officials estimated unless steps are taken promptly to provide replacement tubes for transmitters.

With a view to presenting the problem to the War Production Board, the Board of War Communications sent to the stations a questionnaire on tubes.

Earlier in the defense program when the supply of strategic materials became tight, plans were formulated to guard against such a situation by working out a tentative plan of pooling tubes.

But the plan proved increasingly ineffective because stations with spares did not desire to give them up to some station whose tubes had failed, particularly since the manufacture of tubes for commercial broadcasting was halted.

All the transmitting tube manufacturers now are said to be engaged in the manufacture of such equipment for the Army and Navy. This, however, it was said, has not closed the commercial broadcasters absolutely, because they are able to get tubes rejected by the Army and Navy because they do not meet the rigid specifications of the services.

But, officials pointed out, even this will not take care of the situation as more and more tubes end their period of usefulness. These large tubes, ranging in price from \$1,000 to \$5,000 apiece, normally are guaranteed for 1,000 hours of use, but it was

7/14/42

said that actually they serve from 5,000 to 9,000 hours, and in some cases as long as 20,000 hours.

But many of the present tubes in use, it was said, may be made by careful "nursing" to last longer under war conditions.

To remedy the situation, the WPB may be asked to provide for a period of manufacture. The materials situation is not as serious as the manufacturing. Each of the tubes, according to engineers, uses no more than a pound of copper and a small quantity of tungsten.

Stations expected to be hit hardest are the smaller ones, because their financial condition has not permitted them to keep spare tubes in quantity.

X X X X X X X X X X

DAVIS, COWLES, JR. AND LEWIS TOP OWI RADIO MEN

As had been expected, William D. Lewis, formerly Vice-President of the Columbia Broadcasting System, was appointed by Elmer Davis, himself formerly a CBS commentator, to be chief of the new Office of War Information radio bureau. Mr. Lewis had held this same position in the Office of Facts and Figures which was absorbed by OWI.

An added starter, however, was when Gardner Cowles, Jr., of the Des Moines Register, and President of the Iowa Broadcasting Company (KSO-KRNT, Des Moines, WMT, Cedar Rapids and WNAX, Yankton, S.D.) was made Assistant Director in charge of all domestic operations of the OWI.

In the formal notice of the organization of OWI, Director Elmer Davis had this to say about radio:

"Because radio time is limited, the Office of War Information will review and clear all proposed radio programs sponsored by Federal departments and agencies (whether they directly bear upon war information or not), will allocate available time for such programs and will serve as the central point of clearance and contact for the broadcasting industry in its relationships with Federal departments and agencies concerning such government programs.

"Federal departments and agencies desiring to disseminate information by radio will make necessary arrangements through the Chief of the Radio Bureau, Office of War Information; the Chief of the Bureau will be responsible for consulting the appropriate policy officers and subject-matter authorities in arranging final clearance of such programs."

X X X X X X X X X X

7/14/42

SLOW DIATHERMY RESPONSE AROUSES FEAR OF ENEMY USE

Considerable apprehension is felt by the Board of War Communications because of the fact that only about two-thirds of the owners of diathermy machines of the country have been heard from. It is feared that some of the others are in the hands of enemy aliens who may be using them as short-wave transmitters. The matter was brought up at a press conference with Chairman James L. Fly, who said:

"We are a bit concerned at the rate which the various owners of diathermy machines are registering them in accordance with the Order of May 18th. I do think that this is a matter which is of some real concern to us in connection with the war. Not merely from the standpoint of radio interference that are caused, but also because of the possibility of the use of these machines in slight modifications for radio transmitting purposes. It is very essential that we have a complete and effective policing of the radio spectrum. We must take completely effective measures to avoid any possible misuse of these diathermy machines. To date we have received 67,601 applications for registration. That is not a bad record. However, we have the impression that there are substantial numbers of additional diathermy machines in the country and we are very hopeful that all parties concerned will move promptly to get them registered in accordance with the order.

"Have you any estimate as to the number?" the Chairman was asked.

"There's no way to get any accurate estimate", he replied. As I said, "We have 67,000 odd here. I suppose that probably represents two-thirds of them; that is purely conjecture. I think too that there may be some of the owners that are not aware of the necessity of registering, and I really want to give a word of caution on that and urge that all be registered promptly. Perhaps I ought to add that, while we are greatly concerned with this matter, there has been no case established where these machines were being used for improper purposes - that is, for radio transmissions. I am certainly making no charge of general abuses. It is a matter of the potential."

"How far would one of these machines carry as a transmitter?" Bertram Linz, of Technical News Service, inquired.

"Considerable distance" was the reply. "Years ago our people keyed one up and transmitted messages from one of the hospitals - Massachusetts General Hospital, I think it was - transmitted messages picked up by people in San Diego, California. Of course a short range transmitter has some substantial range and may be put to just as bad use as an international transmitter."

"What class of machines fall in the class of diathermy" Mr. Perlmeter of the Associated Press asked.

7/14/42

"I think our order set that forth", he answered. "It is really an engineering question, but it is set forth in the order; 'That every person who has in his possession any apparatus which is capable of generating radio frequency energy.' Now there is a foot-note which says: 'term "radiofrequency energy" means electromagnetic energy at any frequency between the limits 10 kilocycles - 10,000 megacycles.' For practical purposes that covers the spectrum. Then the foot-note states: 'Such apparatus includes any equipment which utilizes a radio-frequency oscillator, or any other type of radiofrequency generator, to transmit, or which transmits, inadvertently or otherwise, radiofrequency energy -- whether through space, or guided by wire lines - for purposes of communication or control, for therapeutic treatments, industrial operations, or any other purpose whatsoever.'"

"Then it is substantially medical apparatus?" the Chairman was asked.

"Substantially the diathermy machine", Mr. Fly replied. "That is the rub, but it is not limited to such machines.

"What about the progress of the other type of radio apparatus registration?" was a further inquiry.

"The last report we have on transmitters was something like 5,000 or so - that's dealer sets", Edgar Jones, FCC Public Relations officer, interjected.

"That will probably move along quite all right because we are dealing with manufacturers", Mr. Fly said.

"I understand England has taken some drastic steps - took over all diathermy", Roland Davies of Telecommunications, remarked.

"Yes, I think they took some rather stringent steps", Mr. Fly concluded.

X X X X X X X X

ARMY RADIO SCHOOLS IN CHICAGO'S TWO LARGEST HOTELS

A new Army Air Force school for radio operators and radio mechanics, housed in two of Chicago's largest hotels, will begin operation September 3, it was announced last week by Maj. Gen. F. L. Martin, head of the Air Force Second District Technical Training Command.

General Martin conferred with Col. Walter T. Meyer, Commander of the new Chicago training unit, on converting the two Michigan Boulevard hostelries - the Stevens Hotel and the Congress Hotel - into one of the world's largest technical schools.

7/14/42

At a press conference, General Martin, whose headquarters are at St. Louis, said the new school would train selected soldiers to be assigned from the Air Force replacement center at Jefferson Barracks, Mo. He said new classes would be admitted weekly to the 14-week courses.

Neither officer would say how many men will be trained at the two hotels. However, they said that for the present, the two additional buildings would provide sufficient facilities for the school.

The swift court action meant the buildings must be evacuated by July 31. At the time the order was entered the Stevens had 1,200 regular and 350 extra employees and 2,600 transient and 585 permanent guests. The Congress had a working staff of 600 and 850 guests.

The Stevens has been the site of hundreds of conventions, among them the gatherings of the Radio Manufacturers' Association, and was headquarters during national political conventions in 1932 and 1940. It was built in 1927 at a cost of \$27,000,000 and the management reported it had a recent assessed valuation of \$16,000,000.

The Congress was built in 1893 as an annex to the Auditorium Hotel. It was enlarged in 1902 and given its present name in 1911.

X X X X X X X X

PETRILLO FORCES NATIONAL MUSIC CAMP OFF THE AIR

Closely following the ultimatum that after August 1st no more phonograph records will be made by Union musicians - a move to block radio stations from broadcasting these records - James C. Petrillo, President of the American Federation of Musicians last Saturday succeeded in having the National Broadcasting Company cancel the first of the season's Saturday afternoon broadcasts by the High School orchestra from the National Music Camp at Interlochen, Michigan. The orchestra is made up of 160 boys and girls from 40 States.

Dr. Joseph E. Maddy, President of the camp, said the broadcasts from the camp did not "compete" with professional music or replace it. He pointed out that the average age of the members of the High School orchestra was 15 and that they were ineligible for membership in Mr. Petrillo's organization.

"I see no reason why Union musicasts", Dr. Maddy said "They are an educational feature, which during twelve years have created thousands of new listeners to classical music. At the same time they have been an inspiration to more than 3,000 High School musicians who have taken part in them. To deprive music

7/14/42

students of this inspiration seems to me unwise and destructive on the part of professional musicians.

The only non-union musicians now appearing on network programs are from camps and stations of the Army and others of the armed forces.

According to an Associated Press report as of yesterday, Mr. Petrillo is reported to have said that he objected to broadcasting performances of the National Music Camp Symphony Orchestra because "when amateur musicians occupy the air it means less work for professionals".

"My trouble is not with the amateur musicians, but with NBC's executives", Mr. Petrillo stated. "They know the policy of the federation. They should know that they can't use amateur musicians on the air unless we give them permission to.

Mr. Petrillo said he had objected to the Interlochen performances two years ago but had agreed to allow them to finish their season of 12 performances after he had reached an understanding with an NBC executive he named as Sidney Strotz in Chicago, that there would be no further broadcasts.

Speaking of Mr. Petrillo, the New York Times, which had already criticized him in an editorial last Saturday, again went after him Monday. It was an editorial captioned "Demagogy in Congress". It began by saying,

"While Senator Barkley last week was telling a Virginia audience that Congress will 'rise magnificently' to the present crisis his colleagues were making a mockery of his words. In every direction they seemed bent on taking the easiest way; on appeasing selfish group interests at the expense of the national interest; on exalting demagogy above statesmanship.

"Is this the way Congress is 'rising magnificently' to the crisis? Let us take an example.

"Last week James C. Petrillo, head of the American Federation of musicians, ordered the 140,000 members of his organization not to make records or any form of electrical reproduction after the end of the month. He also forced the National Broadcasting Company to cancel the Saturday afternoon broadcasts of a High School orchestra. This private individual possesses these autocratic powers because Congress has been too spineless to put labor unions clearly under the laws against restraint of trade."

Speaking of the edict of the head of the American Federation of Musicians ordering the making of records stopped, the Washington Post said:

"You may be interested to know how Mr. Petrillo arrived at this conclusion. It seems that people have grown so fond of sticking nickels into juke boxes that they have no longer the time nor the inclination to listen to real flesh and blood musicians. Soon, if this tendency continues, the only jobs open to musicians will be occasional new recordings for juke boxes and radio stations. One recording played over and over on the tens of thousands of juke boxes throughout the land can do work which, in the days before Edison, Marconi, Clerk Maxwell and Emmanuel Hertz and so on, would have required several million musicians.

"It would be quite a stroke, of course, if Mr. Petrillo could somehow manage to force everyone who attempted to carry a tenor to 'Sweet Adeline' or to play 'Bubbles' on a mouth organ either to become a dues-paying member or to shut up. On the other hand, people who have never heard any real music might, if deprived of what passes for music on the juke boxes, decide they can get on quite comfortably with merely such noises as are provided gratis by nature. Then where would Mr. Petrillo be? He might have some trouble inducing mocking birds, meadow larks, waterfalls, tides and thunderstorms to take out union cards."

X X X X X X X X X X

RADIO BAN PUTS SHIPS IN PERIL, SAYS UNIONIST

President Joseph P. Selly of the American Communications Association (C.I.O.) said, according to an Associated Press dispatch from New York that American seamen and cargo ships faced added peril because of the curtailment of coastal commercial radio station operations.

Curtailment of operations was caused by the financial loss which followed the sharp reduction in marine radio traffic resulting from the war, the union said.

"On financial grounds alone, to say nothing of the saving of lives", said Selly, "maintenance of these stations is essential. The saving of one vessel would offset the expense of maintaining these stations for the duration of the war."

The A.C.A. said it was informed last week that commercial coastal stations when operating normally received 75 per cent of all distress calls.

"It is shocking", asserted Selly, "that 'bon voyage' messages received more expeditious handling in pre-war days than do distress messages during a time when submarine warfare off our coasts is admittedly one of the greatest threats to the security of our Nation, and the lifeline of the United Nations."

He said the Navy was not equipped to monitor distress calls.

X X X X X X X X

::: _____ :::
 }:: TRADE NOTES }::
 ::: _____ :::

The Board of War Communications has determined that the successful prosecution of the war demand the removal and impounding of all radio communication equipment in Puerto Rico and the Virgin Islands which is either owned by or in the possession of licensed amateurs or which is not presently being operated pursuant to a license from the Federal Communications Commission.

It was said that one of the reasons Earl Godwin, Washington news commentator, was selected by Henry Ford for the new Blue Network series of Ford news-broadcasts, was that Earl had "a good homefolks sort of voice". Elmer Davis has also been quoted as attributing his great success as a commentator to the "home folksy" sound of his voice.

One report has it that the Office of War Information is working up a plan to reduce the number of press releases issued by Federal agencies and that OWI will encourage the Government to use radio more and the newspapers less.

John Richmond, with the CBS Magazine Division of the Publicity Department of the Columbia Broadcasting System, for the last year and a half, replaces Tom Flanagan, its head, who has been commissioned a Lieutenant, Junior Grade in the Naval Reserve.

The establishment of broadcasting stations in various interior cities, as well as four new short-wave stations, was authorized in 1941 by the Argentine Posts and Telegraphs Department. A large radio chain, Argentina's third, was also formed during the year.

The Farnsworth Television & Radio Corp. reported in New York for the year ended with April net profit of \$642,237, equal to 46 cents a capital share, compared with net loss of \$181,857 in the preceding year (fiscal period).

Gross income amounted to \$10,433,118, against \$5,165,905 in the preceding year.

The American Radio Hardware Company, Inc., New York, has appointed Jasper Lynch & Fishel, Inc., to conduct an institutional campaign in the electrical trade paper field on behalf of its transmitting and receiving equipment for radio and telegraphic communications. The campaign, which is to start in September, is intended as a good-will effort, directed toward executives and engineers in the communications field.

That reorganization of War Production Board isn't over, according to report. It will continue, apparently, as long as there is a WPB. Luther Gulick, who plotted the War Department revamping and last week's WPB shakeup, has been appointed a staff officer at WPB in charge of the administrative study division. Now that

policy and the top layof organization have been fixed, it is said, Gulick will go to work on every unit and division in the big organization. He'll take them on one at a time. Mor changes will be made.

 Bill Coyle of the Washington Star's Station WMAL, has been called to active service as a Lieutenant (J.G.) in the Navy and will report to Dartmouth College at Hanover, N.H. for two months training. Lieutenant Coyle broadcast the Star's two daily news programs.

He introduced the patriotic song hit "Wave That Flag, America" which he sang at the White House. Lieutenant Coyle attended Trinity College in Hartford, Conn. and graduated from the Washington College of Law.

 "Radio Age" for July published by the Department of Information of the Radio Corporation of America has the following table of contents: NBC University of the Air Opens, by Dr. James R. Angell and Sterling Fisher; RCA and the War, Excerpts from Address by David Sarnoff; Electrons at Work, by R. S. Burnap; Information Pleas! by Anita L. Barnard; Human Engineering Advances, by Forrest H. Kirkpatrick; NBC Opens New Radio City, by Sidney N. Strotz; Blue in New Offices, Network's Quarters are Described; Radio in Education, by Thomas D. Rishworth; Scanning Microscope, New Electron Instrument Perfected; RCAC Training Operators, New Plan of Schooling Starts; Radio's War Role Praised, RCAF Ace Addresses RCA Montreal Workers; Radio Aids Traffic Control, Turnpike Installation Described; "This Program Is Transcribed", Behind-the-scenes Look at Radio Recording; Radiophotos From Cairo; New Service Between U.S. and Egypt; Three Receive Honorary Degress, Jolliffe, Trammell, Schairer Given Awards; Radio and Aviation Thirty Years Ago by George Clark; Science Seen In New Role, Van Dyck Urges Different Approach.

X X X X X X X X X X

JOHNSON NEW HYGRADE RADIO TUBE AD MANAGER

P. S. Ellison, Director of Advertising and Sales Promotion of Hygrade-Sylvania Corporation announced last week the appointment of H. C. L. Johnson as Advertising Manager of the company's radio tube division. Until recently, Mr. Ellison had been manager of both renewal tube sales and advertising, and Mr. Johnson had been Assistant Advertising Manager of the Division.

Mr. Johnson was formerly Advertising Manager of Thordarson Electric Manufacturing Company of Chicago. He has been with Hygrade Sylvania for almost five years. Mr. Johnson is a member of the New York Sales Executives Club, Advertising Club of New York and Treasurer of the Northwestern University Club of New York.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

INDEX TO ISSUE OF JULY 17, 1942

Big Materials Savings In Set Making Curtailment.....	2
WRVA, Richmond, Among Best Heard In Hawaii.....	3
College President New Head Of Monitoring Service.....	4
Operator Shortage Forces Station Off Air.....	4
All Out Fight On Petrillo; NBC Strike Looms.....	5
PM Calls WOV Bid Fascist.....	7
Farnsworth Gets Loan.....	7
Copyright Broadcast Infringes Though Sustaining.....	8
Communications And Radio Listed As Essential.....	8
Japs Put On Listening Defense Week.....	9
Trade Notes.....	10
Arnold Defines ASCAP "Gratuitous" License Position.....	12

No. 1447

JK
NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

Not Released for Publication
Until Sunday morning, July 19

BIG MATERIALS SAVINGS IN SET MAKING CURTAILMENT

The annual savings of critical materials as a result of currying off the manufacturing of radio sets are expected by the War Production Board to include 70,000 tons of steel, 10,500 tons of copper, 2,100 tons of aluminum and 280 tons of nickel. The home radio industry consisted of 55 companies with 30,000 employees which did a business last year of \$240,000,000. Approximately 95 percent of the plants are expected to be able to convert to the production of radio and communication equipment for the armed forces, with contracts expected to total more than twice as much as the industry's total civilian business in its peak year.

The cut-off date for the manufacture of radio sets was April 22, though a number of appeals were granted which continued civilian production several weeks longer. This was the second largest of the consumer durable goods industries.

In the largest of all the durable goods industries, domestic mechanical refrigerators, there was likewise a great saving of critical materials, WPB reports. In 1941 it produced 3,700,000 refrigerators with a factory sales value of \$280,000,000. The stop-production order will result in annual savings of 375,000 tons of steel, 18,000 tons of copper, 18,000 tons of aluminum, 4,300 tons of rubber, 250 tons of nickel, 850 tons of tin, 2,400 tons of zinc, 450 tons of lead, and 5,000 tons of plastics. In addition the entire production capacities of the industry will be converted to war work. The industry consists of 20 companies with some 36,000 employees. In fact, war contracts are expected to run between \$500,000,000 and \$750,000,000 annually. By September of this year the industry is expected to have 36,000 employees engaged in war work the same as its peak peace-time activity. By April of 1943 this is expected to be increased to 70,000 employees. Airplane parts and assemblies, and ordnance are among the war weapons already being manufactured in the former refrigerator plants.

In the musical instruments industry the cut-off order affected practically all instruments except violins, cellos and some guitars. The order will result in an annual saving of 1,183 tons of brass, 12,210 tons of iron, 636 tons of copper, 176 tons of lead, 3,934 tons of steel, 19 tons of tin, 535 tons of zinc, and 69 tons of nickel silver.

The industry consists of 255 firms employing 22,000 persons which did a business in 1941 of \$57,000,000. It is estimated

7/17/42

that approximately 70 percent of the industry will be converted to war production. The industry that formerly produced pianos, trombones, etc. will make a long list of war weapons, including wooden airplane parts, propellers, assault boats, radio transmitter equipment, air training equipment gyro horizon indicators, altimeters, pilot lamp assemblies and binnacles.

The total civilian products cut-off were manufactured in some 28,000 plants located in all parts of the country in which were employed some 1,500,000 workers. The factory sales value of the civilian products manufactured in these plants last year was approximately \$3,800,000,000.

Several million tons of steel, copper, brass, aluminum, rubber, plastics and other materials were consumed annually in the production of these civilian products.

Now, concludes the WPB Bulletin, the bulk of that material will be saved for use in the war program. In fact, the same factories that formerly used these metals in the manufacture of refrigerators, radios, washing machines, and the like, are now using the same materials, the same tools, and the same workers to make guns, airplane parts, tank parts and many other weapons of war. Many of the plants are already turning out a greater volume of war weapons than their peak production of civilian goods.

X X X X X X X X X X

WRVA, RICHMOND, AMONG BEST HEARD IN HAWAII

A special "Salute to Oahu" program was broadcast 1:05-2 A.M. last Monday by Station WRVA, Richmond, Va., to U. S. troops serving on Oahu, principal island of the Hawaiian group.

"Angle on the show is that because of some unexplained cosmic quirk, the WRVA signal is one of the most clearly receivable in Hawaii from the mainland, so the troops there spend regular hours listening to the WRVA programs", a dispatch to Variety from Richmond reads.

"Although it's not known how many (if any) of the troops in Hawaii are from Virginia, Governor Colgate W. Darden appeared on the show to address the men as 'temporary sons of the Old Dominion'. Maj. Gen. Joseph A. Green, commander of the anti-aircraft headquarters in Richmond and the highest ranking officer in the Richmond area, also participated in the broadcast. Others were Sunshine Sue's Rangers, Barry McKinley and Caroline Buie, Wilson Angel, Marjorie Hatfield, Bert Rapine's orchestra and saxophone group, and one of the WRVA studio secretaries, whose sweetheart is a Lieutenant, stationed somewhere in the Pacific with the Army."

X X X X X X X X

7/17/42

COLLEGE PRESIDENT NEW HEAD OF MONITORING SERVICE

Robert Devore Leigh has been appointed Director of the Foreign Broadcast Monitoring Service of the Federal Communications Commission to fill the vacancy due to entrance into the Army of Lloyd A. Free. Mr. Leigh will be in active charge of supervising the translating, digesting, and analysis of foreign short-wave broadcasts, monitored by the FCC for the official use of the United States Government. In his work in political science, Mr. Leigh has become well versed in foreign affairs.

Mr. Leigh has been a Special Advisor on education, social services and research for the National Resources Planning Board up to the time of his appointment for the present post. The new FBMS Director was the first and organizing President (1928-41) of Bennington College, Bennington, Vt., which it is said is recognized among the foremost of progressive women's colleges in the nation. In addition, Mr. Leigh was a member of the Institute for Advanced Study, Princeton, N. J. (1941); Acting Dean of Bard College, Annandale-on-Hudson, N.Y. (Columbia University) in 1939 on leave of absence from Bennington to recommend reorganization of the college; was the Hepburn Professor of Government, Williams College, Williamstown, Mass. (1922-28); member of Columbia University faculty (1920-22); Assistant Professor of Government, Reed College, Portland, Ore. (1915-18).

He holds the following degrees: A.B. summa cum laude, and LL.B. from Bowdoin College; A.M. and Ph. D. from Columbia University and LL.D. from Colgate. Mr. Leigh was born in Nelson, Nebraska, September 13, 1890; is married and has two daughters.

X X X X X X X

OPERATOR SHORTAGE FORCES STATION OFF AIR

The shortage of radio operating and engineering personnel and equipment has forced off the air Station KFPL, at Dublin, Tex., according to the Federal Communications Commission. The station has been on the air since April 8, 1924, before the creation of the Federal Radio Commission, which preceded the present Commission.

The FCC at its meeting this week authorized the station to cancel its license and remove its call letters from the records. The action was taken on the request of the licensee, who said he was unable to obtain engineers, operators and equipment to keep the station on the air. This is the first station to have its license canceled because of war pressure on personnel.

X X X X X X X

7/17/42

ALL OUT FIGHT ON PETRILLO; NBC STRIKE LOOMS

It looks at this writing as if James C. Petrillo, President of the American Federation of Musicians will play what he evidently believes to be his trump card and will call out NBC studio musicians in local "remote" dance band programs in New York tonight (Friday) in order to bring to a head a fight between the Union and KSTP, NBC's outlet in St. Paul. KSTP, after meeting a wage and personnel quota increase, is reported to be fighting a Union demand that any musician it employs for thirty days must be guaranteed a year's work. Mr. Petrillo's aim in ordering a cancellation of New York studio programs fed to the network evidently would be to bring pressure on NBC to cut KSTP off the network.

The programs the Union says it will keep off the air after midnight tonight ordinarily go to KSTP and are Richard Himber's Orchestra from Essex House and later Teddy Powell's Orchestra. It is believed that NBC will not be so quick about cutting off KSTP. While the NBC has announced no plans for such a contingency, it is known that it would hesitate over such a step as a matter of principle and also on the ground that to refuse service to KSTP would represent a breach of contract with the station.

The demand involving the KSTP fight is the third which Mr. Petrillo has made within the week affecting the broadcasting industry. The first was his ban on Union musicians making records after July 31st, and the second the crackdown on broadcasts by the High School orchestra at the Interlochen School of Music.

At a meeting of the Board of Directors of the National Association of Broadcasters in Chicago earlier in the week, Neville Miller, President of the organization, asked Mr. Petrillo to call off his order on making recordings for radio, juke boxes, and other public reproducing devices.

A statement of the NAB Board of Directors presented by Mr. Miller follows:

"James C. Petrillo, President of the American Federation of Musicians, has instructed all musicians who are members of his union to stop making phonograph records and other types of recordings after July 31. Mr. Petrillo's order will affect all Americans who listen to music, and it will have a very serious effect upon the broadcasting industry. The broadcasting industry does not employ musicians to make records, and the musicians it employs are engaged on union terms.

"As the result of a series of great inventions, Americans, wherever they live, have become accustomed to the best in entertainment. The radio, the moving picture and the phonograph bring the great artists to the smallest village as well as to our large centers of population. Mr. Petrillo's order amounts to a statement that only those people who live in large cities, and who

can afford to see the great artists in person, are entitled to enjoy their performances.

"Hundreds of broadcasting stations are located far from the centers of population at which an ample supply of the best in musical talent is available. Even if these stations could afford to hire more musicians than they now do, the limited amount of talent which would be available to them could not compete for public favor with the great popular and classical orchestras. If Mr. Petrillo can make his order effective, hundreds of broadcasting stations, which are necessary in the public interest and for the national defense, will have their usefulness to the public greatly curtailed.

"Mr. Petrillo is mistaken if he thinks that his order will bring more employment to musicians. All that it means is that millions of people will hear less music. Even if Mr. Petrillo's theory were correct, his order, at this time, would be not only arbitrary and illegal, but unpatriotic. Music plays a vital part in war morale. This is no time to destroy the phonograph record and the electrical transcription which bring the best in music to the people of the United States. This is no time to have any part of the nation's manpower engaged in the performance of artificially-created tasks. This is no time to try to abolish one of the world's great inventions.

"Radio employs thousands of musicians. Millions of dollars are paid annually to musicians to make recordings. We call upon the members of Mr. Petrillo's union and on Mr. Petrillo himself, in the interests of the war effort and in the best interests of the American Federation of Musicians, to reconsider the course of action which has been proposed."

The Broadcasters Victory Council also meeting in Chicago, lost no time lining up behind the NAB Directors and supporting its stand.

The Victory Council, composed of representatives of several broadcaster organizations, serves as a liaison between the radio industry and the Federal Communications Commission and the Board of War Communications.

Representatives of the N.A.B., the Frequency Modulation Broadcasters, Inc., the Clear Channel Group, Network Affiliates, Inc., and the National Independent Broadcasters were at the meeting.

It has been reported that the broadcasters would welcome an opportunity for a showdown fight with the union and that the recording companies are piling up a backlog of records for future release.

Also the juke-box people are said to be well fortified with a reserve supply. One report is that they have more than a million records on hand.

One prediction was that Petrillo might extend the date to end record making from July 31 to August 31.

PM CALLS WOV BID FASCIST

The Federal Communications Commission last Wednesday designated for hearing the application for transfer of control of Station WOV in New York from Arde Bulova and Harry D. Henshell to Messrs. Murray and Meyer Mester.

Headed "Stop That Sale", PM, Marshall Field's New York newspaper had previously carried the following editorial

"The keystone of the Federal Communications Act is that radio should be regulated to serve best 'the public interest, convenience and necessity'. This means that the FCC can take but one action in the proposed transfer of WOV to Murray and Meyer Mester of Brooklyn - throw it out as long as a man like Andrea Luotto is connected with the proposed operation of the station or the application.

"The Mesters are in the cooking oil business, manufacturing and distributing Balbo oil, named for Italo Balbo, for years Italy's No. 1 Fascist. The Mesters, presumably, are not experts in the radio business, but their advertising agent, Andrea Luotto is. You can read about Luotto, his friends and his political associations on this page.

"Obviously, Luotto is no man to run an American radio station, especially a station catering to the largest Italian-American audience in the U.S.A. Regardless of his attitude today, no man with his pre-Pearl Harbor inclinations should be given control of so important a medium as a radio station - J.F."

X X X X X X X X

FARNSWORTH GETS LOAN

The Farnsworth Television and Radio Corporation has entered into a credit agreement with the Bankers Trust Company in New York under which the company may borrow up to \$5,000,000 at 4 percent until April 30, 1943, when the credit and all notes and obligations outstanding under the credit will mature. At June 24 the company had borrowed \$1,405,287 under this credit.

The company has assigned as collateral for the bank loans all accounts receivable or to become due under war production contracts and has agreed that it will not allow its consolidated net quick assets to fall below \$1,250,000, pay or declare any dividends except stock dividends, purchase or retire any of its stock or make any other distribution to its stockholders, merge into or consolidate with any other corporation, nor spend more than \$250,000 for additional plant facilities.

X X X X X X X X X X

7/17/42

COPYRIGHT BROADCAST INFRINGES THOUGH SUSTAINING

The broadcasting of copyrighted music without permission, by a radio station which accepts advertising accounts, constitutes a "performance for profit" of the music, and is an infringement of the rights of the copyright owner, Federal Judge Alfred C. Cox ruled in New York Thursday. He granted summary judgment to Associated Music Publishers, Inc., which had sued Debs Memorial Radio Fund, Inc., operator of Station WEVD and Henry Greenfield, Manager of the station.

The suit was based on the broadcast over WEVD of a Columbia phonograph recording of "Noche de Arabia", part of a symphonic work of the Spanish composer, E. F. Arbos. In contesting the suit, the defendants set forth that the station is operated on a non-profit basis, its deficits being made up by the Forward Association, an educational organization. Further, it was argued, the record was played in the course of a "sustaining" program, as distinguished from a commercial one for which an advertiser would pay.

Remarking that the only available figures indicated that 37 per cent of WEVD's time on the air produces revenue, Judge Cox wrote in his opinion:

"Sustaining programs are necessary in the business of broadcasting even though they bring in no direct revenue; they help build up listener appeal and in that way provide an inducement to advertisers. I do not think therefore that sustaining programs can be separated from the commercial program in determining whether a broadcast is for profit."

"The station (WEVD) is operated in much the same way as a commercial station, and I can see no good reason why it should be shielded from copyright infringement in so far as sustaining programs are concerned", he added.

X X X X X X X X X X

COMMUNICATIONS AND RADIO LISTED AS ESSENTIAL

A list of 34 essential activities issued this week by the National Selective Service Headquarters, in one of which a man must be employed to merit occupational deferment, included "Communications services". This, it was explained, included telephone, telegraph, newspapers, radio broadcasting and television services and the repair of their facilities.

X X X X X X X X X X

7/17/42

JAPS PUT ON LISTENING DEFENSE WEEK

Japanese domestic radio broadcasts recorded this week by U. S. government listening posts, announced that Japan this week is observing "Listening Defense Week", a campaign warning the population against spies and "enemy" propaganda.

The campaign was organized by the Imperial Rule Assistance Association. The broadcasts gave further indication of the disorders resulting from the U. S. Army Air Force's raid over Tokyo.

The Tokyo radio announcement said: "We start today 'Listening Defense Week' during which every Japanese must self-examine and warn himself against enemy propaganda. The employees of the foreign companies are often paid for secrets, or even when they are unwilling they are victimized. Sometimes they sell their nation, as well as themselves and their families, because of their wrong concept of white-worship. We often see such pitiful examples. The hoarding of commodities, or the buying of an entire stock, or the distribution of lies caused by enemy air raids, often is caused by the spies."

Tejiro Arima of the Japanese Education Ministry said in a broadcast: "It is the duty of everyone to fight against giving information to spies. It is not only in industrial plants that care should be exercised. Publications by foreign writers should be especially guarded against."

Another Japanese broadcast said: "When we had a raid over the capital city, there were many rumors spread. The Japanese people would believe such rumors without further consideration. This is acting as if we are losing the war, while the true fact is that we are winning the war in actual combat. Such propaganda originates among loafers or through foreign printed matter. The enemy might plant anti-war sentiment or anti-military sentiment for by doing so the enemy intends to create anti-nationalistic sentiment."

X X X X X X X X X X

The contents of the Bell Laboratories Record for July includes: "Determining Color in Telephone Cable", C. T. Wyman; "Automatic Production of Oscillator Scales", T. Slonczewski; "Repeater for Submarine Telephone Cable"; "Using Less Tin In Cable Joining", J. T. Lowe; "Thickness of Aluminum Oxide Coatings"; "A grounded-Plate Amplifier for the F.M. Transmitter", A. A. Skene.

X X X X X X X X X X

: : :
: : : TRADE NOTES : : :
: : :

In view of the Japanese landing in the Aleutians, the Board of War Communications has authorized the War Department to use, control or close stations and facilities for wire or radio communication in Alaska.

A rare thing since the war began the Federal Communications Commission has announced proposed grant of a construction permit to Northeastern Pennsylvania Broadcasters, Inc., for a new local station to operate on 1240 kc., with 100 watts power. Mutually exclusive applications by Wilkes-Barre Broadcasting Corporation, Central Broadcasting Company and Key Broadcasters, Inc., for the same facilities were denied. The frequency 1240 kc. is now being used by Station WBAX, which has been operating under a temporary license since the Commission denied application for renewal.

Clarence L. Menser, National Program Manager of the National Broadcasting Company, has been elected to the post of Vice-President in charge of programs. In his new post, Mr. Menser will devote his extensive experience in radio to the direction and supervision of all NBC programs, now dedicated to the task of helping the United Nations win the war.

Henry A. Arnold, new Vice President of the International Telephone and Telegraph Corporation will have his headquarters in Buenos Aires and will have supervisory charge of the principal I. T. & T. South American operating properties. He recently arrived in New York from Chile where he has been Vice President and General Manager of the Chile Telephone Company, a subsidiary of I. T. & T., and will return in the near future to South America to take up his new duties.

Station W69PH, WCAU Broadcasting Co., Philadelphia, Pa. has been granted an application for a new FM station, which is in effect reinstatement of its construction permit calling for 46900 kilocycles; 9,300 square miles.

Entering the advertising field, Al Nelson, formerly Assistant Vice President of the National Broadcasting Company and General Manager of KPO and KGO, will be the President and directing head of "A. E. Nelson Company", with offices in San Francisco's newest office building, 300 Montgomery Street.

"Ear-Witness", a brief reminiscence by L. M. Masius, Executive Vice-President of Lord & Thomas, of radio's vital service in the crucial hours when Britain passed from peace to all-out war, has been published by the National Broadcasting Company.

Owners of radio telephones were asked by the Navy recently to offer their sets for sale for use aboard ships engaged against sea raiders on the Atlantic Coast.

7/17/42

Assuring radio clients and advertising agencies that NBC contemplates no general rate increase during 1942, Roy C. Witmer, Vice President in Charge of Sales, has given notification that the National Broadcasting Company is at work on a plan for full-network broadcasts of commercial shows "at comparatively low cost".

WGRC, Northside Broadcasting Corp., New Albany, Ind., has been denied petition for grant of its application for construction permit to operate on 790 kilocycles, 1 kilowatt, unlimited time, directional antenna.

Installation of telegraph, telephone or radio facilities at the new Garden State Racing Association track near Camden has been banned by the War Production Board, the Associated Press reports. Gerard Mullin, manager of general accounts of the company, said application for the erection of wires to the track had been made, but turned down by the WPB.

The Office of War Information will open a branch in London; Archibald MacLeish will go to England to study its requirements.

The new American information bureau in London will be constructed around the staff of confidential information gatherers sent abroad last year by Robert Sherwood, head of the Overseas Branch of OWI to supply him with reports useful for short-wave propaganda programs beamed to foreign countries.

The slogan "TNT - TODAY NOT TOMORROW" is that of Westinghouse Electric and Manufacturing Company, Canton, Ohio.

Richard L. Linkroum, Program Director of WJSV, CBS Washington station, received his papers last week as Ensign in the Navy. He is the 20th member of the WJSV staff to join the U.S. armed forces. Others are Robert Baker, William F. Betts, Harry C. Butcher, Lloyd Dennis, Gerald Fordon, Paul Green, John Hardesty, Lawrence Holt, James Hurlbut, Andrew Massey, John P. Moore, Charles M. Parker, Stanton R. Prentiss, Donald H. Saunders, Alan P. Smith, Thomas Tait, Leonard Thomas, Albert Warner and Woodward H. Warrick.

Larry Hammond of the Overseas Branch of the Office of War Information in New York City will be the Radio Director in Washington of the Information Division under Raymond Rubicam of Paul V. McNutt's War Manpower Commission.

Blonde Katherine Gaston Vernon, 25-year-old script writer and women's program commentator at Station WROL, Knoxville, Tenn., reports July 20th at the WAAC's training center, Des Moines, Ia., as the first woman from an NBC network station, probably the first from radio, to join the Army Auxiliary Corps.

X X X X X X X X X X

7/17/42

ARNOLD DEFINES ASCAP "GRATUITOUS LICENSE" POSITION

According to Robert L. Murray, Director of Public Relations of the American Society of Composers, on numerous occasions during the past two months various publications have asked the American Society of Composers, Authors and Publishers to make some statement defining the Society's position in connection with certain questions relating to the granting of "gratuitous" licenses by members of the Society.

"Inasmuch as the Society is operating under a consent decree, our invariable answer to these requests has been that any statement concerning this situation must come from the Department of Justice, and it would be in bad taste for the Society to first present its position through the press", he states.

"An authoritative statement clarifying these issues can now be made in accordance with the ethics expressed by our original stand. We therefore present without comment a letter from Thurman Arnold, Assistant Attorney General of the United States, dated July 13, 1942, which we believe clarifies this issue." The letter follows:

"This acknowledges receipt of your letter of July 2, 1942, with reference to difficulties existing between the American Society of Composers, Authors and Publishers and certain of its members in connection with 'gratuitous' licensing.

"The Department's position in this matter was set out fully in letters to Mr. John G. Paine, General Manager of ASCAP, dated May 16th and June 22nd, and to Mr. Herman Finkelstein, counsel, dated June 22nd. Your letter indicates that you are familiar with the contents of these prior communications and agree with the Government's construction of 'gratuitous' licensing by members, therein discussed.

"The decree permits a member of ASCAP to issue a 'gratuitous' license to a user. However, such arrangement must be made between the member and user without aid or inducement from any third party. Any attempt by BMI to induce an ASCAP member to issue such a license, by whatever means, would violate the express terms of the decree. It was not the purpose of the decree to enlarge the BMI catalog at the expense of ASCAP. The purpose was to foster competition between the two organizations for the benefit of users."

X X X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

OK

INDEX TO ISSUE OF JULY 21, 1942

More Radio Labor Plant Groups; Upgrade Negro Drive On.....	2
FTC Lands On D.C. Press Radio Service.....	4
FCC Head Aroused Over Petrillo Ban.....	5
Senator Says Petrillo Raises Question "How Free Is Air?".....	6
BWC Lists Critical Communications Occupations.....	8
War Board Forms Radio Replacement Parts Committee.....	9
Electric Heat Rids Transmitting Antenna Of Ice.....	9
Musicians Obey Petrillo's Orders To Go Off The Air.....	10
Trade Notes.....	11
British 1941 Radio Production Low.....	12

No. 1448

NATIONAL BROADCASTING COMPANY,
GENERAL LIBRARY,
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

July 21, 1942

MORE RADIO LABOR PLANT GROUPS; UPGRADE NEGRO DRIVE ON

One thousand American plants now have labor-management committees conducting War Production Drives, including many radio and communications manufacturing concerns. Also the United Electrical Radio and Machine Workers, C.I.O., is conducting a concerted drive for the employing and upgrading of Negro workers in organized plants in Pennsylvania, New York and Connecticut, Chairman Paul V. McNutt of the War Man Power Commission is informed.

The President's Committee on Fair Employment Practice, of which Mark Ethridge of WHAS, Louisville is Chairman, and David Sarnoff of the Radio Corporation of America is a member, last week was advised by William Green, President of the American Federation of Labor, that two cases of complaint of Negro discrimination against the Houston, Texas, and the Durham, North Carolina, Local Lodges of the International Association of Machinists have been satisfactorily adjusted.

Labor-management Committees are now reported to be active in 25 Westinghouse plants, 10 General Electric plants and establishments of the following other concerns: Mackay Radio & Telegraph Company, San Francisco; Western Electric Company, Chicago and Kearny, N. J.; Farnsworth Television & Radio Corporation, Fort Wayne, Ind.; Magnavox Company, Inc., Fort Wayne; RCA Manufacturing Company, Camden, Indianapolis and Bloomington, Ind.; Bendix Radio Corporation, Baltimore, Md.; American Bosch Corporation, Springfield, Mass., Harvey Radio Laboratories, Cambridge, Mass.; International Telephone and Radio Manufacturing Company, East Newark, N. J.; National Union Radio Corporation, Newark, N. J.; Colonial Radio Corporation, Buffalo, N. Y.; Emerson Radio and Phonograph Corporation, New York, N. Y.; Stromberg-Carlson, Rochester, N. Y.; U. S. Television Manufacturing Co., New York, N. Y.; Crosley Corporation, Cincinnati, Ohio; Hugh Eby, Inc., Philadelphia, Pa., and the Philco Corporation, Philadelphia, Pa.

At the start, the drive encountered some sceptics. Fears were expressed that the drive would permit workers to interfere with management, or that it would enable management to employ the 'stretch-out' or other practices diminishing workers' pay", the WPB bulletin states.

"These fears vanished as the drive got under way. Endorsements came from AFL and CIO leaders and from employers' associations. As reports came in of better understanding between employers and labor and of rising production records, more and more plants joined in the drive, until today there are 1,000.

"Production is increased almost entirely by joint labor and management planning. In these thousand plants, workers and managers sit down together and map the method by which more and better war weapons can be turned out. To facilitate this, score-boards are set up, slogan contests conducted, suggestion boxes erected, transportation plans devised, and individual merit is recognized. War Production Drive Headquarters supplies posters, streamers, pamphlets and a constant flow of suggestions.

"Of the first thousand plants, 353 reported on slogan contests, 320 on the erection of production charts, 370 on suggestion boxes and 123 on transportation pools. Reports have not been mandatory and the number of plants in which these activities are in progress is believed to be much larger.

"Many increases in production have been reported to War Production Drive Headquarters, of which 40 have been outstanding. Plants have reported breaking as many as 30 production records in one month."

In Houston, the President's Committee on Fair Employment Practice was informed that Machinists had issued a card calling upon whites to join that organization in order to oppose the admission of Negroes into skilled trades. At the insistence of Mr. Green, H. W. Brown, International President of the International Association of Machinists took action to discontinue the use of these cards.

In Durham, N.C., the local lodge had advised L. L. McClintock, General Manager, Wright's Automatic Tobacco Packing Machine Company that Lodge No. 721 of the International Association of Machinists "admits to its membership only competent, white candidates. It would, therefore, be impossible for your company to employ in the mechanical departments persons of other race than white under the terms of the contract you hold with our Lodge". H. W. Brown, the International President, has advised the Durham Lodge that there must be no discrimination and has directed the officers of the Lodge to withdraw its letter to Mr. McClintock.

According to Paul McNutt's announcement, the United Electrical Radio and Machine Workers of America has unanimously adopted a program submitted by its Negro Affairs Committee. This program, which covers 40 plants under contract to the Union stipulates:

"1. That we seek to secure, through the Fair Employment Practice Committee, set up by the President, written letters from the employers to the effect that they will employ minority groups, including Negroes. The local unions involved shall receive copies of the above-mentioned letters.

"2. In plants where no Negroes are now employed, their employment shall be encouraged in such a manner that upgrading is possible.

"3. In plants where Negroes are now employed, the upgrading process shall be encouraged.

"4. Departmental meetings shall be held to educate in the direction of infiltration of Negroes into classifications where they have never been employed before.

"5. Unions and management shall hold meetings to determine the departments where Negroes can best be employed with the least amount of disruption, the policy to be established by this Committee.

"6. Periodic meetings shall be held to discuss the progress of the employment of Negroes and their effect on production in general."

X X X X X X X X

FTC LANDS ON D. C. PRESS RADIO SERVICE

A complaint issued by the Federal Trade Commission charges Joseph Cohen, trading as Press Radio Service and as Press Supplies, 713 Otis Place, N.W., Washington, D. C., with misrepresentation in the sale of so-called press supplies, including press cards and automobile press tags which he represents as entitling the holder to pass through police and fire lines and to receive the courtesies and privileges extended to regular newspaper correspondents.

Cohen has an address for receiving mail at 1934 Eleventh St., N.W., Washington, D. C., which is the location of a secretarial service bureau.

Contacts with prospective purchasers, the complaint charges, are made by the respondent through advertisements in newspapers and periodicals and by means of circulars and letters, one such advertisement reading: "The card will get you through police and fire lines and secure for you the same courtesies extended regular correspondents."

Other representations allegedly made by the respondent are that he has employment to offer amateur writers and photographers and can assist them in securing publication of their work.

Alleging that the respondent's representations are false and misleading, the complaint charges he is not connected with any press association or newspaper syndicate, does not have employment to offer, and has no means of assisting and does not attempt to assist amateur writers to profitably dispose of their work.

The complaint further alleges that the respondent's press cards ordinarily do not pass the holders through police and fire lines and that in cases where the cards are honored it is because the police or other officials are deceived into believing that the bearers are accredited representatives of the press. According to the complaint, the respondent performs no function for press or radio.

The respondent is granted 20 days to answer the complaint.

X X X X X X X X X X

FCC HEAD AROUSED OVER PETRILLO BAN

Responding to protests from Senator Vandenberg, of Michigan, printed in more detail in another part of this letter, and from Dr. Joseph E. Maddy, head of the camp, against the banning of the National High School orchestra from the Interlochen music camps by James C. Petrillo, President of the American Federation of Musicians, James L. Fly declared last Monday that the matter would be thoroughly investigated. Students at a mass meeting at the camp also sent an appeal direct to President Roosevelt.

"Of course it is a matter which we view with very serious concern", Mr. Fly said, discussing the situation. "Any time that these significant public service programs are barred from the air, we have to that extent a breakdown in the very service which stations are licensed to render to the public, and naturally we are gravely concerned with any situation or any activity which will preclude these stations from discharging their duties to the public. I think it is not the most fortunate circumstance that this particular meritorious program was taken as the point of impact and imposition of this type of prohibition.

"There is a much broader phase to this situation, however, and if that is carried to its logical extremity, it would be a great impairment to radio broadcasting throughout the country. I am referring now to the possibility that the production of transcriptions and recordings will be eliminated or impeded. Such action would gravely burden the entire broadcasting industry and would make it well nigh impossible for the great majority of the small and independent stations to operate. I think that the independent stations use transcriptions and recordings over, roughly, about 60 percent of the broadcast day. This they must do because of two very obvious limiting factors: One is the absence of adequate local talent and the other is economic limitations. Most of these small stations cannot hire live talent throughout the day and any requirement that they do so would simply drive them out of business. It is also true that even the stations affiliated with the national networks use transcriptions and recordings a substantial percentage of their time, though not nearly as much of the time as is thus consumed by the independent stations.

"We have also received, I think, a third type of complaint and that is there be some restrictions on or elimination of the work of negro musicians. I haven't received any statement of facts on this situation although I imagine that we will, and of course that in itself would create pretty serious question as to whether any broad class of American people should be forbidden employment in the broadcasting business.

"Have negroes actually been barred?" the Chairman was asked.

"I have not got the facts on that, but I imagine we will", he replied.

"Can you tell us what State,"

"I don't know", Mr. Fly said. "That has come to me through governmental sources and I imagine I will hear more about it shortly. Now as to what will be done about the whole situation - naturally that is something that I can't answer off-hand. That the situation is grave goes without further argument. However, I shall recommend to the Commission that we make a factual study of the broad situation and have an examination of the legal problems as a basis for determination what the Commission may do and should do about it."

"Can you give us any inkling as to the avenues of operation or what can be done?" someone inquired.

"I haven't got the answers on that yet. That is in the exploratory stage. I want to study the problem. In fact, we are studying it now. I have no doubt that the Commission will authorize an inquiry into it factually and legally, but I can't conjecture as to what its conclusions would be on the facts and on the merits of different issues or as to what will be done."

X X X X X X X X

SENATOR SAYS PETRILLO RAISES QUESTION "HOW FREE IS AIR?"

Addressing the Senate, Senator Vandenberg, of Michigan, declared that the Petrillo ultimatum with regard to the student orchestra broadcasts "raises rather a fundamental question as to just how free the airways are". Mr. Vandenberg also read a letter of complaint he had just addressed to Chairman Fly of the Federal Communications Commission on the subject.

"Last week the National High School Orchestra at the National Music Camp at Interlochen, Mich., was driven from the air in a concert broadcast which it has been making for the last 19 years, as the result of a protest by Mr. James Caesar Petrillo, President of the American Musicians Union, on the ground that the performance by these amateurs was interfering with professional employment", Senator Vandenberg said addressing the Senate.

"This has raised a very interesting issue, which goes to the very fundamentals of American musical culture, because it is generally admitted that the National Musical Camp is the greatest single adventure in the development of musical culture in the country. This orchestra represents the competitively chosen best high school musicians of 40 States in the Union. None of these young musicians is old enough to belong to Mr. Petrillo's union, even if he so desired. They represent an entirely non-professional performance, yet they represent a performance which the musical circles of America universally recognize as one of the great contributions to American art."

Senator Vandenberg's letter to Chairman Fly follows:

"I respectfully suggest that the Federal Communications Commission should inquire into the intolerable situation presented to the country when Mr. James C. Petrillo, President of the American Federation of Musicians, can force the National Broadcasting Co. to suspend a broadcast by the National High School Orchestra from their famous camp at Interlochen, Mich. I know nothing about the contract between the musicians' union and the National Broadcasting Co., upon which this interference apparently is technically based, but I understand the union's general position is that whenever amateurs occupy the airways, 'it means less work for professionals' (Petrillo's language quoted by the Associated Press). But I respectfully submit that this raises an issue which transcends the employment of a few professional musicians. In the final analysis, the radio belongs to the American people, and their rights are primary.

"The National High School Orchestra at Interlochen is one of the great cultural institutions of this country. It has probably done more to foster effective musical interest and development among the youth of America than any other single instrumentality in the land. Even the professional musicians for whom Petrillo presumes to speak, ought to share the national interest in this tremendous wellspring of musical culture and musical enthusiasm. But whether they do or not, I respectfully submit that there are millions of other Americans who are entitled to a priority in the matter of protecting the encouragement of the arts.

"The broadcast which Mr. Petrillo canceled was to have been made by an orchestra consisting of 160 boys and girls from 40 different States in the Union. They have been competitively chosen from among the most talented young musicians in all the High Schools of the land. They represent a primary cross section of the musical hope of America for tomorrow. The greatest concert conductors in the land make an annual pilgrimage to the National Music Camp at Interlochen, Mich., and enthusiastically contribute their services in leading these concerts. The concerts are of the highest possible musical order. For 12 years this amazing adventure in musical development has been proceeding under the unselfish direction of Dr. Joseph E. Maddy of the University of Michigan. It is one of the great youth movements which has prevailed to unexampled success without the necessity of any national subsidies from the Public Treasury. I know whereof I speak at first hand, because I have visited Interlochen many times, and I have been charmed beyond words at the superb achievement which has there been accomplished.

"For 12 years these high school boys and girls from all over the United States have broadcast their weekly concerts. It has been one of the great cultural contributions to radio. But now comes Mr. James Caesar Petrillo to say that his union will no longer allow these young musicians to be heard upon the airways of an allegedly free country. I am unable to believe that any such attitude reflects the viewpoint of the average member of Mr. Petrillo's union of musicians. It is my observation that most professional

musicians welcome and encourage Dr. Maddy's constructive work. The musicians' union has its proper place in organized labor and in the legitimate protection of the rights of its membership. But I respectfully submit that it crosses the line of tolerance when it makes war upon the National Music Camp at Interlochen; and I pose the question to you whether this problem does not rise to the dignity of a challenge which the Federal Communications Commission should explore in behalf of free American culture."

X X X X X X X X

BWC LISTS CRITICAL COMMUNICATIONS OCCUPATIONS

Making no recommendations of its own, the Board of War Communications announced yesterday (Monday) that lists of critical occupations in the communications industries have been forwarded to the War Manpower Commission, the Selective Service System and the United States Employment Service for such use as these agencies may find.

Separate lists for each of the different types of communications show 23 classes of critical occupations for cable companies, 45 classes for telegraph firms, 51 classes for telephone organizations, 48 classes in the various sub-divisions of commercial radio-communications services, 15 classes in international short-wave broadcasting and in standard broadcasting there are 6 classes of technical workers and 3 classes of skilled personnel in program departments.

The agencies were told "The Board does not feel that it is in a position to consolidate these lists for the entire communications industry due to the fact that the nomenclature of positions and the principles applied in the inclusion or exclusion of positions have been different in the various branches of the industry."

It was suggested that the industry and labor representatives on the Board's Joint Labor-Industry Subcommittee should consult directly with the Government agencies in supplying detailed information on the functions performed by persons in the listed positions. Members of the labor representatives are: Paul E. Griffith of the National Federation of Telephone Workers, for telephone workers; Joseph P. Selley of the American Communications Association, for telegraph workers, and Robert J. Watt of the American Federation of Labor, for radio workers. Industry representatives are: Keith S. McHugh of American Telephone and Telegraph Company, for telephone; Ellery W. Stone of Postal Telegraph, for telegraph, and Dr. C. B. Jolliffe of Radio Corporation of America, for radio. Sidney D. Spear of the Federal Communications Commission will assist the subcommittees and perform necessary liaison on this work for the Board.

X X X X X X X X

WAR BOARD FORMS RADIO REPLACEMENT PARTS COMMITTEE

The formation of a Radio Replacement Parts Committee by the War Production Board, with Frank H. McIntosh, Chief of the Radio Section Communications Branch as president officer, was completed Monday. Its members are:

James P. Quam, President, Quam-Nichols Co., Chicago, Ill.; T. A. White, Vice President, Jensen Radio Manufacturing Co., Chicago, Ill.; Ray F. Sparrow, Vice President, P. R. Mallory & Co., Indianapolis, Ind.; Octave Blake, President, Cornell-Dubilier Electric Corp., South Plainfield, N. J.; I. A. Mitchell, United Transformer Corp., New York, N. Y.; Victor Mucher, General Manager, Clarostat Mfg. Co., Brooklyn, N. Y.; Ernest Searing, President, International Resistance Co., Philadelphia, Pa.; Jerome J. Kahn, President, Standard Transformer Corp., Chicago, Ill.; R. C. Sprague, President, Sprague Specialties Co., North Adams, Mass.; F. R. Hopkins, Girard-Hopkins Co., Oakland, Calif.; F. P. Kenyon, President, Kenyon, Transformer Co., Inc., New York, N. Y.; W. M. Kohring, Vice President, Continental Carbon, Inc., Cleveland, Ohio, and Edwin I. Guthman, President, E. I. Guthman & Co., Inc., Chicago, Ill.

X X X X X X X X

ELECTRIC HEAT RIDS TRANSMITTING ANTENNA OF ICE

Electric heat has been used successfully by frequency-modulation station W51R, Rochester, N. Y., to prevent ice from forming on its transmitting antenna located atop one of Rochester's down-town buildings, the General Electric Company has just announced.

The antenna consists of two sets of hollow crossed arms mounted one above the other on a mast in a horizontal plane. Any icicles forming on these arms would endanger automobiles, pedestrians, and windows, since the antenna is mounted close to the edge of the building. To prevent the formation of ice, a four-foot General Electric Calrod heater has been built into each of the cross arms. The current to the heaters is turned on automatically when the temperature is within the sleet-forming range of 28 - 32 F.

This is accomplished by two thermostats mounted on the mast of the antenna. Both thermostats must be closed in order for the heaters to work. It is impossible for the heaters to function outside the temperature range of 28 - 32 F since one thermostat closes when the temperature falls below 32 degrees and the other opens when it falls below 28 degrees.

During the past winter, there were several ice storms in Rochester, but at no time did ice form on the antenna.

X X X X X X X X

7/21/42

MUSICIANS OBEY PETRILLO'S ORDERS TO GO OFF THE AIR

As had been expected, Union members of the Humber and Powell dance bands obeyed the Petrillo order to cancel their after-midnight National Broadcasting Company broadcasts. The order was given as a blow to Station KSTP of St. Paul, the Minneapolis outlet of the NBC network which has refused an American Federation of Musicians demand that any musicians who work at the station as long as four weeks be given a guaranty of a year's salary. The Humber and Powell bands were ordered off the network on the grounds that KSTP could pick them up from New York if they were allowed on the chain.

Stanley Hubbard, President of Station KSTP, sent the New York Times, the following telegram Monday:

"During a time when the entire civilized world is engaged in a battle against the worst form of tyranny ever known - Hitlerism - the radio industry, which is giving its time, ingenuity, and men to America's tremendous war effort, is beset by a form of tyranny which in its own selfish, domineering, the public-be-damned way, is as cruel and brutal as Hitlerism itself.

"I speak of Petrilloism. James Caesar Petrillo has become the fuehrer of 30,000 musicians in this country. He has grown powerful and rich by the exercise of an iron hand by which he now attempts to wreck an entire industry.

"This is his first step in a program of subjugation of radio, his next step will be whatever he thinks will accomplish his dictatorial purposes. By pressing a buzzer on his desk he can deprive eighty million Americans of radio entertainment and throw 130,000 musicians out of employment even though they may be completely satisfied with their present jobs.

"Effective August 1 no musician can play for phonograph records to be played in your neighborhood place of entertainment. Popular music is to be limited to those who can afford to pay for cover charges and expensive surroundings. Fine for the soldiers on \$50 a month, isn't it?

"That is the kind of power Fuehrer Petrillo wields today - a power that pays him some \$46,000 every year. That is the power and that is the man, and that is the kind of outrageous tyranny which we and the other radio stations in this country who wish to see that democracy and freedom are not stifled at home while our armed forces are battling for them abroad are fighting."

X X X X X X X X X X

: : :
: : : TRADE NOTES : : :
: : :

As a bit of gossip, Leonard Lyons, the columnist, writes:

"Turner Catledge, who was formerly in the New York Times Washington Bureau before he became Managing Editor of the Chicago Sun, may return to Washington -as Neville Miller's successor as head of the National Association of Broadcasters.

In designating a strip of the Atlantic seacoast within 200 miles of the Atlantic Ocean as "a vital defense area", Lieut. Gen. Hugh A. Drum has ordered that all civil airplanes operating within thirty miles of Washington, D. C., Norfolk, Va., Charleston, S. C., and Boston, Mass., as well as New York City radio range stations shall make certain that no passenger can see the ground until the aircraft has landed or has reached a point beyond this thirty mile limit. These planes must also give a complete description of the radio equipment carried.

The Brazzaville radio at Fighting France (Free French) headquarters was heard by U. S. Government listening posts broadcasting first reports of demonstrations inside France on Bastille Day, July 14, the Office of War Information announced.

Leading the next network by 39% in total evening commercial program ratings, NBC came within 1% of earning as many CAB program rating points as all other networks combined in the first six months of 1942, according to an analysis released by NBC's Research Division.

"The realignment which Donald Nelson has made is a paper realignment", David Lawrence comments. "It does not tackle the root of the difficulty. The head of the War Production Board has the confidence of the Army and the Navy and they do not want to see him supplanted. They want him to do the job and they want a voice for the military side to be right alongside of his top executives so that the orders issued will get results right away.

"What is needed is a firmness and a sort of hard-boiled military attitude in getting action from the civilian side. There has been too much coddling, pampering and temporizing already. It is a strange commentary on current happenings in America that the military, which is supposed to be fighting the war, cannot sit down with the civilian side and get what it wants for the soldiers and sailors and airmen who are constantly calling for weapons and munitions at the front."

By a count of approximately two to one, New York's urban and suburban population was said to have voted a definite preference for fifteen-minute news periods to news shows of five or ten minutes in length. The conclusion is based, a press bulleting explains, on 12,000 personal interviews made recently by Crossley, Inc. for WOR's Continuing Study of Radio Listening in Greater New York.

Final details of the nation-wide advertising campaign, designed to help stimulate the flow of scrap metal into war production, have been approved by Lessing J. Rosenwald, Chief of the Conservation Division.

In addition to newspaper advertisements in every State it was said that radio, the farm press and magazines would be used.

Mr. Rosenwald's approval followed conferences with members of the American Industries' Salvage Committee, sponsors of the \$2,000,000 campaign. The committee, made up of representatives of American industry, was organized by the industries concerned at the suggestion of the Conservation Division. The committee has raised the fund to finance the campaign and is responsible for the selection of the advertising and publicity mediums used.

The WOR Promotion Department has released two new booklets. The first, "Pegeen Prefers" presents facts and figures on the results Mrs. Fitzgerald has achieved on her series by that name.

"Big Sales in Small Packages", the second booklet presents the success stories of advertisers using short time periods on WOR.

As the new CB^D 15% discount plan went into effect last week, a preliminary survey showed that 74 individual CBS affiliates have benefited by the plan and 181 and 1/6 station hours have been added to the network commercial schedule. The new plan allows a 15% discount for programs using the complete CBS network.

X X X X X X X X X X

BRITISH 1941 RADIO PRODUCTION LOW

Production of radios for the United Kingdom's civilian market was low in 1941, the Commerce Department reports, but manufacturers are reported to have made substantial profits, principally because of large Government contracts. Between 125,000 and 200,000 radio sets will be completed in 1942 for civilian use, however, according to estimates, and, in addition, approximately 80,000 sets may be exported; 1941 exports totaled approximately 62,200 sets.

Ninety percent of the homes in Great Britain are said to be equipped with radios at present. The number of radio licenses issued during the past 5 years is shown in the following table:

1937	8,480,822	1940	8,904,177
1938	8,908,366	1941	8,625,579
1939	8,947,570		

Radio tubes likewise were not available in sufficient quantities in 1941 to meet all civilian demands, but the capacity of the tube industry is being increased, and it is believed that 1942 production, together with imports, will be adequate for all essential needs.

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

INDEX TO ISSUE OF JULY 24, 1942

1942 Radio Manufacturing Taxes Jump To \$19,144,408.....	2
Jimmy Tells Workers Their Radios Helped Bomb Tokyo.....	3
Biddle's Move To Block Petrillo Heartens Broadcasters.....	4
FTC Cites "United Short-Wave Diathermy".....	6
Parts And Transmitting Tubes Committees Hard At It.....	7
Material Scarcity Cancels Television And FM Permits.....	7
Petrillo Inviting Probe Says 66% Members Out Of Work.....	8
Not Purpose To Aid BMI, Arnold Tells ASCAP.....	8
A Million Radios "Deep In The Heart Of Texas".....	9
Claims Broadcaster Winchell Is Shorn Of Uniform.....	10
Trade Notes.....	11

No. 1449

97
NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

1942 RADIO MANUFACTURING TAXES JUMP TO \$19,144,408

Treasury collections of Federal radio excise taxes during the fiscal year ended June 30, 1942, broke all records with total collections of \$19,144,408.18, the Radio Manufacturers' Association reports. Heavily increased sales, the increase in the radio tax rate, effective October 1, 1941, from 5-1/2 to 10 per cent, and also inclusion at the much higher rate of automobile radio sales, were factors. Radio taxes collected during the last six months, from January to June, 1942, totaled \$13,052,325.00, more than double the collections in the previous July-December 1941 half-year period, despite the general suspension on April 22 of civilian radio production.

Radio taxes collected last June totaled \$1,621,145.47, compared with \$534,872.56 in June 1941 (at the 5-1/2 per cent rate), and, of course, the June collections were largely on sales in May. June taxes on phonograph records totaled \$74,554.03 against \$229,413.70 in the previous month of May. June taxes on refrigerators, air conditioners, etc. also declined sharply, amounting last June to \$828,074.37 against \$1,014,684.27 in May, and compared with taxes on refrigerators alone in June, 1941, of \$2,021,732.61.

As compiled by RMA, figures on the 1941-42 radio tax collections, compared with those of the previous fiscal year and including monthly percentages, are given below, but it should be noted that the comparative tax rates are different; also higher automotive radio rates and sales were included in the figures from October 1, 1941:

Radio Tax Collections

Fiscal Year 1941-42 (Tax Rate 5-1/2% to 10/1/41, 10% Balance of Year)

July to December - Total Six Months	\$6,092,083.18	31.8%
January to June - Total Six Months	13,052,325.00	68.2%
Total Fiscal Year	19,144,408.18	100.0%

Fiscal Year 1940-41 (Tax Rate 5 1/2%)

July to December - Total Six Months	\$ 3,852,641.73	55.6%
January to June - Total Six Months	3,082,541.30	44.4%
Total Fiscal Yr.	\$ 6,935,182.03	100.0%

Radio factory workers shared in wage increases reported by many manufacturing industries last May, according to the current May report just issued by the U. S. Bureau of Labor Statistics. Although there was a slight decline during May in radio employment and total payrolls, the government reported increases, from March

through May, in the average weekly earnings of radio factory employees and also in their average hourly earnings. The Government report stated that difficulties in converting the radio and other industries to war production in May, with shortages of materials and layoffs, was the cause of some employment reductions in the radio and other durable goods industries, although the national factory employment had a contra-seasonal increase between April and May.

With detailed figures on radio and other factory employment and payrolls now omitted from the monthly Government reports, the May index figure on radio factory employment was 191.6 compared with an April index of 208.9. The index figure on total radio factory payrolls last May was 276.8, compared with 292.2. The comparative May 1941 index on radio employment was 173.7, while the May, 1941, index on total radio factory payrolls was 191.5.

Average weekly earnings last May of radio factory employees were reported at \$35.33, increased from \$34.31 last April, and from \$33.88 in March, 1942.

Average hours worked per week last May by radio factory employees were 45 hours, compared with 44.6 hours in the previous month of April, and 44.8 hours last March.

Average hourly earnings last May of radio factory employees were 78.5 cents, compared with 77 cents in April, and with 75.7 cents last March. These average hourly earnings compared with the national manufacturing average of 75.4 cents per hour last May.

X X X X X X X X

JIMMY TELLS WORKERS THEIR RADIOS HELPED BOMB TOKYO

Showing a picture of aviators using microphones designed by the Bell Laboratories and made by Western Electric, the Bell Laboratories Record for July printed the following telegram sent by Brig. Gen. "Jimmy" Doolittle to the employees of the Western Electric Company at Chicago:

"Now it can be told officially. Radios you helped to build aided us to bomb Tokyo and half a dozen other Japanese cities. Through those radios we issued commands between ships that sent our bombers on their marks; through those radios we cheered each other on as our bombs crashed into vital Japanese Naval and military installations. And, perhaps best of all, through those radios, we heard the hysterical Japanese broadcasters, too excited to lie, screaming about the damage we had done. We who made the flight deeply appreciate the assistance given by you who made the radios."

X X X X X X X X

BIDDLE'S MOVE TO BLOCK PETRILLO HEARTENS BROADCASTERS

The authorization by Attorney General Francis Biddle of an injunction suit under the anti-trust laws to prevent James C. Petrillo, President of the American Federation of Musicians from prohibiting Union members from making recordings for radio was joyful news for the broadcasters, especially the operators of the smaller stations.

Neville Miller, President of the National Association of Broadcasters, declared that the Attorney General deserved the thanks of the entire nation for authorizing legal action to prevent the American Federation of Musicians from closing up the musical recording business on August 1.

"Every music lover in America should congratulate Attorney General Biddle for his far sighted action today", Mr. Miller said.

"Every musician, as well, should congratulate Mr. Biddle because musicians, professional and amateur alike, would suffer by Mr. Petrillo's edict.

"Needless to say, the radio industry will give Mr. Biddle its whole-hearted cooperation. Radio spends between \$10,000,000 and \$15,000,000 a year for the services of members of the American Federation of Musicians. Radio wants to present the best musical programs at its command to the listening public. It cannot do this without the use of some recorded music."

The broadcasters were likewise considerably heartened at the interest the Federal Communications Commission seemed to be taking in the case. The Commission has directed Chairman James L. Fly to address identical letters to James C. Petrillo, President of the American Federation of Musicians, and Niles Trammell, President of the National Broadcasting Company. At the same time the staff of the Commission was told to advise it on procedure for a broader study into other musical problems as they affect radio broadcasting.

Mr. Fly stated in each letter the following:

"We have received a letter from Senator Arthur H. Vandenberg of Michigan suggesting that the Commission obtain information concerning the recent cancellation by the National Broadcasting Company of a broadcast by the National High School Orchestra from Interlochen, Michigan.

"The Commission would appreciate it if you would, at your earliest convenience, send us a full statement of the facts relating to the cancellation of the program."

The National Broadcasting Company said that its General Counsel, Judge A. L. Ashby, was preparing a report on Mr.

Petrillo's cancellation of the Interlochen broadcasts as requested by the Federal Communications Commission.

In its decision to go into musical problems affecting radio broadcasting, one observer is of the opinion that the FCC apparently relied on a decision by the Circuit Court of Appeals for the District of Columbia several months ago in connection with its investigation of joint newspaper-radio operation.

The Court of Appeals held that the Commission had "full authority and power" to inquire into questions arising under the provisions of the Communications Act or relating to its enforcement.

"This", the Court said, "we think includes authority to obtain the information necessary to discharge its proper functions, which would embrace an investigation aimed at the prevention or disclosure of practices contrary to the public interest".

In connection with Attorney General Biddle's move, the Justice Department said that the A.F.M. sought to create more work for its members, in an industry where mechanical improvement had reduced the need for hiring "live" talent.

"In the opinion of the Department", the Justice Department statement said, "such a policy is unjust both to labor and the public since, by keeping costs high, demand is limited, and since it places a severe burden on the public through unnecessarily increased cost."

The Department said that the "made work" program had "two marked advantages in promoting the selfish interest of the Union - in times of unemployment, it forces employers and the consuming public to pay for a primate system of unemployment relief, and in times of rising employment, it relieves members of the Union from the competitive necessity of learning how to do a different kind of job."

The Department said that the A.F.M. policy would adversely affect these businesses:

1. Small radio stations would be forced out of business, "since many of them are located in towns too small to provide an adequate supply of musical talent even if they could hire all the musicians needed to provide the normal proportion of music on the station schedule, which none are able to do."
2. Restaurants, hotels and small dance halls, which depend upon radio records used in so-called "juke boxes" for music, and which are unable to hire live talent.
3. Advertising agencies using musical transcriptions for their clients.
4. Musical motion pictures.

5. Electrical transcriptions manufacturers.

6. Radio networks and large radio stations which depend upon electrical transcriptions for a substantial portion of both commercial and sustaining network programs.

The Department said it was its contention that if the small radio stations serving small towns and rural areas lost recordings as a source of music, they would be unable to handle various "sustaining war programs essential to maintenance of civilian morale". Such programs are broadcast without charge.

The Department declared further that the A. F. M. policy would place under control of a single union official determination of what music may be played at patriotic gatherings where such music is put on the air.

X X X X X X X X

FTC CITES "UNITED SHORT-WAVE DIATHERMY"

United Diathermy, Inc., 100 West 42nd St., New York City, engaged in the sale and distribution of an electrical device designated "United Short Wave Diathermy", has been ordered by the Federal Trade Commission to cease and desist from false advertising and misrepresentation of its product.

The respondent's device is essentially a portable cabinet containing means for the generation of electrical short waves and their application to parts of the human body by means of insulated electrodes. The device, according to the Commission's findings, is sold to members of the public for use in giving self-administered applications of diathermy in their homes.

The Commission finds the respondent disseminated advertisements representing that the device, when used in the treatment of self-diagnosed diseases and ailments of the body by individual self-application in the home, is a safe, harmless, and effective method for the treatment of rheumatism in its various forms in all parts of the body, arthritis, neuritis, bursitis, lumbago, sciatica, neuralgia, sinus trouble, and colds, and for the alleviation of pain resulting from such conditions.

In December, 1940, upon application of the Commission, the respondent corporation was restrained by the United States District Court for the Southern District of New York from further dissemination of certain advertisements concerning the device pending issuance of a Commission complaint and its final disposition under Commission procedure.

X X X X X X X X X X

PARTS AND TRANSMITTING TUBES COMMITTEES HARD AT IT

Recommendations and data regarding radio replacement parts and transmitting tube replacement requirements during the next twelve months, for civilian use, have been requested by the War Production Board of both the Radio Replacement Parts Industry Advisory Committee, the members of which were named in our issue of July 21st, and the Transmitting Tube Industry Advisory Committee whose members are:

Rex L. Taylor, Taylor Tubes, Inc., Chicago, Ill.; H. C. Bonfig, RCA Manufacturing Company, Inc., Camden, N. J.; St. George Lafitte, Federal Telegraph Company, Newark, N. J.; S. Norris, Amperex Electronic Products Corp., Brooklyn, N. Y.; H. E. Wilson, Western Electric Company, Kearny, N. J.; W. R. G. Baker, General Electric Co., Bridgeport, Conn., and Roy Burlew, Ken-Rad Tubes & Lamp Corporation, Owensboro, Kentucky.

The Radio Manufacturers' Association advises that the Parts Replacement Committee will hold another meeting in Washington Thursday, August 13th, to submit data and recommendations. Simplifications and substitutions in various radio parts and also transmitting tubes are proposed. Provisions for specific allocations of materials from WPB for the future replacement parts, replacement tubes and also the transmitting tube programs continue in process of development. The civilian replacement tube order is in the drafting stage, and its early issuance is expected. Following receipt of data from the Parts Committee at its August 13 meeting, a similar allocation order providing materials for the future production program of replacement parts also is to be developed.

X X X X X X X X X X

MATERIAL SCARCITY CANCELS TELEVISION AND FM PERMITS

The Federal Communications Commission has cancelled construction permits for two television stations and four high-frequency broadcast stations because the construction involved the use of strategic materials. At the same time the Commission dismissed applications for three new standard broadcast stations, and several applications for changes in existing facilities.

The television construction permits cancelled were held by the National Broadcasting Company for stations in Washington and Philadelphia. The cancelled high-frequency construction permits included: National Broadcasting Company, Chicago; the Baltimore Radio Show, Baltimore; King-Trendle Broadcasting Corporation, Detroit, and Grand Rapids, Mich.

The dismissed standard broadcast applications included the Jayhawker Broadcasting Company, Topeka, Kans.; The Gazette Company, Cedar Rapids, Ia.; Fred Jones, Broadcasting Company, Tulsa, Okla.

X X X X X X X X X X

PETRILLO INVITING PROBE SAYS 66% MEMBERS OUT OF WORK

James C. Petrillo, President of the American Federation of Musicians (AFL), said in New York he would welcome any impartial investigation of his recent actions against the use of "amateur" and recorded music on the networks, which he termed an effort to obtain more work for Union musicians.

Mr. Petrillo said about 60 per cent of the Union's 138,000 members were out of work and that the use of "canned music" on the radio and in juke boxes contributed to this unemployment

This statement was made prior to Attorney General Biddle's action and before the formal letter sent to Mr. Petrillo by the Federal Communications Commission asking for his side of the case. Chairman Fly, however, had previously criticized the music union head's action in blocking the Interlochen broadcasts and said Mr. Petrillo's ban on recorded music would drive the great majority of small and independent stations out of business.

Mr. Petrillo said of the Interlochen dispute:

"Too many people are talking about it. Too many people know more about it than we do. So we'll let them settle it. It's all right to be patriotic, but when a man has played his violin for 30 years and cannot make a dollar it is time to fight."

Mr. Petrillo said that "the \$3,000,000 which a small number of musicians earn annually in making records cost our members \$100,000,000 a year in wages."

X X X X X X X X

NOT PURPOSE TO AID BMI, ARNOLD TELLS ASCAP

Thurman Arnold, Assistant Attorney General, in charge of the Department's Anti-trust Division outlined ASCAP's authority in the consent decree which the Government granted the Society early in 1941 in a letter last week to Milton Diamond, who represented the Society in the negotiations for the consent decree. "The decree", Mr. Arnold wrote, "permits a member of ASCAP to issue a gratuitous license to a user. However, such arrangement must be made between the member and user without the aid or inducement from any third party. Any attempt by BMI to induce an ASCAP member to issue such a license, by whatever means, would violate the express terms of the decree."

"It was not the purpose of the decree", Mr. Arnold's letter continues, "to enlarge the BMI catalog at the expense of ASCAP. The purpose was to foster competition between the two organizations for the benefit of users."

The question of gratuitous licensing was brought some-time ago when ASCAP's complaint committee undertook to discipline several writers for giving away their performing rights without the Society's consent. Mr. Arnold wrote John G. Paine, ASCAP General Manager, that the Society's action was considered by the Department as in violation of the decree. The letter from Mr. Arnold was in answer to one he had received from Mr. Diamond.

X X X X X X X X X

A MILLION RADIOS "DEEP IN THE HEART OF TEXAS"

That over a million radios are in Texas homes was revealed by the U. S. Census report:

OCCUPIED DWELLING UNITS WITH RADIO, FOR STATE AND CITIES
OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

AREA - <u>Texas</u>	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	1,678,396	1,090,206	540,595	47,595
Rural--nonfarm dwelling units	359,745	229,426	119,929	10,390
Rural--farm dwelling units	516,050	248,063	253,809	14,178
Abilene	7,450	6,148	921	361
Amarillo	14,479	12,914	1,139	426
Austin	22,519	17,374	4,637	508
Beaumont	16,199	12,023	3,474	702
Corpus Christi	15,608	11,063	4,170	375
Dallas	84,091	71,117	10,562	2,412
El Paso	24,831	18,918	5,493	420
Fort Worth	51,620	42,750	7,278	1,592
Galveston	16,474	18,751	2,467	256
Houston	107,530	77,782	14,800	3,948
Laredo	8,523	3,800	4,479	244
Lubbock	8,674	7,145	1,271	258
Port Arthur	12,401	10,129	1,891	381
San Angelo	7,233	5,653	1,427	153
San Antonio	65,745	49,753	15,012	981
Tyler	8,037	6,373	1,391	273
Waco	15,870	12,033	3,287	550
Wichita Falls	13,057	10,644	1,936	477

X X X X X X X X X

CLAIMS BROADCASTER WINCHELL IS SHORN OF UNIFORM

It might be worth the time of those following the fortunes of Lieut. Commander Walter Winchell, U.S.N.R.F. to tune in on his broadcast next Sunday night, July 26th, to hear what he has to say, if anything, in response to two recent newspaper articles attacking him. One was a full-page spread in last Sunday's Washington Times-Herald (July 19) which refers to him as "The Popgun Patriot" and signed by "Georgiana X. Preston". This is supposed to be a fictitious name as nobody has ever heard of such a person. The Times-Herald, however, is owned by Mrs. "Sissie" Patterson, brother of Joseph Patterson, publisher of the New York News and cousin of Col. Robert R. McCormick, owner of the Chicago Tribune. The second article is another brick evidently heaved at Winchell by Westbrook Pegler, and is captioned, "Navy Specialist".

"Georgiana X. Preston" writes in part as follows about Winchell:

"Amassing a new fortune didn't prove too difficult, because he was now making \$1,200 a week from the Mirror, plus 50 per cent of the money from the syndication of his column, amounting to another \$750 a week. His weekly radio talk gave him \$5,000 more. After paying State and Federal income taxes he had a net income of about \$185,000 a year. He seldom misses an opportunity on the air or in print, to extol his generosity. Several times he has made a great to-do in announcing that 'the entire proceeds of this broadcast' will go to the Navy Relief - or Red Cross - or some other worthy cause.

"Walter is very generous", remarked one of his closest intimates. "The only point he neglects to mention is that he never makes a contribution that he can't deduct from his income tax."

"We are indebted to Marcia Winn, of the Chicago Tribune for bringing us up to date on Winchell. Miss Winn discovered Winchell out of uniform and wanted to know how come. She inquired at the Navy offices, 90 Church St., New York, and was informed as follows:

"Winchell no longer wears his uniform. As a matter of fact he is no longer entitled to use his title as he has been turned back to the inactive reserve."

"Now that Winchell's fighting patriotism has been exposed as being as completely phoney as everything else he has ever done, where does he move on to from here?"

The Winchell article in the Times-Herald is one of an anti-New Deal series captioned "Having A Wonderful Time" and has already taken several others for quite a ride, including Archibald MacLeish, Henry Luce, Ralph Ingersoll and Dorothy Schiff Backer, publisher of the New York Post.

X X X X X X X X X X

: : :
: : : TRADE NOTES : : :
: : :

With the expansion of its war services, including standardization of military radio equipment and also in the transmitting apparatus field, membership in the Radio Manufacturers' Association is continuing to increase. New RMA members are the Westinghouse Electric & Manufacturing Company; Remington Rand, Inc., (Electronics Division), of New York, with a plant also at Middletown, Conn.; Radio Engineering Laboratories, Inc., of Long Island City, N.Y., and Technical Radio, Inc., of San Francisco. A revised RMA trade directory and membership list is now in preparation.

Call letters of General Electric's frequency modulation station in Schenectady are now W95A instead of W2XOY. W2XOY was an experimental designation. The station will operate on 48.5 megacycles.

All manufacturers who are required to obtain priority assistance under the Production Requirements Plan must file the revised Form PD-25A with the War Production Board not later than August 10 in order to obtain such assistance for the fourth quarter, Amory Houghton, Director General for Operations announced Thursday in releasing the new forms.

The leading article in this week's Saturday Evening Post (July 25) is "He Bombs Tokyo Every Day" about E. T. Buck Harris in charge of G.E.'s station KGEI at San Francisco. Described as once a rolling stone in newspaper offices but who now plays a crucial role in the Pacific War, Mr. Harris is credited with having developed an orphan short-wave station into one of the United States' most potent war weapons".

Larus and Brother Co., Inc., Richmond, Va., owners of Station WLAB have applied for modification of construction permit which authorized construction of new relay broadcast station requesting changes in transmitting equipment and decrease in operating power from 100 watts to 31.4 watts.

Donald M. Lawton has resigned as head of the NBC-KPO Sales Promotion Department to head up the Advertising Division for the new A. E. Nelson Company, San Francisco, California.

The kind of quartz crystal used to control the length of radio waves and radio frequency oscillations is found in commercial quantity only in Brazil, according to Henry W. Nichols, Chief Curator of Geology at Field Museum of Natural History in Chicago.

First film to dramatize the short-wave radio propaganda forces who are attacking the Axis on the air, is in preparation under the title "Fourth Front". Sam Marx, who will produce the picture for Metro-Goldwyn-Mayer states that some of the actual short wave experts now blasting Europe with American truths, will appear in the film.

Station KFAC, Los Angeles Broadcasting Co., Los Angeles, Calif., has amended its application to include changes in direction antenna.

The British Broadcasting Corp. has banned songs of "slushy sentiment" and all suggestive ones and those based on melodies lifted from the classics. In a letter to song publishers and dance band leaders, BBC also disclosed a ban on "any form of anemic or debilitated vocal performances by male singers and any insincere or oversentimental style of performance by women singers". A BBC official said "this is emphatically not a ban on crooning . . . but we feel the public does not want any more of the sugary sentiment that has become prevalent - far too prevalent."

Three regional meetings at which wholesalers and retailers in the Middle Atlantic and New England States, and in the West, will have the opportunity to present their views on the current inventory situation, and on the question of governmental inventory regulation, were announced this week by Eaton V. W. Read, Chairman of the Wholesale and Retail Inventory Policy Committee of the War Production Board's Office of Civilian Supply.

Present plans called for informal conferences of merchants and committee members in New York City this week; in Chicago on July 27 and 28 and in Pittsburgh on July 29.

So extensive were his interests that few even in the radio industry knew that Moe Annenberg, publisher of the Philadelphia Inquirer, who died earlier in the week after serving a prison term for tax evasion, was also the publisher of Radio Guide.

He made his big money, however, in his race track information service and, according to the New York Times, became the fifth largest customer of the American Telephone and Telegraph Company, exceeded only in his annual bills by three nation-wide news services furnishing world news to all newspapers and by the Radio Corporation.

OPA announced drastic revision of truck tire rationing regulations which will deny new or recapped tires after July 28 to radio distributors, dealers and servicemen. Upon recommendations, because of the rubber shortage, from the Office of Defense Transportation, the new tire rationing regulations prohibit allocation of tires to all privately operated trucks carrying radios, phonographs, musical instruments, soft drinks, etc. and "other luxury goods". Also dropped from eligibility for tires are private carriers furnishing transportation for incidental maintenance services, including the repair of "any portable household effects". It is understood that the latter will preclude tires for radio and other similar service operating trucks.

War Production Drive Headquarters encourages labor-management committees in war plants to conduct slogan contests. Prize winning slogans are usually forwarded to War Production Drive Headquarters. They are selected as the best by committees of plant workers and not by any government agency. A number of recent prize winners are released among them being one from the General Radio Company at Cambridge, Mass., which read: "U-most S-speed A-head."

X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

INDEX TO ISSUE OF JULY 28, 1942.

Radios Now In 82% Or 28,052,160 U.S. Homes.....	2
Japs Hamstring Filipino Radio.....	3
Non-Radio Newspapers Hammer Petrillo.....	4
FCC Evidently Looks To Court To Stop Petrillo.....	6
Senate Burns At Radio And Press Panning Congress.....	7
U.S. Puts Curb On Private Radiophone.....	9
Charges Navy Opposes International Telegraph Merger.....	10
Trade Notes.....	11
First Wartime Six Months Shows 24% Sponsor Increase.....	12

No. 1450

OK

July 28, 1942.

RADIOS NOW IN 82% OR 28,052,160 U.S. HOMES

The number of homes in the United States with a radio more than doubled between 1930 and 1940, according to data from the 1940 Census of Housing released today (Tuesday) by Director J. C. Capt of the Bureau of the Census, Department of Commerce. Radios were reported in 28,052,160 occupied dwelling units in 1940, or 82.8 percent of the number reporting on this item, as contrasted with 12,048,762, or 40.3 percent of all homes in 1930. The proportion of homes with a radio in 1940 was highest in the urban areas, in which 91.9 percent of the reporting units had a radio, as compared with 79.0 percent in the rural-nonfarm areas, and 60.2 percent in the rural-farm areas.

In the North and West, the proportions having a radio were 91.9 percent and 88.9 percent, respectively. The corresponding figure for the South was 62.1 percent.

In twenty-five States and the District of Columbia more than 85 percent of the homes had a radio. These States form a continuous band reaching from the North Atlantic coast, along the Canadian border, and down the Pacific coast. In the North the proportion of homes with a radio ranged from 79.9 percent in Missouri to 96.2 percent in Massachusetts. In the block formed by Massachusetts, Connecticut, Rhode Island, New York, and New Jersey, more than 95 percent of the homes had a radio. The range in the South was from 39.9 percent in Mississippi to 88.1 percent in Maryland and 93.7 percent in the District of Columbia; and in the West, from 53.2 percent in New Mexico to 92.9 percent in California.

In the North, the proportion of urban homes having a radio ranged from 90.4 percent in Kansas to 96.7 percent in New York; in the South, from 61.5 percent in Mississippi to 93.7 percent in the District of Columbia; and in the West, from 72.5 percent in New Mexico to 95.1 percent in California. Twenty-five States and the District of Columbia ranked above the United States average of 91.9 percent for urban homes. In 14 States 95 percent or more of the urban homes had a radio. With the exception of Vermont and Utah, these 14 States are located along the two oceans and the Great Lakes.

In 29 States the proportion of rural-non-farm homes having a radio was above the United States average of 79.0 percent. The greatest deviations from this average were in the West, where the percentages ranged from 47.6 in New Mexico to 90.2 in Utah. In the North the proportion of rural-nonfarm homes with a radio ranged from 76.8 percent in Missouri to 95.3 percent in Connecticut; and in the South, from 50.9 percent in Mississippi to 86.5 percent in Delaware.

The national average of rural-farm homes having a radio was 60.2 percent. In 32 States the proportion of rural-farm homes with a radio was above this average. Among the northern States radio ownership in the rural-farm areas ranged from 60.5 percent in Missouri to 89.3 percent in Massachusetts; in the South, from 27.3 percent in Louisiana to 71.1 percent in Delaware; and in the West, from 36.7 percent in New Mexico to 86.3 percent in Utah.

X X X X X X X X

JAPS HAMSTRING FILIPINO RADIO

An idea of what would happen to radio if the Japs secured the upper hand in the United States may be gained from a broadcast of the Japanese-controlled radio at Manila, received by the Federal Communications Commission that the military authorities in the Philippines have issued an order designed to stop "illegal wireless communication and broadcasts".

The order, Military Ordinance No. 16, follows:

- "1. It is prohibited to manufacture or produce wireless telegraph or telephone apparatus or equipment.
 - "2. All materials or parts of wireless telegraph or telephone apparatus will be purchased by the Japanese forces. Anyone, therefore, in possession of said materials or parts should submit them or report them to the headquarters of the Uchiyama Corps, MMM company, and there secure further instructions.
 - "3. Anyone found violating this ordinance shall be severely punished according to military law.
- "Repairs of radio receiving sets and sales of parts required for such repairs are exempted from this ordinance and will be allowed as heretofore. The law-abiding citizens, therefore, should realize the basic intentions of the Japanese forces and willingly observe these instructions and contribute thereby to the establishment of the new Philippines."

X X X X X X X X X X

Despite the fact the blood was flowing freely from his injured hand, Alexander Sutton, 19 years old, of Glasgow, a wireless operator on board an American bomber being ferried to Britain, dismantled his radio when it broke down and reassembled it unaided. The bomber was about half way across the North Atlantic when the radio went wrong. It was midnight and there was little light by which to make repairs. Knowing that the captain of the plane depended on getting wireless bearings, Sutton decided to dismantle the whole set. He had memorized the blueprint and he started in almost pitch darkness to carry out the difficult task. He had gashed his hand while dismantling the set and the fact that the bomber had been flying at over 20,000 feet had caused the blood to spurt freely from the wound.

X X X X X X X X X X

NON-RADIO NEWSPAPERS HAMMER PETRILLO

No sharper criticism has been levelled against James C. Petrillo, President of the American Federation of Musicians than by two of the country's foremost newspapers, neither of which owns or has any interest in a broadcasting station. One was the New York Times, and the other the Washington Post.

In its third editorial on the subject in a week, the Times last Saturday - blasting Mr. Petrillo and a "spineless" Congress, asked:

"Is it possible that there is a higher law even than Mr. Petrillo's slightest word? The Government thinks there might be, and has had the temerity to move against him from two different directions. The Attorney General has authorized the filing of an injunction suit under the anti-trust laws to stop Mr. Petrillo from preventing his musicians' union members from making recordings for the radio. The Chairman of the Federal Communications Commission has started an investigation of the cancellation, on Mr. Petrillo's orders, of the broadcast of the National High School Orchestra at Interlochen.

"We wish these Government agencies luck. The past record of the Administration, Congress and the Supreme Court, however, has been all on the side of Mr. Petrillo. They may deplore what he is doing, but it is they who have brought about the state of law - or lawlessness - that has so far permitted him to do it. Let us recall that under recent Supreme Court decisions labor unions enjoy sweeping immunities from the anti-trust acts, and that Congress has not troubled to change this state of the law. Let us not forget that though employers are forced to recognize unions under the Wagner Act, there is nothing whatever in the Federal law to compel these unions to conduct their affairs responsibly.

"There is nothing to prevent them from keeping out anybody from their union, and so denying him a job, unless he pays an extravagant initiation fee. There is nothing compelling them to make their finances public, or to submit to audit, or to hold regular and unintimidated elections of officers. To force the employment of a 'stand-in' orchestra, which must be paid even though it is not used, is, according to the explicit declaration of the Supreme Court, quite all right according to the law. Even for 'union' hoodlums to lie in wait for trucks crossing a State line, force their way onto them by beating the drivers, and force the payment of 'wages' to them though they do not offer to render any services, is, according to the Supreme Court, certainly not in violation of the Federal Anti-Racketeering Act.

"As long as a spineless Congress permits this disgraceful state of the law we will have not only Petrillos but union leaders who do far more harm than the Petrillos. Indignation at the edicts of Mr. Petrillo, unaccompanied by any suggestion or move to change the state of the law which permits him and others suc-

cessfully to issue such edicts, is either hypocritical or hopelessly stupid."

The Washington Post followed through Monday morning with:

"Well, just as we said, our little tyrant of music, Mr. Jimmy Petrillo, has at last invoked against himself what in the good old days (when we thought such things mattered) we used to call a storm of public indignation. Doubtless Mr. Petrillo, who is, after all, not without experience in these affairs, believes that all one need do about a storm is to let it go ahead and exhaust itself. Some newspapers, evidently, think so, too, and that despite any amount of thunder and lightning Jimmy will go on getting his own sweet way about everything until and unless Congress chooses to act. The Greeks, however, had still another of their well-known words for this kind of monkey business. They would have said that Jimmy was just begging for it, and would have given him up long ago as a doomed man.

"Anyway, the movement against Mr. Petrillo is proceeding, as we say nowadays, on the three broad fronts. The Department of Justice is trying to enjoin him from fulfilling his threat to suppress the making of phonograph records. The Federal Communications Commission is trying to find out by just what right, authority or power Jimmy was able to prohibit the broadcasting of a concert by high school musicians at Interlochen, Mich. And the venerable Walter Damrosch, the best known and most beloved personality in American music, has written to Vice President Wallace (whom he evidently considers almost as important and influential as Mr. Petrillo himself) to lend his prestige and power to this fight 'to end dictatorship and one-man rule' both at home and abroad.

"Finally, there are other labor leaders who have been shaken out of their usual administrative and jurisdictional pre-occupations by the tempest and are, quite properly, beginning to take fright. For it is no secret that various groups (some of them almost as tightly organized as Mr. Petrillo's own American Federation of Musicians) are watching with a general movement to curb the power of the unions can be launched.

"Some people seem to think that anything that Mr. Thurman Arnold or Chairman Fly of the FCC, or we daresay even Vice President Wallace, may attempt to do about Mr. Petrillo is doomed in advance to frustration because of the record of Congress, the National Labor Relations Board and the Supreme Court on any question concerning labor unions. We shall see what we shall see. When a popular howl is loud enough it has been known to reach even the ears of courts. Meantime, our urgent and well-intentioned advance to members of all labor unions, including Mr. Petrillo's own union, is to reflect carefully upon just whither such senseless abuses of the power they have so cheerfully and confidently delegated will lead them in the end."

X X X X X X X X X X

FCC EVIDENTLY LOOKS TO COURT TO STOP PETRILLO

Although Chairman James L. Fly of the Federal Communications Commission last week expressed opposition to the action taken by James C. Petrillo, President of the American Federation of Musicians in banning the broadcasts of the Interlochen High School Orchestra and the making of records for broadcasting, and declared that the FCC would investigate the situation, he admitted at his press conference Monday that that was probably all the Commission could do.

Mr. Fly said:

"Since our last conference here and I made my latest statement, the Department of Justice has moved in, as you know. That, of course, presents somewhat different face of the problem. We are investigating the matter. It is rather dubious as to whether or not we have any jurisdiction to act directly and that always leaves open the question as to whether we might look extensively on the situation with a view possibly to enact legislation. At the moment we are making basic inquiry on the factual and legal questions. We will probably hear something on that within a week."

"Will there be hearings?" the Chairman was asked.

"That we have not determined", the Chairman replied. "The present inquiry will endeavor to get the basic facts - the scope of the problem - the underlying problems - and propose the legal issues and determine our general course from there on out."

As a result of the Petrillo controversy, the National Broadcasting Company cancelled the Grant Park concert broadcast of which Mr. Petrillo is the sponsor. The cancellation followed receipt of an order from the Chicago offices of the Musicians' Federation to the NBC Program Department that the broadcast must not be fed to Station KSTP, the NBC outlet in the St. Paul-Minneapolis area.

This order was linked in radio circles with similar bans in the East designed to exert NBC pressure on KSTP to accede to the demand of the St. Paul-Minneapolis musicians' Local that a year's work be guaranteed to any member employed for thirty days.

"The union gives \$50,000 a year for this Grant Park concert", Mr. Petrillo said, "but no one says anything about it."

The latest word is that injunction proceedings by the Justice Department may be filed in Chicago any day now against Mr. Petrillo to stop the music union head from enforcing his ban on recordings for broadcasting.

X X X X X X X X

SENATE BURNS AT RADIO AND PRESS PANNING CONGRESS

Touched off by a scorching double column front page editorial in the Washington Post of July 27, denouncing "Political Profiteers", there was a four-hour Senate debate Monday rebuking radio and newspaper critics of Congress. The Post editorial charged that "the November elections have thrown an ever increasing shadow on every war development in Washington. Most members are now home building political fences.

"They are assuring farmers that there will be no ceiling on their products. They are assuring labor there will be no ceiling on wages, far from it. They are telling voters that there need be no concern about rires and gasoline. They are assuring parents that 18-year-olds will not be drafted.

"In the meantime the threat of ruinous inflation comes closer to reality day by day. Businesses are closing, meat becomes scarce, every index shows black trouble closer - not because leaders do not realize the truth but because politics, and votes, and November come first."

The Post asserted that in Monday's debate there were never more than 25 Senators on the floor and that when Senator Taft of Ohio spoke, there were only 16 and concluded by saying, "Leaders conceded that a quorum of Senators was not in Washington."

The most severe critics of the radio and newspaper commentators were Senators O'Mahoney, of Wyoming; Chandler, of Kentucky, Taft of Ohio, and Lucas of Illinois. Senator O'Mahoney expressed approval of Raymond Gram Swing and Fulton Lewis, Jr., of Mutual. Elmer Davis, head of the Office of War Information, came in for a large bouquet. Senator Lucas made the suggestion frequently heard in Washington lately that Elmer himself go back on the air "with the facts".

"It seems to me as a practical suggestion", Senator Lucas said, that Elmer Davis, along with the Communications Commission, but especially Mr. Davis, could very well call in the sponsor of Carter's Little Liver Pills or the sponsor of this perfume, or that drug, and perhaps the owner of the station, and sit down with them and point out that during the last three months John Jones, the commentator, has said one thing after another which, in the opinion of Mr. Davis, was not in the best interests of unity, and which was not in the best interests of winning the war under the present very trying circumstances."

"Let me add to the Senator's suggestion - and that also, in the opinion of Mr. Davis, were untrue and false", Senator Chandler interjected.

"Yes", Mr. Lucas replied.

"I know that the Senator from Illinois has had the experience that the commentators and the columnists make charges based on hearsay, and which cannot be supported; but when the truth comes out, that is not news, and is not handled as such. It is passed over", Senator Chandler declared.

"There is no excuse for such conduct. Such persons have no hesitancy in undertaking to destroy the most priceless thing a man has - his reputation. They are character assassins; and for their own purposes, and not because they are interested in the people of the United States, they seek to destroy character regardless of the sincerity and honesty of the victim."

"Speaking of radio commentators, last Wednesday evening a radio commentator named Upton Close spoke over a national chain. I think it was an international broadcast", Senator Chandler said. "He thought so much of telling this lie that he told it at the expense of numerous persons. Among other statements he made, he said that the Senator from Kentucky had gone before the committee of the Senator from Illinois (Mr. Lucas) and had requested \$50,000 to take a trip to Alaska.

"That is not true. The Senator from Kentucky did not make any request of any committee for any funds to go to Alaska or anywhere else."

"Let me interrupt the Senator. I heard that broadcast", broke in Senator O'Mahoney. "At the time I heard it, I remarked to myself what the Senator has now stated. I know that the request for an appropriation to send a committee to the Aleutian Islands was made by the Senator from North Carolina (Mr. Reynolds), Chairman of the Military Affairs Committee. I know that the Senator from Kentucky had nothing whatever to do with it."

"Moreover, I know that many persons in the United States are wondering why the Japanese are permitted to remain in Kiska Harbor. I hope that if the Senator from Kentucky goes to the Aleutian Islands he may find out why."

"I have made it a practice always to listen to Raymond Gram Swing, who is one of the most conscientious and able of all the radio commentators, because he is not a propagandist, because he always endeavors to report to his listeners the facts. Too many radio commentators and too many editors are merely propagandists, who are trying to convey to their listeners or to their readers the points of view which they themselves hold, even though in many cases they entertain these opinions without any factual basis", Mr. O'Mahoney continued.

"The air every night is filled with meaningless words uttered by radio commentators, whose opinions are based, not upon facts, but upon opinions, and who do not take the time to acquire the knowledge of facts which is necessary to convey to the people of the country an understanding of what is going on."

"Elmer Davis has not been on the air since he received his appointment as Director of the Office of War Information", Senator Lucas commented. "For some reason or other, he has ceased commenting upon public affairs throughout the world. To me this is most unfortunate. It may be that he has been so busy in connection with the duties of his new office that he has found it impossible to take the time to prepare a 15-minute radio address once or twice a week for the benefit of the millions of listeners he had throughout America prior to the time he accepted his present important position. It may be that as a matter of policy it is believed that it would be inimical to the best interests of the radio and communication service to have a Government employee making radio broadcasts throughout the Nation.

"But if Mr. Davis will take to the air twice a week with the facts which he has before him, and give to the American people the same honest type of broadcast which he gave before he was appointed to his new position, not allowing his governmental position to interfere with an honest analysis of what he sees before him, because of the confidence which the people have in him, in my opinion he can do more good toward national unity than any other single commentator. After listening to some of the amateur commentators who may be molding public opinion throughout the country, the people would wait for Davis before making up their minds as to what is the best policy for them to pursue.

"I sincerely hope that Mr. Davis will take this suggestion seriously. In my humble opinion, he would be doing a real service to his country at a time when a certain few radio strategists speak as if they know more about military, naval and air strategy than do the men whom we have spent millions of dollars to train.

X X X X X X X X X X

U.S. PUTS CURB ON PRIVATE RADIOPHONE

Clamping down tighter, the War Communications Board last week prohibited personal radiotelephone calls outside the Western Hemisphere, except England. Also all non-governmental Australian radiophone services were ordered closed. The order which in effect bars Madrid, Lisbon and Berne, was as follows:

(1) From and after the date hereof, no non-governmental business or personal radiotelephone call shall be made to or from any foreign point outside of the Western Hemisphere except England, unless such call is made in the interest of the United States and an agency of the United States Government sponsors such call and obtains prior approval therefor from the Chief Cable and Radio Censor; Provided, however, That this provision shall not apply to calls by press agencies approved by the Censor, or to addressed radio program service and cue channels used in connection therewith.

(2) All non-governmental point-to-point radiotelephone circuits between the United States and Australia be, and they are hereby, designated for closure and, effective midnight August 31, 1942, are closed.

X X X X X X X X

CHARGES NAVY OPPOSES INTERNATIONAL TELEGRAPH MERGER

In two letters addressed to Chairman Alfred L. Bulwinkle of the House Sub-Committee on Interstate and Foreign Commerce, by James L. Fly - one as Chairman of the Federal Communications Commission, and the other as Chairman of the Board of War Communications, the Navy was charged with making the chief, if not the only objection, to the merger of international telegraph facilities.

Indicating that he expected to push the matter further, Mr. Fly said:

"I am very much interested in the merger of the telegraph industries. That, I think, is one of the most significant problems that we have with us today and that we shall have in the course of the next few years, and I think anything that any of us can do to forward the aim of procuring an American control - comprehensive and efficient worldwide scheme of communications - ought to be done. The ground work ought to be laid for it right now, and any of us who are in a position to forward that aim and fail to do so at this critical juncture may well be deemed derelict."

"It is important to note that the opposition to the proposal does not come from the Director of Naval Communications himself; it apparently comes from other sources within the Department," Chairman Fly wrote to Chairman Bulwinkle. "It is also worthy of note that the chief communications officials of the War Department are in favor of the international merger. It may be observed, too, that neither the Federal Communications Commission nor the Board of War Communications was consulted by the Navy officials in their consideration of this problem."

"The notion that this important matter can be casually thrust aside for the period of the war, later to be studied, given legislative consideration and eventually negotiated and approved in due course, is, I think, unfortunate. Events in the world today are moving fast. Upon the termination of war the various activities and relations in the four corners of the earth are going to take definite shape with great rapidity. If it is now to be determined that we shall go into that era with an inadequate scheme of communications and with a world system predominantly under foreign control, I do not want the record to fail to show what at this critical juncture I raised a voice."

Mr. Fly's reference to "other sources within the Navy Department" are believed to refer to Admiral S. C. Hooper, former Director of Naval Communications, the Navy's radio and communication advisor, who has opposed the merger.

X X X X X X X X

7/28/42

:::
::: TRADE NOTES :::
:::

"What are you going to talk about, voluntarily?" Lewis Wood, of the New York Times, and President of the Gridiron Club, asked Chairman James L. Fly, Chairman of the Federal Communications Commission at the latter's press conference last Monday.

"I don't know", Mr. Fly answered. "I seldom stick my neck out - but by the end of the day I usually have."

William L. Martin, trading as Waterbury Pen Co. and Radio Advertising Service, 706 Insurance Center, Chicago, engaged in selling Waterbury Fountain Pens, entered into a stipulation with the Federal Trade Commission in which he agrees to discontinue using the name "Waterbury" in connection with or as part of the trade name for his fountain pens. The respondent further agrees to cease disseminating any representation or agreement as a guarantee when it involves a service charge or calls for the payment of additional money, and to stop representing that his fountain pens conform to Army or Navy regulations.

Word has been received of the death of William Boehnel who was an assistant to Orrin E. Dunlap, Jr., when the latter was radio editor of the New York Times. At the time of his death, Mr. Boehnel was the moving picture critic of the New York World-Telegram.

Prediction is made by O. H. Caldwell in Radio Today that the war may eventually cause a reduction in the number of hours of broadcasting. Mr. Caldwell writes:

"At the IRE convention in Cleveland, the Canadian engineers present proposed that hours of broadcast operation be curtailed, and also that power of stations be reduced. Power output could be clipped without seriously affecting most listeners, and a good many broadcast transmitting tubes could be reclaimed and put back into service, utilizing tubes which had been previously retired. Cuts in both power and time-on-the-air are savings which U.S. broadcasters may soon face."

More than 70% of all radio stations in the country have now agreed to sell war bonds directly for the Treasury. Secretary Morgenthau reported that with the mobilization of 621 out of 868 stations, radio thus became the first industry to go outside its direct field of action to aid the Treasury in its twelve-billion-dollars-a-year bond sale campaign.

During 1941, Americans purchased 13,800,000 radio sets. That means 96 new sets were bought every minute of every working day last year - or 46,000 per day.

7/28/42

The following item appeared in the Goldfish Bowl, magazine of the National Press Club:

"A columnist and radio lecturer (whose column does not appear in the Times-Herald (Washington) wandered around the White House lobby and press room not long ago, clad in a naval uniform, and asked first this correspondent and then that one: 'Have you got a Mirror?' Ultimately he reached Mr. Jack Purcell with his query and was told: 'There's a mirror in the gents room.'

X X X X X X X

FIRST WARTIME SIX MONTHS SHOWS 24% SPONSOR INCREASE

Ending its first wartime six months' period on June 30, 1942, WOR took stock on the changes and conditions of radio advertising since December 7, 1941. During the first half of this year, 201 accounts bought time on WOR. This represented an increase of 24% over the same period last year. 47 of these accounts, or 23.3% used WOR for the first time.

Among the first things to be undertaken was an intensive solicitation of accounts not so badly affected by the war and the preparation of a guide for sponsors, present and future. A confidential memorandum was written by the WOR Promotion Department on changes that might take place in radio selling and programming. Contained in that report were the following seven points which told radio advertisers what to look for in the months to come:

- (1) Continued shifts in listening habits due to changed working hours and modes of living.
- (2) Increased purchasing by the lower-income classes, brought about by higher salaries.
- (3) Increased desire on the part of the radio audience for program material containing, or consisting of, nostalgic music and memory-provoking incidents; "behind the scenes" news or commentaries on the war here and abroad, light comedy and variety entertainment.
- (4) Strip-show sponsors will have to re-examine the idea that Monday to Friday makes a week. They should pay increasing interest to Saturday and Sunday listening due to changes in working schedules.
- (5) War tension and advanced working hours will needle interest in all types of sports broadcasts.
- (6) The radio advertiser will have to pay less attention to show ratings as quantities rather than qualities. "How many listeners have I?" won't be half as important as "What kind of listeners are they?"
- (7) Generally, station choice will be made more and more on each station's "universal" appeal.

X X X X X X X X X X

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
GENERAL LIBRARY
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

INDEX TO ISSUE OF JULY 31, 1942

Senators Would Make Commentators Announce Sponsors.....	2
"Reader's Digest" Seeks Radio Program Complaints.....	3
Blue Net Answers Capital Publisher's Winchell Suit.....	5
Communications Copper Ratings Raised To A-1-J.....	6
Miss Kelsey, Of Zenith, Compiles High Frequency Guide.....	6
Belligerents Spar As Petrillo Deadline Approaches.....	7
Petrillo Says Government Protects Radio Stations.....	8
Elmer Davis Cites War In Petrillo Plea.....	9
Trade Notes.....	11
Navy Radio Control Forced By U-Boats, Knox Says.....	12

No. 1451

July 31, 1942

SENATORS WOULD MAKE COMMENTATORS ANNOUNCE SPONSORS

As a result of the recent denunciation of radio commentators, newspaper columnists and editorial writers in the Senate for their criticism of Congress, it is reported that a definite movement is on foot to try to muzzle these critics to the extent of making them announce the names of their sponsors the same as the names of sponsors of advertising programs are required to be broadcast.

Senator Lucas, of Illinois, first brought this up when at the conclusion of the heated debate on the subject in the Senate he declared that something should be done about the commentators. He had previously suggested that Elmer Davis, head of the War Information Office, could very well call in the sponsor of an offending commentator and tell him that the commentator in criticizing Congress was not acting in the best interests of winning the war.

Later Mr. Lucas read a provision in a bill introduced by Senator Wallace White, of Maine, now pending before the Commerce Committee. Whereupon Senator White arose saying:

"The provision to which Senator Lucas has just referred to has not made progress in the Senate."

Evidently feeling that in view of the resentment of members of Congress at the way they are being criticized that there might be more interest in his bill now, Senator White went on to say:

"Under present law there is a requirement that advertising matter shall be announced so that it shall be known that the advertisement of any particular article or thing is by a particular advertising concern. There was no provision in the law, however, concerning that to which the Senator has made reference and the section which he has read was intended to fill the gap. There was no provision in the law which required the identification of a person who spoke and discussed a particular question.

"It seems to me that if it is important that it should be made known to the people of the country that an advertiser is paying for a program, it is even more important that the people of the country should know, when a man speaks over the radio, whether he is speaking for himself or some other person, or some organization. That was the underlying reason for the section in the bill which the Senator has read."

"I heartily concur in what the Senator from Maine has said, and if the time ever comes when the bill reaches the floor of the Senate, I shall certainly support it, because I believe that the Senator is moving in the right direction", Senator Lucas replied.

"One of the troubles with many radio broadcasters is that they are not responsible to anyone, so to speak. One sponsor has them for 1 week or 6 weeks, and another sponsor has them for another 6 weeks. They are in a category wholly different from that of a newspaper, as I view it, and certainly we ought to have all the information we possibly can obtain in regard to the sponsor, the advertisement, and the individual who is commentating for 1 minute upon a particular article and during the other 14 minutes telling us what is wrong with the world."

Senator White's provision reads as follows:

"Sec. 330. No licensee of any radio-broadcast station shall permit the use of such station for the discussion of any public or political question whether local, State, or National in its scope and application, unless the person or persons using such station shall, prior to such use, disclose in writing and deliver to the licensee the name or names of the person or persons or organization upon whose instance or behalf such broadcast is to be made or conducted. Upon the making of any such broadcast the name of the speaker or speakers using the station, together with the other information required by this section, shall be announced both at the beginning and at the end of such broadcast."

X X X X X X X X X

"READER'S DIGEST" SEEKS RADIO PROGRAM COMPLAINTS

A movement which is apt to cause immediate repercussions in the broadcasting industry has been started by the Reader's Digest, in seeking to establish a central clearing house for complaints on radio programs. The proposal is made in the August issue of the Digest, said to have a 6,000,000 circulation, in an article "Radio's Plug-Uglies" by Robert Littell, who starts out by saying:

"As you turn the radio's knob in search of entertainment, suddenly you hear a two-toned sound effect, like a bass fiddle in pain, and a voice says: 'There's nothing so dismal as a foghorn (sound effect) unless it's Beee-Oh 'sound effect again). Livebuoy - from head to toe it stops B.O.' Then follows a drama in which one of the characters, 'Sad Sam the B.O.Man', is urged to use three cakes a day.

"The angry snarl of static that interrupts this pretty posy is probably Marconi turning over in his grave.

7/31/42

"To millions of people radio has given solace, laughter, immortal music, news from the whole wide world. But does that give it the right to shove the halitosis, varicose veins and suffering stomachs of mankind into the listener's ear? Do so many of the commercial plugs on radio programs have to be so insistent and so offensive?"

"A group of people who had been listening to radio's plug-ugliness with growing disgust decided to do something about it. As a first step they questioned at random over a hundred fellow citizens, from cooks to engineers. Result: 85 percent said they found most commercials completely obnoxious. The other 15 percent felt neutral. Not one had a genuinely good word to say for broadcast advertising.

"Then, knowing they were not alone in their disgust, the group organized a committee to 'renovate radio advertising', gave itself the name of 'Plug Shrinkers', and wrote letters to a number of sponsors.

"The replies of the sponsors were rather lame: 'Repetition makes reputation.' . . . 'Our method has proved successful... 'We didn't invent sweat.'

"'Plug Shrinkers' also handed out a number of bouquets to sponsors whose advertising has been in good taste. For it can be done. Several years ago, Ed Wynn's heckling of the announcer and the plugs for Texaco was hilarious and refreshing. Milton Cross does a dignified, restrained job for 'Information, Please.'

"Radio is young. We listeners can make its advertising grow up - if we protest long and loud enough."

Along with the article was an application blank for membership in the "Plug Shrinkers" and the following appeal:

"Join the Plug Shrinkers and Purify the Air Waves!

"A Central Clearinghouse for Complaints

"The sponsor of a plug-ugly can't hear you when you snap off his program in disgust. But here's your chance to purge pent-up emotions. Simply join the Plug Shrinkers - the most painless organization to which you could belong. No dues, no officers, no obligations of any kind. Get something off your chest, and avoid high blood pressure, by filling out the coupon on the reverse side (or you may use a postcard) and mailing it today to Plug Shrinkers, 522 Fifth Avenue, New York City."

The application printed in the Digest reads:

7/31/42

"Dear Fellow Plug Shrinker: I am with you, heart, soul and offend-
ed ears. Enroll me as an Outraged Member.

Please tell _____ (give sponsor's or product's
name) that his radio "commercials" are (check appropriate epithet)
in bad tastehokum.... tiresome.....repetitious.....repulsive
.....long-winded.....too intimate.....too anatomical.....silly.....
syrupy.....poor sales policy.....

I understand that this entitles me to enrollment as a Militant
Member, in token whereof Plug Shrinkers will refrain from sending
me one life-sized scientific drawing, reproduced in natural colors,
of the contents of the Human Stomach after a hearty meal.

Name _____ Address _____
City _____ State _____ "

X X X X X X X X

BLUE NET ANSWERS CAPITAL PUBLISHER'S WINCHELL SUIT

The Blue Network Broadcasting Company filed an answer in
District Court in Washington, D. C. last Tuesday to the \$400,000
defamation suit brought by Mrs. Eleanor Patterson, publisher of
the Washington Times Herald, against the network, Walter Winchell,
radio commentator and newspaper columnist, and the Andrew Jergens
Company, sponsor of Winchell's programs.

Mrs. Patterson had charged in her suit of March 18 that
Winchell had falsely implied in a broadcast that the Times-Herald
was connected with the activities of the late Senator Ernest Lundeen
(Farm-Laborite) of Minnesota, and the convicted Nazi agent George
Sylvester Viereck. The newspaper publisher asked for compensatory
damages of \$100,000 against each of the defendants and an additional
\$100,000 for punitive damages against Winchell.

In its answer, filed by Attorney John J. Sirica, the Blue
Network contended that Winchell had not intended to convey to his
listeners "the innuendoes asserted by Mrs. Patterson."

"Insofar as Winchell's utterances were expressions of
opinion, they are fair comments made in good faith as honest opin-
ion, without malice, concerning matters of public interest", the
petition stated in presenting grounds for dismissal of the suit.

Mrs. Patterson's action arose out of Winchell's broadcast
of March 15 in which he asserted that the Times-Herald had deleted
portions of his column on several occasions. Winchell also remark-
ed that a Times-Herald editorial on foreign policy had been praised
by Senator Lundeen and printed in the Congressional Record at the
Senator's request.

X X X X X X X X

COMMUNICATIONS COPPER RATINGS RAISED TO A-1-J

Higher preference ratings to enable communications companies to obtain copper necessary for operating construction, maintenance and repair have been granted by the Director General for Operations.

The action was taken in amendments to Orders P-129 and P-130.

P-129 raises the rating for telephone, telegraph, cable and radio companies for copper from A-3 to A-1-J. Copper order M-9-a restricts deliveries of copper to A-1-k or higher and Tuesday's action enables these communications companies to obtain materials in conformity with that order.

P-130 gives a similar rating for deliveries of copper necessary for operating construction by telephone companies, such as connection of subscribers, changes in central office equipment, and the like.

The A-3 rating continues in effect for supplies other than copper.

X X X X X X X X

MISS KELSEY, OF ZENITH, COMPILES HIGH FREQUENCY GUIDE

A "Reference Guide to Ultra High Frequencies" has just been compiled by Miss Elizabeth Kelsey, Engineering Correlator, of the Zenith Radio Corporation. A foreword to the guide by G. E. Gustafson, Assistant Vice President in Charge of Engineering, reads:

"Radio Engineers all over the country are becoming increasingly interested in the ultra-high frequencies, because of their important application to war time uses.

"Many articles on ultra-high frequencies have been written that make valuable reference material for radio engineers. They are scattered throughout engineering literature and if time is pressing rather difficult to find.

"The need for a bibliography and consolidated reference information was recognized many months ago by Miss Elizabeth Kelsey of Zenith Radio Engineering Division. Miss Kelsey, a Fellow of the Royal Society of Arts and Sciences, associate member of the Institute of Radio Engineers and the International Television Society, has spent many patient months in reading the literature, compiling, and collating the present bibliography on ultra-high frequencies. She has been notably successful in this type of self-imposed task. Her bibliography on frequency modulation is regarded as a definite contribution in this field, and is included in, although separated from the present bibliography on u.h.f.

7/31/42

"The present bibliography covers 593 articles on ultra-high frequencies and associated subjects. These are to be found in leading physics, engineering and electronic publications in English. There is also included a comprehensive list of foreign publications.

"We present the results of Miss Kelsey's labors to you with the compliments of the Zenith Radio Corporation in the interests of the Victory program."

X X X X X X X X

BELLIGERENTS SPAR AS PETRILLO DEADLINE APPROACHES

On the eve of the Petrillo ban going into effect - if indeed it is to go into effect August 1 - both sides are sparring for an opening.

Mr. Petrillo came back at Chairman James L. Fly of the Federal Communications Commission with a vigorous defense of his ultimatum and declared "Our order to cease making records has not changed."

A reply was also expected from the Music Federation head to Elmer Davis, Director of the Office of War Information, who had appealed to Petrillo on patriotic grounds and urged him to desist until after the war.

A dispatch from St. Paul said that KSTP, whose musicians were the first to be called out by Mr. Petrillo, had signed a contract with the St. Paul Musicians' Union for a period of two years from March 15. The station said that the Union finally agreed to its claim that its orchestra should not be frozen through a requirement that the station retain a man for a whole year after he had worked for a period of four weeks, regardless of how the man fitted into the musical organization. This was the sole matter in dispute, the station said.

On the other hand, Mr. Petrillo ordered out all remote control dance bands over the Mutual Broadcasting System discontinued as a result of a dispute between musicians union and two of the network affiliates - KRFC in San Francisco and WARM in Scranton, Pa. Fred C. Weber, General Manager of Mutual, said that Mr. Petrillo had ordered the move without notifying the network, and that the ban, stopping pickups of the orchestras had been put into effect through local unions.

Mr. Petrillo offered no comment on the action, which followed a walkout of 12 union musicians in a controversy over wages and hours at San Francisco and a similar dispute at the Scranton station. William Pabst, KRFC station manager, said the union demanded unspecified wage increases and the doubling of musicians' employment from six hours a week to 12.

An opinion was expressed that the defense of Mr. Petrillo against the injunction of the Attorney General might be the Norris-LaGuardia Injunction Act limiting the jurisdiction of the Federal courts to issue injunctions in labor disputes.

This reference was made to the situation in an editorial in the Washington, D. C. News, a Scripps-Howard newspaper:

"Saying that he wants to create work for members of his union, James Caesar Petrillo, President of the American Federation of Musicians, has banned making recordings for radio broadcasts and juke boxes and is issuing other high-handed decrees.

"Contrast Petrillo's tactics with the attitude of Daniel J. Tobin, president of another A. F. of L. union, the International Brotherhood of Teamsters. War shortage of rubber, making restriction of trucking necessary, threatens to destroy the jobs of many men in his union. To them Mr. Tobin says, in the brotherhood's monthly magazine:

"Our people everywhere must try to understand that we are to be called upon to make sacrifices. . . . Complaining or grumbling will bring us nothing. We must be good soldiers, like the men across the water. We must prove that we can take it.

"We will have, perhaps, before the end of this year, 100,000 of our members unemployed. I repeat what I have said - if you are laid off don't wait around complaining; go out and get a job at anything you can get and fill.

"It isn't a question of picking out our employment or deciding to stay where we are. We must face this battle that confronts us as real men, real Americans, because if we lose the battle the slavery that will confront us is awful even to think about.' "

X X X X X X X X

PETRILLO SAYS GOVERNMENT PROTECTS RADIO STATIONS

Banging back at James L. Fly, Chairman of the Federal Communications Commission, James C. Petrillo, President of the American Federation of Musicians charged that the Government was on the side of the radio stations' advertising agents and record makers.

"It may be surprising to the public to know that 95 per cent of the music in the United States and Canada heard today is canned music", Mr. Petrillo wrote Chairman Fly. "Only 5 percent is left for the poor professional musician who studied all his life so that he might make a living for his family. This is not a question of being a 'czar' or a 'dictator'. It is a question of a large group of men fighting for their very existence,

"I shall encourage action on the canned music situation until such time as these people who are getting rich on our services while our people get no money, see fit to employ members of the American Federation of Musicians.

"Not one recording or transcription company has approached the A. F. of M. with any suggestion to overcome this problem.

"They sit back and say, 'We will all combine - the radio stations, recording companies, advertising agencies - and we will bring pressure on Washington to fight our battles for us.' That is just what has been done.

"No agency, not even the agencies of the government have asked the A. F. of M. to explain the situation. All we have been getting are threats through the press that unless we do this or that, we are going to have this or that done to us."

The Music Federation chief said the 500,000 juke boxes in this country and Canada had thrown 8,000 musicians out of work.

Mr. Petrillo estimated there were 500 radio stations which did not employ a single live musician. He said that it was not the aim of the Federation to put the stations out of business.

"Nevertheless, I ask why should all big revenues go into the pockets of these radio station officials and others without paying one dollar to the musician?"

As for the Interlochen Camp, Mr. Petrillo said that he regarded the school there as a "commercial proposition". Unlike public schools offering free tuition, he said, it charged \$275 for an eight-week instruction course. Fees paid by some pupils, he said, ranged as high as \$400.

Despite the ban Mr. Petrillo said his musicians will continue to make recordings and transcriptions for the armed forces of the United Nations and any records requested by the President of the United States.

X X X X X X X X

ELMER DAVIS CITES WAR IN PETRILLO PLEA

The appeal of Elmer Davis, Director of the Office of War Information to James C. Petrillo, President of the American Federation of Musicians, was in the form of a letter, which follows:

"On December 27, 1941, you wrote an open letter to the President and the People of the United States. In that letter you said:

"Each and every member of the Federation and its officers pledge themselves on this occasion to do everything possible to aid in the fight for Freedom . . . to fight with every weapon at their command.

7/31/42

In this fight we realize that morale plays a most important part. And in the building of morale the Federation and its members can and will do its share. For music has always been and is today one of the finest media for maintaining high public morale and the business, the profession, the very life work of the Federation and its members is Music.

To this new slogan, this new theme for the new year, then, the Federation dedicates itself: MUSIC FOR MORALE."

"Despite this public and published pledge you sent a communication on June 25, 1942, to all companies engaged in the making of phonograph records, electrical transcriptions, and other forms of mechanical recording of music advising them as follows:

"From and after August 1, 1942, the members of the American Federation of Musicians will not play or contract for recordings, transcriptions, or other forms of mechanical reproductions of music."

"I am informed that if you enforce this edict three direct consequences will be the elimination of new electrical transcriptions for the use of radio stations, the elimination of new popular records for so-called 'juke boxes', and the elimination of new popular and classical records for home consumption. I am further informed that this move in all probability will lead to court fights, possible strikes, and definitely curtailed musical service to the public in the critical months ahead - months which may well decide the fate of this country's war effort.

"Since several hundred small, independent stations which are cooperating wholeheartedly with the Government in the war effort depend for their major sustenance on electrical transcriptions, your order may well force them out of business and thus seriously interfere with the communication of war information and messages vital to the public security. Since, as you say yourself, 'music is today one of the finest media for maintaining high public morale', the elimination of records for home use, for use in restaurants, canteens and soda parlors where members of the armed forces go for recreation, and for use in factories where war workers use juke boxes for organized relaxation, can scarcely fail to have a negative effect on morale.

"Therefore, on behalf of the people of the United States and on behalf of the War Department, the Navy Department, The Marine Corps, the Coast Guard, the Treasury Department, the Office of Civilian Defense, and the Office of War Information, I sincerely urge that you consider it your patriotic duty to stand by your pledge of December 27, 1941, and withdraw your ultimatum of June 25, 1942."

X X X X X X X X

: : : : : :
 : : : TRADE NOTES : : :
 : : : : : :

Leo T. Crowley, Alien Property Custodian, has announced the vesting by his office of more than 1,500 patents, all German-owned, in the fields of radio, television, chemicals and aircraft propellers.

NBC's International Division has announced the addition of fourteen New Mexican affiliates to the NBC Pan-American Network, bringing total affiliation to 139 stations in the Americas, North, Central and South.

"Neville Miller's tenure of office as paid president of the National Association of Broadcasters, is again a matter of rumored deadlines", says Variety. "The latest deadline is about Sept. 15, with Miller then supposedly getting some sort of a cash adjustment on his contract. Miller weathered a previous drive against him last Spring and had no real trouble at the Cleveland convention. Now the latest rumors of his retirement do not mention Chairman Fly of the FCC as the primary cause, but another trade issue of more direct war reference.

"Meanwhile the gathering clouds of another industry fight (A. F. M.) currently engages the paid president's attention and his leadership therein seems to contradict rumors of his being seriously jammed. Miller was interviewing possible public relations assistants for the NAB's fight with Petrillo over the week-end."

John C. Wooden has been named Supervisor for the Mid-Western District of ASCAP, succeeding R. W. Rome who is now a Lieutenant, J.G. in the Navy. Mr. Wooden was formerly District Manager for ASCAP with headquarters in Des Moines, Iowa. He will be succeeded in Des Moines by Martin Meltzer, formerly of ASCAP's New York staff.

Someone asked what the nationality of James C. Petrillo was. This led to a reference to "Who's Who in America" where it was revealed that Mr. Petrillo had one of the shortest biographies in the 1942-43 edition of "Who's Who". It read:

"Petrillo, James C., Union official; married; 1 son, LeRoy. Pres. Chicago Federation of Musicians since 1922; also pres. American Federation Musicians. Home: 1039 N. Austin Boulevard; office 175 W. Washington Street, Chicago.

The largest class in the history of the Signal Corps Officers Training School at Fort Monmouth, N. J., many majoring in radio was graduated from there recently. Commissioned were 855 second lieutenants. The 90day classes are expected to be the immediate forerunner of monthly graduations of 1200 men or more.

A semi-plastic material, made from alcohol has been pressed into service to release large quantities of rubber heretofore required to operate machines used to build RCA radio tubes.

Intense fires are required for several steps in the manufacture of modern radio tubes now needed so urgently for communications equipment in every branch of the armed services of the United Nations. Custom has made rubber tubing standard for the flexible hoses needed to feed the fires with gas. In addition, moulded rubber sections of almost pure gum have long been used as connectors between valves, traps, pumps and gauges in evacuating lines.

RCA engineers took steps to see that as much rubber as possible would be saved. Trials of flexible plastics and synthetic rubber-like materials were made to develop an alternate. All were discarded as unsuitable except "resistoflex", a semi-plastic made of polyvinyl alcohol.

Charles Singer, in charge of WOR's 50,000 watt transmitter at Carteret, N. J., is leaving shortly to take a civilian Signal Corps post in the War Department in Washington, D. C. He will be the Director of the Maintenance Unit of the Optional Research Group of the U. S. Signal Corps.

The work of the Optional Research Group is military in nature, but its members are civilians who have volunteered their services. The Group is headed by Professor Everett of Ohio State University.

Idella Grindlay, Office Manager of the NBC Production Division in New York, has been appointed Administrative Assistant to the Army Air Force's Chief of Radio, Public Relations. In private life she is Mrs. Edgar P. Kempf, wife of a former NBC supervisor of master control now on active duty with the Navy. Her superior in the War Department post will be Capt. Howard L. Nussbaum, former NBC Assistant Production Manager.

Hygrade Sylvania Corporation - Six months to June 30:
Net income, \$483,062, or 79 cents a common share, against \$530,693, or \$2.19 a share, last year; the stock was divided two for one on Sept. 16, last.

X X X X X X X X X X

NAVY RADIO CONTROL FORCED BY U-BOATS, KNOX SAYS

Secretary Knox said that anti-submarine operations and security requirements made Navy control of coastal ship-to-shore radio stations essential. Operators, he added, must be naval personnel.

His statement was made in a telegram to Chairman Bland of the House Merchant Marine Committee, in response to an appeal from Mr. Bland that whatever steps necessary be taken to forestall closing of 15 commercially operated stations along the Atlantic and Gulf coasts.

Mr. Bland's appeal followed hearings earlier this week before his Committee at which representatives of the American Communications Association, radio operators' union, protested the closing as an additional serious threat to the safety of the Merchant Marine. The stations were being forced to close, they explained because of the lack of commercial business, although they handled 75 percent of the distress calls received from ships at sea.