

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1583

HOUSE AND SENATE BOTH GRAB CRAVEN; TELLS THEM PLENTY

Few public officials have ever been given such a whirl on Capitol Hill as Commissioner Tam Craven, who for several days the past week had to appear before the Senate Interstate Commerce Committee in the mornings and before the House Committee headed by Representative Lea in the afternoons. The former group is considering the Wheeler-White Bill to bring the 16-year old Radio Act up-to-date and the latter investigating the Federal Communications Commission which has been charged with taking in too much territory.

If there was any one thought Commissioner Craven, on his numerous witness stand appearances, particularly tried to drive home, it was that the Commission had far exceeded its power and had indulged in questionable, if not illegal, acts in doing so.

As a matter of fact, Commander Craven, noted for his honest and conscientious performance of duty - also generally admitted to be the best technically qualified member of the Commission -, was so outspoken in both the House and the Senate that at times he proved almost a bull in a china shop.

Commissioner Craven declared that it was a well-known fact that Chairman Fly visited reprisals on those who opposed him and cited the case of one high Naval officer who was "practically cashiered and put on the retired list because he opposed a Fly decision". Although Mr. Craven did not name him, the officer referred to was generally understood to be Rear Admiral S. C. Hooper, formerly Chief of Naval Communications, internationally known communications expert, who, along with the late Admiral Bullard, was one of those who had to do with organizing the Radio Corporation of America.

Representative Warren G. Magnuson (D), of Washington, asked Commander Craven if he had specific evidence that the status of a member of the armed forces could be affected by an altercation with a man who had no jurisdiction over him.

"I was told this personally by the man himself", Mr. Craven replied.

Committee Counsel Eugene L. Garey added that the same information had been given him.

"Did the Secretary of the Navy say reprisals had been visited upon this man?" Representative Magnuson inquired.

"Yes", answered Mr. Garey.

Commissioner Craven's disclosure came shortly after he had refused to name two men who influenced a decision he had made because he feared "reprisals would be visited on them".

Commissioner Craven told the Committee that members of the Inter-department Radio Advisory Committee had vainly requested Mr. Fly to submit to the President recommendations of their department.

The witness warned the Senate Committee that, in his opinion, the FCC was just about ready to burst forth with recommendations for legislation which would prevent future acquisition of radio stations by newspapers.

"Tam" took quite a wallop at the FCC's so-called Radio Intelligence Division. Supposed to be in search of spy transmitters and employing almost 900 people and having hundreds of mobile units, Mr. Craven declared that all the division had succeeded in doing was tracking down:

1. Some boys in Omaha using a school radiator as a sending antenna.
2. Several race track touts broadcasting track results.
3. A secret station operated by the FBI.
4. Two bona fide enemy spy transmitters.

The kibosh was put on this line of testimony when someone from the FCC suggested that the subject be dropped for military reasons.

Commissioner Craven revealed the fact to the House Committee that Dr. Goodwin Watson and William E. Dodd, Jr., of the FCC, who along with Dr. Robert M. Lovett, former Secretary of the Virgin Islands, had been held unfit for Government service because of their activities in radical organizations, had finally been pried loose from their jobs at the Communications Commission. Mr. Craven said, however, that the two FCC employees had been allowed to remain at their desks from November 15 to November 21, one week after Congress had ordered they be discharged unless they were appointed by the President and confirmed by the Senate.

The purpose was to give the two men an opportunity to sue the United States Government for their salaries in the Court of Claims, in the hope that eventually the United States Supreme Court would have an opportunity to rule on whether Congress had a constitutional right to order the discharge of specific administrative employees.

Mr. Craven said he understood that there had been an arrangement with the Department of Justice, in the absence of a judicial ruling, to expedite the case.

Asked if the FCC did not itself violate the law forbidding the Government to accept gratuitous services (the reason for the \$1 payment for \$1 a year man) in permitting the men to remain at their desks after their salary had been legally stopped, Commissioner Craven said he had been advised it did not.

Counsel Charles Denny said that when the FCC decided on its plan of action, which he admitted he outlined, that the matter of gratuitous services had been considered, but as the FCC was willing to pay the men if the court action was favorable, he did not believe the statute was violated.

Although Mr. Denny admitted that to the contrary an Act of Congress is presumed to be legal, he said that he believed the FCC took the proper course of action.

Mr. Craven said that although he had "felt for a long time that Congress had been correct in respect to Watson", he had not disapproved the method used to present his case and that of Mr. Dodd before the courts. He said he was willing to give the two an opportunity to test the constitutionality of the law, although he had felt that the FCC should not have fought against the Congressional determination not to have the men on the public payroll.

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"PHILADELPHIA BULLETIN" NOW SELLS RADIO PROGRAM LISTINGS

It is believed that many newspapers may follow the Philadelphia Bulletin in selling listings in its radio programs. Under this ruling sponsors' names may be given and the name of the show at a flat rate of five words for \$2.50 if used daily.

Until the new order came in, no commercial names were mentioned and the program was of the usual almost meaningless type, such as "music" or "variety".

The move is considered significant because of the fact that the Bulletin, with a daily circulation, is 623,157, one of the largest circulations of any evening newspaper in the United States. The Bulletin is a conservative paper on the order of the Washington Star and the New York Times. The Bulletin has also announced that it will no longer list radio give-away shows or quiz contests and that if these are to be mentioned, it will have to be through paid space.

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SENATOR CHARGES COMMENTATORS WITH DISTORTING REMARKS

Senator Nye (R), of North Dakota, rose in his wrath on the floor of the Senate to charge that certain commentators and columnists, following a Chicago press conference, recently had misquoted what he said, resulting in a first class "smear".

"I hesitate taking any of the time of the Senate at this hour to do what I am about to do, but there is a spreading of insidious poison by newspapers such as the Communist Daily Worker, PM, the

Chicago Sun, the Chicago Daily News, the New York Post, and individuals such as Edgar Mowrer, Dorothy Thompson, Walter Winchell, and other radio and newspaper commentators, which makes it impossible for me to ignore a recent undertaking of theirs without seeming to give acquiescence to their accusations and insinuations.

"It remained for Dorothy Thompson to do the No. 1 job of deceiving her readers on this whole smear effort. Big Dotty buckled on her shooting pistols and really went to town in her column. What this pistol packin' mama did not do to my thin skin is not worth mentioning.

"I have never known such libelous reports and representations to flow from a single interview as have resulted from this Chicago interview as have resulted from this Chicago interview of November 17. I shall not dare to hope that the Sun, Daily Worker, Daily News, or PM correspondents covering this interview will bear me out in just what I did say then and there in answer to their own questions. But there were still other correspondents present who I know will bear true testimony concerning my declarations respecting fascism and its future as a form of government.

"I suppose I have no right to be surprised that my Chicago interview should have been treated by some writers and commentators as it was treated. When I see the millions that are being spent to break down the spirit of nationalism, when I see the expensive jobs of propaganda and foot work that have been done to purge men who have dared to stand up for their own country, then I suppose I ought to be ready for and expect this artistic smear job that was done at my expense during the past week."

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FULTON LEWIS STILL THINKS THEY TRIED TO BURN HIM OUT

Fulton Lewis, Jr., Mutual-Don Lee commentator, apparently was still not convinced after a police investigation of a fire which destroyed a mattress and a bed in a hotel suite in Los Angeles occupied by himself and his secretary, Fred Morrison, who was slightly injured. Mr. Lewis was asleep in the next room and charged that it was "more than just an accident".

Whereupon the police and the hotel manager got busy on the theory of Lewis that an attempt had been made to interfere with his broadcasts. The commentator said "the circumstances look as if they might be suspicious" but the hotel manager said he believed the fire was started by a cigarette.

In some quarters here the incident was apparently taken lightly. Claude Mahoney, a popular Washington Blue Net commentator, remarked that sometime ago when he (Mahoney) fell off his bicycle and hurt his knee "he didn't believe that was sabotage".

George Dixon, a columnist on the Washington Times Herald wrote:

"Fulton Lewis, Jr., radio commentator, reported to Los Angeles police yesterday that the mattress and bed in his hotel room had been set afire. No comment."

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PRESS WIRELESS ASKS FCC CURB; CIO WANTS PAID TIME

Appearing before the Senate Interstate Commerce Committee hearings on the Wheeler-White Bill, Joseph Pierson, President of Press Wireless, Inc., complained that the Federal Communications Commission had this organization stymied by denying all applications filed since December 1942. He declared this practically excluded Press Wireless from the war zone. Mr. Pierson, endorsing the White-Wheeler Bill, advocated legislation to protect radio communication of news from the "official caprice" of the FCC.

The C.I.O. descended upon the Senate Committee with the demand that it should be allowed to buy time in addition to being represented on the unpaid programs.

Mr. Pierson complained that the FCC asked Press Wireless to surrender 10 of its 48 frequencies for military purposes, and it has developed that "at least one of our frequencies is being used by the OWI". Furthermore, the FCC says it does not regard itself as bound to return the frequencies after the war, he said.

The witness told of the rejection of Press Wireless applications in favor of Mackay and the Radio Corporation. This included denial to Press Wireless of facilities in Algiers, Oran, Tunis, Palermo, Brazzaville, Madagascar, Reunion and Tahiti; and even Santiago, Chile, on the ground that since it had not been its policy to handle commercial messages, it was not an "eligible" company, despite its willingness and ability to do so in each of the cases involved.

On the recommendation of the joint chiefs of staff, only one carrier can be licensed to operate in these war zones. The designation of the company is left to the FCC, which has divided them between RCA and Mackay and not until last month granted even a hearing to Press Wireless, Mr. Pierson said.

Press Wireless serves press associations and newspapers, including the Associated Press, United Press, International News, New York Times, New York Herald-Tribune, Chicago Tribune, Christian Science Monitor.

Declaring that labor felt itself at a disadvantage as compared with the employing and business interests of the country, Ien DeCaux, Publicity Director of C.I.O., asked the Senate Interstate Commerce Committee for removal of restrictions on the right of labor

organizations to buy radio time and for provision of "sufficient sustaining time for labor, on a regularly recurring basis, on both networks and local stations."

Disagreeing with Philip Pearl, Publicity Director of the American Federation of Labor, who told the Committee the day before that no network had ever denied any reasonable request of his organization for time on the air, Mr. DeCaux charged that time was not being allotted with fairness to labor but was largely monopolized by programs sold to employing and business interests.

Both Mr. Pearl and Mr. DeCaux agreed, however, in opposing the clause in the Code of the National Association of Broadcasters which holds that radio time should be neither given nor sold for the solicitation of membership.

This provision, Mr. DeCaux told the Committee, "could be interpreted by anti-labor station owners as barring labor organizations from any time whatever, paid or free, on the ground that increasing union membership is a primary purpose of every labor organization."

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SENATE BARS RADIO AND OTHER PROPAGANDA TO TROOPS

An amendment by Senator Taft (R), of Ohio, accepted by the Senate after a hot fight Thursday, restricts the kind of material sent to our troops overseas during the forthcoming presidential campaign.

The amendment prohibits any one employed in the executive branch from delivering material paid for or sponsored by the Government to servicemen if the material contains political argument or propaganda. Radio broadcasts are similarly banned.

However, servicemen's papers and magazines may print political argument if equal space is allotted each party and Government controlled radio stations may re-broadcast political addresses if equal representation is given each political party.

Books, magazines and newspapers with a general circulation in the United States may be distributed to members of the armed forces under the bill, but the selection "shall be fair as between the different political parties".

In presenting a modified amendment Thursday, Senator Taft said:

"The modification I have made is in accordance with two or three suggestions made yesterday in the debate on this question. The first modification is to make it clear that the prohibition against broadcasts applies only to broadcasts sponsored or paid for by the Government. There was an ambiguity before, which made it appear to prevent any broadcasts.

"At the same time, in order to meet the objection made by the Senator from Connecticut (Mr. Maloney), there is inserted this new clause:

"Nothing herein shall prohibit the rebroadcast over Government-controlled radio stations of any political address, but equal time must, if requested, be given for such purposes to representatives of each political party presenting a candidate for President at the election'

"That is the rule which prevails today among commercial radio stations. It is reasonable that if the Government-sponsored short-wave stations are to rebroadcast over the entire world any political address for one party - an address by the President, for example, as suggested by the Senator from Connecticut - the other party should also have similar time to rebroadcast its addresses.* *

"As to at least 5,000,000 men overseas, all means of communication are in the hands of the United States Government, and the Government may permit access to such means of communication, or it may not, as it sees fit. All my amendment would do would be to set up a flag, and to say, 'The Congress expects the Government, in getting this information to the soldiers, to be fair as between political parties.' That is the purpose, and the only purpose. If no one were ever convicted, that would not bother me, because I am satisfied that if Congress says what the law is, practically every department in the Government will comply with the law. But if we leave the law open, and if a captain can say to a soldier, 'There is nothing illegal in your conducting a political campaign in the Army', or if a commanding officer in a section can tell the editor of a magazine, 'Be very careful not to attack the President in this election campaign, but always support him', and if there were nothing illegal in doing so, that situation might easily arise in the Army or Navy, or any other department of the Government. Men are naturally partisan; and if Congress refuses to say that such activity is illegal, it seems to me they would have a perfect right to engage in it. I think many of them would."

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William H. Howe, Lowell, Mass., engaged in selling Lady Ashton Foot Ease, is charged in a complaint issued by the Federal Trade Commission with misrepresenting the effectiveness of the preparation.

In advertisements, disseminated through the United States mails and by means of folders, circulars and radio continuities, the respondent, the complaint alleges, has represented that his preparation, when used as directed, will completely remove foot callouses, prevent their recurrence, and relieve all painful conditions of the feet. According to the complaint, these representations are false and deceptive.

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GOLD WINGS FOR FCC SECRETARY FROM MARINE ACE JOE FOSS

If anyone deserved wings it was Miss Mary O'Leson, Assistant in the Information Office of the Federal Communications Commission. Sure enough she received them not from Heaven (where her chances are exceedingly good) but from one who has flown almost as high - her cousin, the famous Marine Corps flyer and great war hero, Major Joe Foss.

Major Foss and Miss O'Leson grew up together near Sioux Falls, S. D. The latter has grown up with radio. She began as an assistant to the late Frank Wisner, who was Chief of Press in the old Federal Radio Commission. Because of her helpfulness and un-failing courtesy, she soon became indispensable to the newspaper men covering the Commission. When the FCC was created, Miss O'Leson was, of course, retained in the press section. Today she is one of the best informed women in the country on the subject of radio regulation.

It was a happy day for Miss O'Leson when Major Foss came to Washington last May to receive the Congressional Medal of Honor from President Roosevelt. It was another memorable day last Monday when the gold wings arrived for her from her distinguished cousin.

Speaking of him, Miss O'Leson said:

"Joe was a jolly, good natured, handsome kid. He once owned a Chevrolet, which, he said, wasn't much for looks but it would go fast and he was crazy about it for that. On one occasion he made a 425 mile trip in six hours, proving his record by sending his mother a telegram announcing his safe arrival.

"He is fond of music and played in the High School band. As a child he could recognize all the birds of the prairie country and learned to imitate their songs. He also knew the names of all the flowers, bushes and trees that grew there. His teachers thought him a dreamer, but he seems to have developed into a very active one."

A new book "Joe Foss, Flying Marine" by Walter Simmons, tells the story of his adventures on Guadalcanal, and Lowell Thomas' recent book "These Men Shall Never Die", devotes a chapter to the personality and exploits of Joe Foss, who is today America's number one flying Ace.

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The address by David Sarnoff, President of the Radio Corporation of America, "Industrial Science Looks Ahead" given before the Lancaster Chapter of the American Association for the Advancement of Science, is now available in printed form.

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SAYS RADIO'S RETAIL SHOW IS LONG BUT HAS PUNCH

Coming from a quarter expected to be critical - because up to now newspapers apparently felt they had a corner on retail advertising - T. S. Irvin, writing in the Editor & Publisher says the presentation of the radio industry in the drive for retail advertising "is long - long because it is really four or five presentations shown consecutively. Part of it consists of sound movies, part conventional easel turn-back, part slide film with sound. The exposition shifts from one technique to another and then back again for more than an hour and a half, unquestionably one of the most varied and expensive barrages ever devised to sell advertising.

"We have no idea what this presentation will accomplish, but we left the auditorium with these scattered thoughts:

"1. It has been a long time since anyone has made such an elaborate fuss over retailers. A presentation costing a \$100,000 or so followed by cocktails and hors d'oeuvres can't help but warm a few hearts. The newspaper boys have been taking the stores for granted for years now. When an affectionate stranger comes along he'll at least get a hearing.

"2. A movie of an enthralled family clustered about the radio listening to a soap opera, with flash backs to the studio showing the action going on, may seem corny to the sophisticates but it sure does dramatize radio. How long is it since any of us has conveyed to any customer, new or old, the romance and drama of newspaper making?

"3. Retail merchants are going to have to adopt many new methods and new ways of doing business after the war. Their promotion activities undoubtedly will change. Are we going to let radio imply that 'change' requires a new medium or are we going to understand retail problems and demonstrate how they can best be solved by evolution within the established newspaper medium?

"4. Radio has set an example of cooperation, of working together toward a single goal which the newspaper industry cannot laugh off. They know what they want and go after it in unison. Something to think about.

"Many newspapermen who saw the presentation didn't like it. You wouldn't expect them to. They criticized the job roundly, but those who thought about it were brought up short by one hard, shiny, insurmountable fact. We wouldn't mention it if we hadn't heard the idea stated several times, independently. 'This radio job is no world beater but - it packs a darn sight more punch than any presentation newspapers have been willing to agree on and finance!'"

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CLAIM BBC'S BROADCASTS TO CHINA MOST INTELLECTUAL

The British Broadcasting Corporation's broadcasts to China are probably the most "intellectual" talks on the air, in the sense of the most technical, the current issue of London Calling states. However, of course, there are limits to what anybody can take in from a radio talk, and these talks are tied as much as possible to advance description of material which is already being flown out to Chungking on microfilm.

The BBC Chinese Service was started in May 1941 as a series of quarter-hour talks twice a week, written and spoken by Chinese of standing in England, and many distinguished speakers took part. From the beginning the BBC broadcasts in Chinese gave much attention to cultural and scientific developments as well as to war news. The full news service had to develop slowly.

At their present stage the BBC Services in Chinese give a daily half-hour in Kyoyu, the national language of China, beamed on to Chungking. In this there is a quarter-hour of news, followed by commentary, music, and cultural or scientific talks. Also there are five quarter-hour periods in the week (two in Kyoyu, two in Cantonese, and one in Hokkien) beamed on to Malaya and other Japanese-occupied territories in the South West Pacific - these naturally concentrate on news of the war as a whole and news of Japanese activities.

The News service itself, like any other, tries to beat the cables with the last-minute news. It gives particular attention to the fighting in the Mediterranean and the Allied air offensive based on Britain, because Britain should be the best qualified news source about the Fronts nearest to her. In doing this the service tries to interpret the news from the west to a Chinese listener in an objective way. Meanwhile it tries to report what the British people and its leaders are thinking about events of world significance, because that itself is news which many listeners want to know.

It aims to tell the Chinese people about the British war effort as a contribution towards the common United Nations victory, about wartime conditions in Britain itself, and about British ideas, proposals and plans for the post-war world. Naturally in planning such a service one has to consider what we in Britain would like to know if we were receiving a similar daily news service from Chungking.

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Dwight B. Herrick, Assistant to the Manager of NBC's Public Service Department, has been appointed acting manager of Guest Relations, effective immediately. Mr. Herrick will replace Ted Thompson who leaves Sunday, December 5, for military service.

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No. 1584

December 7, 1943

BELIEVED OUSTED FCC EMPLOYEES LOSE IF THEY WIN

The general belief in Washington is that any way the case is decided, the three alleged subversives - Dr. Goodwin Watson and William Dodd, Jr., of the Federal Communications Commission, and Robert Morss Lovett, Executive Assistant to the Governor of the Virgin Islands - who formally filed suits last week to test the constitutionality of the legislative action, will come out at the little end of the horn. If so, this will be too bad for the gentlemen in question because though there is big talk about it being a matter of principle, what they are really fighting for is to get themselves back on Uncle Sam's payroll, since there doesn't seem to be any pressing demand for their services elsewhere. In fact, though the suits ostensibly have been filed for back pay for the one week after November 15th when Congress endeavored to oust them, their counsel, Charles A. Horsky admitted that the purpose of the action is to restore their jobs.

One well-informed observer was skeptical of the effectiveness of the Court action, which has just been started, even if a favorable judgment is eventually obtained. He pointed out that no Court could make Congress appropriate the money to pay any judgment which might be obtained and asserted there are scores of instances where Congress has refused to appropriate money to settle judgments in the past. Thus they would get neither their back pay nor their lost jobs.

Also regardless of how the Courts may decide, there may be repercussions, for Chairman James L. Fly and Secretary Ickes for allowing the men to remain at their desks after November 15th, the date Congress set for their departure. There is a law forbidding the Government to accept gratuitous services (the reason for the \$1 payment to \$1 a year men). It is claimed that Messrs. Fly and Ickes (who, one person remarked, stood by the men as if they had been their own sons) in permitting them to remain at their desks after their salary had been legally stopped, violated the law.

The House Committee investigating the Federal Communications Commission last week, questioning the action, asked Commissioner Tam Craven about it. FCC counsel Charles R. Denny defended the Commission's course on the ground that the statute was not violated inasmuch as the FCC was willing to pay the men if the Court action was favorable.

The suits were filed by Mr. Horsky of the law firm of Covington, Burling, Rublee, Acheson and Shorb, of Washington. The Justice Department has several months in which to file the Government's answer, but is expected to reply much sooner in view of the unusual nature of the case. An appeal to the Supreme Court is almost certain to follow.

The suits state that the Congress unconstitutionally encroached on the power of the President and also has deprived the three men of their right to due process of law.

"The proceedings before the Special Subcommittee of the House Committee on Appropriations . . . were secret and not public, and were conducted without opportunity for plaintiff to know what charges were to be made against him, to prepare a defense of any kind, to be represented by counsel, to produce witnesses in his behalf, to cross-examine witnesses, to confront his accusers, or to employ the compulsory process of the Committee in his behalf. Section 304 is arbitrary special legislation."

Dr. Lovett's suit quotes Secretary Ickes, who tried to outwit Congress by transferring Lovett from the position of Secretary to the Governor of the Virgin Islands to Executive Assistant to the Governor, as saying, "I wish to repeat the request that you continue in the office of Executive Assistant to the Governor. Funds may not be available to pay your salary until the unconstitutional prohibition of the Urgency Deficiencies Act is declared invalid by the Courts. I am confident, however, that the prohibition will be so adjudged, and a principle fundamental to democratic government will be upheld."

All the petitions state that the plaintiffs have "at all times born true allegiance to the Government of the United States" and have not "in any way aided, or abetted, or given encouragement to rebellion against the United States."

Details of the hearing before the House Appropriations Subcommittee which were released in July, showed that Dr. Lovett was frequently charged with being closely connected with Communists and Communistic organizations. Dr. Lovett replied that he was not responsible for the Communistic philosophy, adding, "I have never endorsed it, and my association with Communists has been strictly for common ends which I believe in."

Similar charges of affiliations with Communistic organizations were made against Dr. Watson.

Mr. Dodd informed the Committee that he had lectured in a campaign to raise money for refugees and medical aid to Spain, and later for such aid to China, while Mr. Watson was examined sharply regarding charges in a formal report that he had admitted "association or affiliation with 12 or more organizations", some of which were characterized as "front organizations" and others as "questionable".

Dr. Lovett, whose salary was \$4,600 a year, is seeking to recover \$211.18, more or less, which represents approximately two weeks' pay. He received his last pay check with the amount deducted, November 30. Mr. Dodd, an FCC news editor who made \$3,200 a year, and Mr. Watson, who was Chief of the Analysis Division, Foreign Broadcast Intelligence Section of the FCC at \$6,500 a year, are seeking \$79.75 and \$148.50, respectively, representing the amounts they

claim to have earned between November 15 and November 21, the date of their last pay checks.

In line with this position, Mr. Ickes has permitted Dr. Lovett to continue working without pay on his job in the Virgin Islands, a \$4,600 a year post, with a 25 per cent differential for service outside the United States. Both Mr. Dodd and Mr. Watson are now taking their annual leaves in accordance with the Congressional mandate.

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FOLSOM TO DIRECT RCA-VICTOR; THROCKMORTON RETIRES

Frank M. Folsom, who until the first of this month served as Chief of the Procurement Branch of the Navy Department, has been elected a Vice-President and a Director of the Radio Corporation of America, and will be in charge of the Company's Manufacturing Division, RCA Victor, with principal plants in six cities and headquarters at Camden, New Jersey. Mr. Folsom was born in Sprague, Washington, and is 49 years of age.

David Sarnoff, President of RCA, also announced that the resignation of George K. Throckmorton as an RCA Vice-President and Director had been accepted. Mr. Throckmorton, present head of the RCA Victor Division, is retiring for reasons of health, but will continue as a consultant of the Company.

Secretary Knox in a letter to Mr. Sarnoff said:

"Frank Folsom has done a real job for me in the two years he has been here in the Office of Procurement and Material. We shall all miss him."

Under-Secretary Forrestal stated:

"Frank Folsom has rendered great services and has been of the greatest help to me during many crowded months. The Company and its stockholders are to be congratulated upon his election as an officer, and I am sure that your own association with him will create the same feeling of admiration and personal regard which all of us in the Navy have come to have for him."

WPB Chairman Donald Nelson said:

"My experience with Mr. Folsom dates back over a number of years. I first knew him as a competitor when he was at Ward's and, believe me, he was a good one. When I came down to Washington and was asked to take the job as Director of Purchases, the first man in the country I asked to come here to help me was Frank. He has been close to me ever since.

"He has done an outstanding job in helping our country get ready to win a war. I am delighted that he is joining your organization."

In commenting on Mr. Folsom's election, Mr. Sarnoff said:

"The operations of the RCA Victor Division, with its large plants and many thousands of employees, involve the design and manufacture of important war production assignments for the Navy, Army, Air Forces and Maritime Commission. These assignments call for leadership, experience and ability of the highest order. The need for a man of unusual qualifications is enhanced by the prospect of our post-war manufacturing activities in radio, television, electronics, phonograph records and allied fields. Recognizing the problems of full scale war production, as well as post-war conversion and the expanded role distribution will need to play to provide maximum employment, we feel the company is extremely fortunate in its choice of Mr. Folsom."

The speeding up of Navy procurement has been attributed to the unique authority entrusted to Mr. Folsom, through the delegation to him of full responsibility to act for both the WPB and the Secretary of the Navy in clearance of all contracts in excess of \$200,000. At the same time Mr. Folsom has been Chairman of the Procurement Policy Board of the WPB, the coordinating agent for procurement policy of all the war services and agencies.

Except for services during this and the first World War, Mr. Folsom's career has been in retail, mail order, and chain store distribution. Educated in the public schools in Oregon, he started in business with Lipman Wolfe & Co., Portland, Oregon, then went with Hale Brothers, San Francisco. Just before and immediately after serving with the Air Corps in World War I, he was with Weinstock, Lubin & Co. of California. He rejoined Hale Brothers in 1923 and became their General Manager. In 1932 he became Pacific Coast Manager for Montgomery Ward's Mail Order and Retail Stores, and one year later became Vice President in charge of merchandise, and a Director of Montgomery Ward with headquarters in Chicago.

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STABILIZATION OF TELEGRAPH INDUSTRY URGED

Presidential appointment of a Stabilization Committee in the telegraph industry was urged by the American Communications Association, Local 35, CIO, in Washington, D. C., this week.

The plan advocated is one formulated by the International Union. It provides for negotiation of a single national collective bargaining contract which would include all unions and membership for the duration of the war. It would outlaw jurisdictional disputes and strikes, it was reported.

Members of the American Communications Association were reported to have signed individual pledges against strikes, lockouts and organizational disputes. The pledges were addressed to the President and will be forwarded to him by the national office of the Union.

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HOW PRESIDENT AIDED FCC REVEALED IN HIS LETTER

President Roosevelt was revealed as having directly backed Chairman Fly in the row between the Federal Communications Commission and the War and Navy Departments when his much talked of letter was finally made public at a hearing of the House Committee investigating the Commission last Friday. No date has been set for the next session, which will be held at a time to be designated by Representative Lea (D), of California, Chairman of the Commission. FCC Commissioner T.A.M. Craven also concluded his exhaustive testimony before the House Committee.

After the President's letter had been read, there wasn't anyone present who seemed to have any doubt as to its all-out endorsement for Chairman Fly in his battle with the Congressional group.

Mr. Roosevelt emphasized that the Board of War Communications, headed by FCC Chairman Fly, is "the responsible inter-departmental body charged with responsibility in the field of war-time communications."

The President advised that "any differences" should be reviewed by the War Communications Board.

Mr. Roosevelt's letter was addressed to Secretary of War Henry L. Stimson and Secretary of the Navy Frank Knox.

Secretaries Stimson and Knox had proposed an Executive Order transferring radio intelligence functions from the hands of the FCC on the grounds that duplication by the FCC has "endangered the effectiveness and security of military radio intelligence."

The Chief Executive declared that "after careful study by the staff of the executive offices" and "full consideration", he determined that the transfer should not be made.

Commissioner Craven testified that the radio intelligence activities of the Federal Communications Commission had been called by the Navy more of a hindrance than a help both before and after Pearl Harbor.

"Did they inform you that the Navy did in fact issue orders to ships on information that turned out to be erroneous?" Eugene L. Garey, counsel for the Committee, asked.

"They so stated to me", Mr. Craven replied.

Mr. Craven said that he was not at liberty to reveal when, where and under what circumstances the incidents occurred and that he would give the names of the officers only in executive session.

Representative Louis E. Miller, (R), of Missouri, suggested questioning these officers, but Mr. Garey reminded him of the President's order barring all officers of the Army and Navy, as well as the departmental secretaries, from testifying before the Committee.

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SENATORS HEAR PROF. ARMSTRONG; COMMISSIONER WAKEFIELD

Appearing before the Senate Interstate Commerce Committee on the White-Wheeler Bill to revamp the present outmoded Radio Act, Dr. Edward H. Armstrong, Professor of Electrical Engineering at Columbia, and father of "FM", and FCC Commissioner Ray C. Wakefield testified regarding questions which the Senators were considering.

Professor Armstrong predicted that FM would be the major development after the war. So great have been the technical and scientific advances already made, and so much greater are those in prospect, he testified, that broadcasting stations in the future would be limited, not by the wave-lengths available, but to the number of stations which communities can support. The Professor also told the Committee that FM had solved the problem of static.

Commissioner Wakefield gave his views on a number of subjects, such as competition between stations, time sales on controversial issues and unification of U. S. radio and cable service abroad.

Commissioner Wakefield was of the opinion here at home that broadcasting stations should be allowed to compete as newspapers do. He said that if a broadcasting frequency is available new stations should be permitted to operate, even if the radio field might not be considered capable economically of supporting additional broadcasters.

"I think that the more access the people have for dissemination of ideas the better democracy will work", he said, pointing out that newspapers have complete freedom of competition, and that such competition does a valuable public service.

Mr. Wakefield declared that freedom of speech would suffer if the White-Wheeler proposal to prohibit the sale by radio stations of time for the discussion of controversial issues prevailed.

Mr. Wakefield said he deplored a provision "that no time shall be sold for the discussion of controversial questions", adding "freedom of speech takes a beating when controversial questions are excluded."

"It takes a worse beating", he asserted, "when the network officials are permitted to determine what is and what is not a controversial question."

Commissioner Wakefield strongly advocated merging our communications interests in foreign fields.

Asked by Senator Wheeler, Committee Chairman, if it was true, as reported by Senators recently returned from abroad, that "Great Britain has at present more or less of a monopoly on short-wave", he answered:

"I think that's true, and it constitutes a large part of our problem."

Asked what the Commission had done and was doing to protect and help American interests in the matter of present and future communication facilities abroad, he declared that it was "promoting the merger."

"How many and what companies would be included in the merger?" Senator Wheeler asked.

He named Press Wireless, Inc., Radio Corporation of America Communications, American Telephone and Telegraph Company, International Telephone and Telegraph Corporation, adding that the merger would also cover a "few others".

The witness said there was some question as to whether or not Press Wireless should be included because it wasn't a commercial concern, its object being to transmit news for the press.

Commissioner Wakefield dismissed the present charges against the FCC of exceeding its authority and of lack of confidence in the Commission as "unrest", much of which had been "manufactured" by opponents of regulation and "deliberately promoted by the press in its reports of radio news in newspapers and magazines."

He agreed that it might be well to define more clearly the powers of the Commission, but not to limit them beyond the boundaries fixed by the 1934 Communications Act, which, he insisted, had never been exceeded by the Commission.

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WLB RULES ON POSTAL EMPLOYEES SHIFTED TO W.U.

The War Manpower Commission has ruled that former employees of the Postal Telegraph Company, now merged with the Western Union Company, cannot be considered as laid off, discharged or otherwise involuntarily separated from employment when transferred to the payrolls of the second company. Such employees are not, therefore, entitled to statements showing their availability for new employment.

The War Manpower Commission ruling is based upon the following facts:

1. The rights and benefits of all transferred employees are securely protected by the terms of the merger. The change of employer is, hence, a technical one which in itself does not affect the worker.

2. Shortages of employees in the telegraph industry which is part of the essential communications services industry, have caused the quality of the service to deteriorate dangerously.

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BBC "DON'TS" EXPLAINED BY ITS U. S. REPRESENTATIVE

To the extent of almost a column, the New York Times carried an explanation of the new British Broadcasting Corporation's restrictions and "don'ts" made by Lindsay Wellington, North American BBC representative, who wrote, in part:

"According to an Associated Press summary of an article in the London Sunday Chronicle, which The New York Times printed, these proscriptions concern a wide range of topics, from alcohol, the Home Guard and women in the services, to references to American soldiers, and even the Southern (American) accent. It is alleged that all of these have been designated out of bounds as subjects of microphone jesting.

"First let me say officially, categorically and comprehensively that, with a single exception - jokes on the subject of the black market - the report of these alleged repressions has no substance whatever in fact. They do not exist. If they did they would virtually prevent broadcasting altogether in many of its important functions in Britain. A denial has duly been issued at headquarters of the BBC in the direction of Fleet Street radio columnists in London.

"But rather than accept these assurances from one who may for all your readers now be simply another of the timid, elderly Victorian spoil-sports of the BBC, I should like strongly to recommend all interested Americans to listen personally to such of BBC's programs as are audible over here. It would hardly be possible, I think they will agree after listening, to produce programs such as the weekly exchange CBS-BBC feature 'Transatlantic Call', originating in many different regions of America, including recently Montgomery, Ala., and Tampa, Fla., without running heavily into accents, including the Southern accent, or to avoid references of every kind to American soldiers by their fathers and mothers who take part as typical citizens in the broadcasts.

"It does not follow, of course, that the BBC sees always eye to eye with either professional jokesmiths or with private connoisseurs of hilarity among the general public. A joke is a joke. But it can be good or bad. We prefer the good ones. In practice the material itself supplies the answer. The same applies to popular songs. I can conceive, for example, that 'humorous references to religion' might be taboo on any broadcasting station in the world. But that would hardly exclude 'Praise the Lord and Pass the Ammunition', and did not in fact work that way in America or in Britain.

"As for the black market, the situation is simply that the BBC considers it too serious a topic for jesting. The elimination of jokes about it has behind it the same object as the motion-picture films produced in America in this connection and the anti-black-market publicity emphasized on network broadcasts over here - namely, to bring home the seriousness of rationing regulations and to mobilize sentiment against violators."

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HANDBOOKS FOR INTER-AMERICAN UNIVERSITY OF THE AIR

Handbooks have been compiled by the National Broadcasting supplementing two Inter-American University of the Air programs.

"Lands of the Free" is a history series and "Music of the New World" is a music series. Both are designed to meet college standards of instruction. "Lands of the Free", for example, is currently being used in more than 100 colleges as either recommended or required listening.

Forewords to the handbooks have been written by Dr. James Rowland Angell, former President of Yale University, and now NBC's authority in such matters. Dr. Angell was assisted in this by Sterling Fisher.

In New York, the Board of Education has approved courses based on both programs for the continuing instruction of teachers. Teachers satisfactorily completing these courses are eligible to receive salary increments.

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"RADIO AT WAR" FILM AVAILABLE FOR SCHOOLS

Radio's dramatic part in this global conflict, where communication is playing a determining role, is portrayed in an action-laden 24-minute presentation 16 mm. sound film, "Radio at War", which will be available for release to schools, colleges and civic organizations shortly after January 1. The picture is sponsored by Radio Corporation of America, in cooperation with the communication branches of the Army and Navy.

Training camp routine is pictured in interesting detail, followed by scenes taken at actual maneuvers during which many phases of electronics communications are brought into play. Moving rapidly forward, the film carries battle sequences, reveals how radio-borne orders to ship commanders allow instantaneous action to meet possible attacks.

A high point is the recent official Army and Navy motion pictures of an invasion in the southwest Pacific and the establishment of a beachhead, with authentic battle scenes adding to the exciting portrayal of radio's vital part in the operations. Final scenes show an operator on the beach with his Army Signal Corps outfit, contacting a warship at sea, relaying information on the battle ashore, and the message being received aboard ship.

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SEES TELEVISION PROGRESSING IF PUBLIC CHOOSES PROGRAMS

Success of television depends upon the right given the public to choose its programs and the freedom given broadcasters to respect the public choice, C. L. Menser, Vice-President in Charge of Programs of the National Broadcasting Company, declared last week in a talk before the Public Relations Clinic of the United States Savings and Loan League in Chicago.

Television, Mr. Menser pointed out, is an "established fact", and improvement in both the quality and quantity of current television programs is constantly taking place.

"Two things are worthy of note", Mr. Menser said. "The ultimate success of television, like that of radio, will be dependent upon public acceptance. Without that acceptance, it can have no real success. And it cannot have that acceptance unless the public is given the right to choose its programs and the broadcasters are given the freedom to respect the public choice. The second thing worthy of note is that television, like radio, will find its great fulfillment in the home. Whatever other uses it may have it will, I believe, find its greatest acceptance by the public as a device for use in the home. To that end, it will complement and fortify, rather than oppose or nullify, those contributions to the home life of America which have been made by radio. In this day and age that is an important fact."

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WJZ NOVEMBER TIME SALES TOP 1942 BY 69 PERCENT

Time sales on Station WJZ during the month of November were 69 percent over sales during the same month in 1942. Total sales during the first 11 months of this year increased 42 percent over the same period in 1942.

Sales have been made to the amusement business - an increase in motion picture advertising has been particularly noticeable - and radio promotion by publications has also been heavier. The retail field is also partly responsible for the increase in business on WJZ.

One significant aspect of the sales picture on WJZ is the increase in recent months in the sales of program series, in contrast with the first half of the year when sales of one-minute announcements were heavy and program sales were at a minimum.

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: : : TRADE NOTES : : :
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Lectrofilm, a new synthetic dielectric material for capacitors, developed after several years of General Electric laboratory research, and made of materials available in the United States, has been announced by the Company.

Lectrofilm, the development of which was hastened by the growing shortage of high-grade mica, can be best applied to the manufacture of most radio-frequency-blocking and by-pass, fixed capacitors used in communications and other electronic equipment.

KICD, Spencer, Iowa, automatically became a Mutual affiliate, when it joined the North Central Broadcasting System, affiliated with Mutual as a unit, last Sunday, December 5th.

The world's longest "talking book" for the blind has just been completed, the Library of Congress has announced. It is a recording of Count Leo Tolstol's famous novel, "War and Peace".

A talking book is a slow-playing phonograph recording prepared specifically for the blind. "War and Peace", never available before for the blind, totals 119 records in eight containers.

Congress in 1931 authorized an annual appropriation for books for the adult blind. Duplicates of each book are placed in 27 libraries throughout the country. A WPA project made 23,500 talking book machines for blind readers.

The following dividends were declared last week following the Board of Directors of the Radio Corporation of America held last week:

On the outstanding shares of First Preferred stock 87½ cents per share, for the period from October 1, 1943 to December 31, 1943, payable in cash on January 1, 1944, to the holders of record of such stock at the close of business December 13, 1943.

On the outstanding shares of Common stock, 20 cents per share, payable in cash on January 26, 1944, to the holders of record of such stock at the close of business December 17, 1943.

"How to Promote Your Program", which is Booklet #4 in the series being distributed by the Retail Promotion Committee for the Broadcasting Industry, will be issued at an early date.

The biggest package of new commercial business to be scheduled on any network within a single month's period was set up in the month of November on the Don Lee Network, according to Sydney Gaynor, Sales Manager of the Don Lee Broadcasting System.

Among the 12 programs totalling seven and a quarter broadcast hours weekly were the "Jack Benny" repeat broadcast for General Foods; "Point Sublime" for Union Oil; and "What's the Name of that Song" for 42 Products, Inc.; "Goodwill Hour" for Clark Candy, etc.

The Nation's Number One Swoon-Singer will originate his Sunday, December 12th, 7:15 P.M. show from WTOP-CBS station in Washington, but his studio audience will consist of one lone girl! The WTOP has decided to limit the audience to the girl who writes the best letter of 25 words or less on "Why I Swoon Over Sinatra!"

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

1943

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No. 1585

NILES TRAMMELL TELLS FCC TO "LAY THAT PISTOL DOWN"

Niles Trammell, President of the National Broadcasting Company, just back from the war zone, proved to be the life of the party for two days at the Senate hearings on the Wheeler-White Radio Bill. Mr. Trammell's target was the Federal Communications Commission and, taking the language of a popular refrain, he urged that the Government "Lay that Pistol Down, Babe!" Saying that the Government derived such power by a gun aimed at the heart of the industry's democratic freedom, Mr. Trammell, attacking growing bureaucratic control, declared that broadcasting in the United States can become a monopoly of the Government without the Government having any investment in the industry or having any share of its management.

"The infiltration of Government control in broadcasting has been devious and gradual", the witness told the Senators. "Every pretext and excuse for extending these controls has been utilized."

He declared before the Committee that the nation cannot have a Government controlled radio and maintain either free speech or free press. "We have too many examples of what has happened in other lands", he testified. "I call your attention to the fact that in every land where democracy is dead, there is Government control of radio, the press and the church."

Mr. Trammell said he realized that because of war stress it may be difficult at this time to undertake a complete revision of the Communications Act. But, at least, a temporary legislative step should be taken now, such as a simple amendment to the Communications Act, halting further Government encroachment on the rights of the broadcaster and the listener, and perhaps leaving for further deliberation the comprehensive revision of the entire Act.

Endorsing the White-Wheeler Bill, the head of the NBC made the following recommendations for radio legislation:

1. Guarantee, by definite declaration, that radio broadcasting has full rights under the 1st Amendment to the Constitution.
2. Prohibit the licensing authority from exercising any business or program control of broadcast station operation.
3. Provide for long term or permanent licenses, subject only to revocation for specified causes.
4. Provide that the license for a broadcasting station may be revoked only by Government suit in the Federal Court where the station is located, with trial of the facts by jury;

4. (Cont'd) with the government authorized to prosecute such complaints only for specified causes such as those now provided in the Communications Act.
5. Eliminate any right of the Commission to administer the Anti-Trust laws and eliminate the "death penalty" for a violation of those laws, so that licensees will be subject to the same penalties as any one else for violation of the Anti-Trust Laws.
6. Separate the regulation of radio in the common carrier field from the regulation of broadcasting.
7. Provide that it be mandatory on the Government to issue experimental licenses and to encourage the development of new radio services.
8. Prohibit discrimination on the basis of occupation or business in the grant of licenses for broadcasting stations.
9. Adopt the recommendation of the Federal Communications Bar Association and the National Association of Broadcasters for revision of the procedural sections of the law.

Mr. Trammell denied the charges that Wall Street dominates the broadcasting industry. The NBC had said Chairman Fly "persists in dragging up this red herring whenever the Commission gets under fire." Also, he expressed indignation that the National Association of Broadcasters had been called a "stooge" for NBC.

"I regard that allegation as an insult to the entire broadcasting industry", he said. "We do not exercise control of the NAB and we will furnish figures of our financial contributions to it so that the Committee may see whether or not we wield undue influence."

He added that he was completely opposed to giving "death sentence" powers to "any Government bureau whose personnel is changing day by day, and where someone revokes a license because he doesn't like the color of a man's hair or his eyes or his tie."

"I believe the death sentence power now exercised by the FCC should be removed", he added.

He charged that Government control of radio is desired by "bureaucrats" filled with excessive zeal to apply new social concepts to American industry.

He said a recent Supreme Court decision has put the FCC in virtual control of radio programs. Present regulations, he warned, already have imposed a "strait-jacket on the creation to television networks by prohibiting ownership of more than three television stations by any one company."

The regulation, he said, would mean to the NBC the loss of three of its six stations "when we go over to sight and sound".

"The broadcast station or network which is not permitted to transform itself into a sight and sound service will go the way of the silent film, or the horse and buggy", he said.

"Those who have developed broadcasting, who have established transmitters, studios and services, should be given an opportunity to modernize their facilities to keep pace with scientific and technical progress.

"No limitation should be placed in law on the number of stations a company can own. That is a matter that will take care of itself. The Government should encourage, not limit, the opening of stations, for the creation and dissemination regionally of program services."

Senator Burton K. Wheeler of Montana, the Chairman, inquired if it would be well to fix a limit of six or seven in the law, but Mr. Trammell said that would not be fair to the Columbia Broadcasting System, which owns eight, nor would it be wise, with television still in its infancy, to fix any limit.

"The industry was built up without limitations. Why not let it go on that way?" he said.

Mr. Trammell concluded that restrictions which would "goose-step" the broadcasting industry could not be imposed and at the same time preserve the American doctrine of free speech and press.

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WARNS REALLY PRESIDENT FIGHTING CONGRESS IN FCC CASE

It is not Dr. Watson and Mr. Dodd of the Federal Communications Commission, and Dr. Lovett of the Virgin Islands, who are fighting Congress but the Chief Executive acting in their names, Representative Ralph E. Church (R), of Illinois, maintained in urging Congress to retain special counsel to defend in the Courts its order that the three Federal employees charged with subversive views be stricken from the payroll.

"The amount of money involved in the three suits is of little or no consequence", Representative Church told the House. "The cost of the suits to the individuals will be greater than the amounts they could recover. Even assuming they are successful, the most they can secure from the court is a judgment which can be paid only by an appropriation by Congress for the purpose.

"While the suits are brought by three individuals, it is surely recognized that in reality it is the executive branch of the

Government which is here challenging a basic right and power of Congress.

"If not in name, certainly in fact, the Executive is seeking through these suits to limit the constitutional power of Congress by judicial decree. And, ironically, unless we take some special action, we will be represented in the court by the Attorney General or by the very branch of the Government which is challenging the power of Congress * * *

"It is my contention, Mr. Speaker, that in these particular cases, representing a constitutional contest between the Executive and the Congress, in which the individuals and the money involved are merely incidental, the Attorney General is not the proper person to represent the defense. I consider the circumstances in these suits to be such that the Congress should by resolution name the counsel who will prepare and argue the defense.

"In brief, the executive branch of the Government has deliberately planned these three suits in the Court of Claims in an effort to limit the power of Congress over the expenditure of public money. I repeat that in this challenge to Congress the Attorney General, who is the personal representative of the President, is not the proper person to prepare and argue the case in court. It behooves us to select a special counsel so that we may be certain that the rights and powers of Congress are properly advanced in the court.

"As I indicated at the outset, I am not concerned about the money involved in the suits. It is of no consequence. Nor am I concerned about the individuals. They were given a hearing by us, and the President could have appointed them subsequent to the enactment of the prohibition in question. But I am deeply concerned about the fundamental principle of constitutional government that is brought in issue."

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CONGRESS AIRS FULTON LEWIS, JR. ARMY SCANDAL CHARGES

It is doubtful if any commentator or newspaper correspondent ever broke into the Congressional Record at such length as did Fulton Lewis, Jr., Mutual-Don Lee broadcaster, as a result of the sensational charges he made revealing alleged deals between an Army officer, Col. Theo. Wyman, Jr., and Hans Wilhelm Rohl, who, although a German alien, handled vast secret war contracts on the Hawaiian Islands both before and after Pearl Harbor.

Fulton Lewis dug up the story in Los Angeles and his broadcasts created such a sensation that Senator Gerald P. Nye (R), of North Dakota, had four of them printed in the Congressional Record of December 7th. Set in agate type they covered almost five pages.

As a result of this publicity and the interest of so aggressive a Senator as Mr. Nye, it is believed this is the forerunner of another gigantic war scandal and if so full credit goes to Mr. Lewis. Secretary of War Stimson is bestirring himself in the matter. Furthermore the House Military Affairs Committee announced officially that it has assigned special investigators to go deeply and thoroughly into the case and have requested that the War Department furnish Colonel Wyman in person to the Committee for questioning and investigation.

The principal charges made by Mr. Lewis against Rohl were that he worked on secret installations at Pearl Harbor and that the day after the attack all Army contracts with everybody else in the Hawaiian Islands were cancelled and that Rohl "was given all Army construction work in the entire Pacific Ocean through the Hawaiian Constructors, which was Rohl's construction company, and the W. E. Callahan Co., also large operators in California headed by one Paul Grafe, in a joint enterprise; that the total of these contractors is unofficially estimated at considerably more than \$100,000,000; that when the Alcan Highway and the Canadian oil project were getting started in early 1942 Colonel Wyman was shifted from the Hawaiian Islands to Edmonton, Canada, where he was put in command of the Army engineers there and given authority over all the work of the Army on those projects, and that under Colonel Wyman's command in Canada two of the contracts that were let were as follows:

"One was for the construction of a spur road of about 140 miles connecting the Alcan Highway with a seaport town in Alaska, let to the Foley Construction Co., about \$10,000,000 - let to the Foley Construction Co. and Rohl's construction company as a joint venture of the two. The second was the contract for 500 miles of pipe line and the one that involved the construction of the \$259,000 office building at Edmonton, Canada, which reverts to the city of Edmonton about January 1."

The broadcasts of Mr. Lewis revealed that the mysterious fire in his hotel in Los Angeles at the time of the sensational broadcasts was much more serious than press dispatches to the East seemed to indicate.

"At 8:30 this morning, the room in my suite at the hotel here - the room in which I ordinarily would be sleeping - suddenly became a blazing inferno", Mr. Lewis said describing the incident. "It was completely gutted by fire, and Mr. Fred Morrison, my assistant, who happened to be sleeping there in my place, escaped being burned to death by a matter of only a very few seconds. The bed in which he was sleeping was completely destroyed; when he woke up, it and the entire room were completely ablaze and his pajamas were completely burned off him.

"Investigation showed that there were no electric wires that could have produced a short circuit; it could not have been caused by a cigarette, because Mr. Morrison had been asleep for about 6 hours when the fire took place and even before he went to bed he did not smoke a cigarette. No one was in the room in the

meantime. If there had been a cigarette dropped by him before he went to sleep the fire would have developed unquestionably in a lot less than 6 hours. Furthermore, a hotel attendant who opened the door early in the morning to deliver a newspaper at about 6:30 said that at that time there was no trace of smoke at all.

"I will say this much: That if anyone ever came closer to death than Fred Morrison did yesterday morning, I don't know how it could have happened."

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OBJECTS TO SENDING U. S. RADIOS TO ENGLAND

The Washington, (D. C.) Star reprints the following editorial from the Ottawa (Kansas) Herald:

"Eight thousand American radio sets have arrived in England to help relieve a shortage. This news will bring loud acclaim in England, and be hailed as a big boost to British morale. It will be greeted by groans in the United States.

"Thousands of Americans who have been obliged to do without radio reception weeks at a time because they can't get tubes and other repairs, and thousands of others who have no radios at all, are likely to feel that sending 8,000 to England is overdoing lease-lend a bit. The British undoubtedly feel their loss of radio entertainment quite as much as Americans, but that doesn't serve to soothe the ruffled feelings of many Americans. Americans are willing to skimp on necessities, such as food, to supply our British allies, but they will wonder whether it is necessary to send radios overseas."

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SAYS BUTCHER IS NOT NAB PRESIDENTIAL CANDIDATE

The proposal to recruit Commander Harry C. Butcher, Naval Aide to Gen. Dwight Eisenhower and former CBS v.p. in charge of the network's Washington office, as a possible successor to Neville Miller to head the National Association of Broadcasters, according to Variety, brought forth a V-mail retort last week from Butcher that "as far as I'm concerned one war's enough."

"Thus Butcher automatically cancelled himself out of the picture as a possible candidate for the NAB job", the magazine continues. "A large segment within NAB's membership had sought to draft him on the basis that the broadcasters need a man with practical industry experience at the helm to prevent the Association from 'developing into nothing more than service club.'"

Butcher left the CBS post to accept a lieutenant-commandership in the Navy in June, 1942, and was advanced to full commander in May of this year.

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CHARLES B. BROWN NEW RCA VICTOR ADVERTISING DIRECTOR

Charles B. Brown has been appointed Advertising Director of the RCA Victor Division of the Radio Corporation of America.

Mr. Brown, who has relinquished his position as Director of Advertising, Promotion and Research of the National Broadcasting Company, will have responsibilities as co-ordinator of advertising for the various RCA Victor products and of the three advertising agencies which serve RCA Victor. These agencies are the J. Walter Thompson Company which handles RCA's "What's New?" radio program, as well as the advertising for Victor and Bluebird records, and for the International Division; Ruthrauff & Ryan, Inc., for radio, phonograph and television instruments; and Kenyon & Eckhardt, Inc. for RCA tubes, special radio apparatus and industrial electronic and radio apparatus.

Mr. Brown will direct those activities which serve all RCA Victor Divisions, such as production, art, general publicity, institutional advertising, and some phases of cooperative advertising. He brings to his new position a wide range of selling and advertising experience with such organizations as the Bordon Sales Company, the Chevrolet Motor Company, and the International Magazine Company.

Entering radio on a full time basis in 1938, Mr. Brown joined the National Broadcasting Company at that time as Sales Promotion Manager for KPO-KGO, San Francisco. In 1939 he moved to Hollywood to assume a similar post with NBC's Western Division. Advancement followed to the post of Sales Promotion Manager of NBC's owned and operated stations, and then later of the whole network. In 1942, Mr. Brown was appointed Director of Advertising, Promotion and Research of NBC.

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HOUSE COMMITTEE KILLS U.S. NEWSPAPER ADVERTISING

Proposals for subsidized war bond advertising, which apparently was about as big a pain in the neck for many broadcasters who finally might have been included, were killed by the House Ways and Means Committee by a squeeze vote of 11 to 10.

One proposal already had been passed by the Senate. It calls for equitable distribution of between \$12,500,000 and \$15,000,000 in advertising among all newspapers in cities of 10,000 population or less, and among weeklies, semi-weeklies, and similar publications in larger cities. An amendment to include smaller radio stations was beaten.

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BROADCAST THE NEWS; DISREGARD BUSYBODIES, SAYS CENSOR

As if it were the answer to the prayer of the broadcasters and editors, Byron Price, Director of Censorship, and his right hand associate, J. Harold Ryan in charge of radio, told the radio and newspaper people to ignore self-appointed censors throughout the country, give the people the news and, if in doubt, get into touch with headquarters in Washington for official authorization.

At the same time, new editions of the present press and broadcasters codes of voluntary censorship were issued.

The following statement, in part, was issued today by the Office of Censorship:

"By amendment of a basic clause of the Codes, the Office of Censorship announces its intention to assume wider responsibility in clearing material of all classes for publication and broadcast, whether or not such material has been announced officially by other agencies of the Government."

Director of Censorship Byron Price said:

"These revisions are the result of discussions which have been in progress for several weeks * * * The revisions reflect the studied opinion of the Government that more information can now be published and broadcast without danger to national security. * * *"

The present edition is based, like all of its predecessors, on a single consideration, - the withholding of information having to do with national security. That one purpose alone is the basis of every remaining request. The Codes make no incursions into the fields of editorial opinion, criticism of the Government, or newspaper or broadcasting ethics.

The principal changes in the Codes, in order, are:

1. Heretofore the preamble has asked that certain information, listed in detail, be withheld unless made available officially "by appropriate authority". The revised clause has the effect of making the Office of Censorship itself an appropriate authority. It asks that the specified information be withheld unless it is made available by appropriate authority "or specifically cleared by the Office of Censorship". Thus the standing invitation to appeal doubtful cases to this Office is given added emphasis.

2. The suggestion that APO or FPO addresses be used for servicemen at sea or overseas is eliminated. The Army mail system is undergoing changes, so that APO and FPO addresses, without unit identifications, are no longer effective for the delivery of mail. The Codes continue to ask that unit identifications and ship names not be published for servicemen at sea or overseas.

3. The request to withhold unit identifications for servicemen on duty on anti-aircraft, coastal, or invasion defense within the United States is eliminated as no longer necessary.

4. The language making the Navy the only appropriate authority for information concerning the sinking or damaging from war causes of merchant vessels is eliminated. Both the Navy and the War Shipping Administration will be recognized hereafter by the Office of Censorship as appropriate authority for information concerning the movements, sinking or damaging of merchant vessels in any waters. This will allow the story of the vital and heroic part of the Merchant Marine in winning the war to be told more fully by the War Shipping Administration.

5. The restriction on information concerning civilian defense communication control centers is eliminated as no longer necessary.

6. The clause concerning military installations outside the United States is clarified.

7. Restrictions against Nation-wide summaries of war production, progress of production, plant details and capacity, and movements of Lend-Lease material are eliminated. An entirely new production clause restricts only secret weapons and detailed breakdowns for specific types, such as 155 m.m. guns, etc. The restricted list of critical materials is reduced by almost one-half, the following being eliminated: aluminum, artificial rubber, zinc, magnesium, silk, cork, copper, optical glass, and mercury. Restrictions are retained with respect to tin, natural rubber, uranium, chromium, tantalum, manganese, quinine, tungsten, platinum and high octane gasoline. War production in general has now reached so great a volume that there is no need to hide it under a bushel.

8. The sabotage clause is shortened.

9. Relaxations in the weather provisions of the Codes, announced some weeks ago, are incorporated in the revised editions. The Broadcasters Code revision contains a special note concerning handling of outdoors events under the new weather provisions.

10. The Notes on Rumors clause is eliminated as no longer necessary.

11. The Military Intelligence clause is shortened.

12. All requests concerning resettlement centers and location of war prisoner camps are eliminated. The FBI, as well as the War Department, is recognized as appropriate authority for information about escaped prisoners of war, in order to speed up the handling of these stories.

13. The clause dealing with war news coming into the United States is shortened. Broadcasters will find new language concerning handling of broadcasts from Canada that parallels the Press Code on this point.

14. The request against premature disclosure of diplomatic discussions is amended and narrowed to conform more closely to the administrative interpretation which has been applied heretofore in actual practice. This clause has been coupled with the request concerning war plans so that the new version reads: (No disclosure of) "Secret war plans, or diplomatic negotiations or conversations which concern military operations."

15. The clause dealing with forest fires is eliminated as no longer necessary.

Except for slight differences in handling weather, news sections of the Press and Broadcasters Codes parallel each other in every respect.

The Program Section of the Broadcasters Code is unchanged, with all present provisions for handling of request, quiz, man-on-the street programs, forums, etc., continued. The Foreign Language Section has been clarified so as to emphasize the duties of station censors and monitors and to omit the request for English language translations.

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HERO RADIO OPERATOR WINS MERCHANT MARINE CADETSHIP

A radio operator whose valor helped save the entire crew of a torpedoed American tanker has won an appointment as Cadet-Midshipman in the U. S. Merchant Marine Cadet Corps, in addition to the award of the Merchant Marine Distinguished Service Medal by President Roosevelt, the War Shipping Administration announced yesterday (December 9). He is Kenneth W. Maynard, of Bellingham, Wash., who will report to the U. S. Merchant Marine Academy at King's Point, N. Y., this month.

Maynard was serving on the SS CHINA ARROW in the Atlantic when two torpedoes crashed into the ship's main tanks. The explosion blew large quantities of the oil cargo into the air. As the oil rained back on the ship it ignited and flames roared up through the hole blown in the after deck.

Orders to abandon ship were sounded when it was seen the submarine was preparing to shell the flaming vessel, but the master and Radioman Maynard remained aboard to set up a makeshift antenna and emergency short-wave transmitter to replace that wrecked by the explosion. Heedless of great personal danger from flame and shell-fire, the two men worked swiftly for 45 minutes. Finally, their ingenuity made it possible to send out continuous distress calls.

Since the radio receivers had been wrecked, the call had to go out "blind", but shore stations fixed the tanker's position, and the entire crew was rescued 56 hours after the attack.

Maynard, whose mother, Mrs. Irene Maynard, lives on Route 3, Bellingham, Wash., was born in Corvallis, Ore., 22 years ago. After graduation from the Mt. Baker Union High School, Deming, Wash., in 1938, he trained for the Merchant Marine at the U. S. Maritime Radio Service School on Gallups Island, Boston, Mass., and served on the Liberty Ship THOMAS BAILEY ALDRICH, as well as the CHINA ARROW. Recently, he has served at Gallups Island as a radio instructor.

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: : :
: : : TRADE NOTES : : :
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The 1943-1944 RMA membership and trade directory with data on the personnel and products has just been issued showing the Association's membership now totaling 180 trading companies to be the largest RMA membership since the "depression" period. The new directory is being circulated widely in the radio and associated industries, and to government agencies and officials, including the Army and Navy, foreign purchasing commissions, commercial organizations, technical libraries, and the trade press.

The Radio Corporation of America will hold its annual Christmas party in the Rainbow Grill, 65th floor, RCA Building, on Friday, December 17th, four to seven o'clock.

George P. Ludlum has been appointed Deputy Chief in charge of the New York OWI Domestic Radio Division office. Mr. Ludlum will also continue as head of the Special Assignments Section. He succeeds Merritt W. Barnum who goes to the Ruthrauff & Ryan Advertising Agency in New York.

The Senate Finance Committee considering the House Bill approved an increase from 15 to 25 per cent on domestic telegraph, radio and cable service, retained present rate of 10 per cent on international service. Tax on leased wires raised from 15 to 25 per cent (the House had approved a 20 per cent rate). Wire and equipment service (burglar and fire alarms), 8 percent rate approved. (It now is 5 percent, and the House had voted 7 percent).

The Senate group also approved changes raising tax on local service from 10 percent to 15 percent, and on long-distance calls from 20 to 25 percent.

Identification of atoms in ultra-microscopic particles of matter no larger than 1/100,000 of an inch in diameter can be accomplished quickly and accurately for the first time by a revolutionary new tool of science - the electron micro-analyzer - developed experimentally by Dr. James Hillier of RCA Laboratories.

Mayor LaGuardia addressed the Radio Executives Club last week and told this story of the WNYC broadcasts made by the political leaders who had demanded the right to reply to LaGuardia's broadcast about the Aurelio election: When their broadcasts had been completed, Fiorello called Morros Novik, Director of the municipal station WNYC, and said, according to Leonard Lyons' New York column: "Morris, it was a great example of tolerance - these men, representing rival political parties, uniting in one program. That's tolerance, Morris." . . . "Maybe it was", Novik informed him, "but they made their broadcasts from different rooms."

Another dispatch from New York reports that "The Bulova radio stations may have a change of ownership soon. The chain consists of two stations in New York and one each in Boston, Hartford and New Haven."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

AMERICAN RADIO BROADCASTING CO., INC.
GENERAL LIBRARY
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FRANK E. MULLEN

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No. 1586

December 14, 1943

SAYS OWI OVERSEAS RADIO UNIT TOPHEAVY WITH COMMUNISTS

Pressing his resolution that a thorough investigation of the Office of War Information be made by Congress, Representative Fred E. Busbey (R), of Illinois, declared that such an investigation would, among other things, disclose the following facts:

"The Office of War Information maintains in New York, their Foreign Languages Division, from which short-wave overseas broadcasts by radio are made to foreign countries. An investigation will verify the fact that the personnel in these offices is overloaded and topheavy with aliens, Communists, and fellow-travelers who subscribe to an ideology that is inimical to our form of Government, and the avowed purpose of which is to destroy it.

"Attempts on the part of officials in OWI have been made to retain employees on the pay roll, even after their subversive activities were known.

"The offices of OWI have not only been used to propagandize the public in behalf of the policies of the New Deal, but their broadcasts to foreign countries do not reflect the true sentiments and philosophies of the overwhelming majority of the American people, and I doubt the Department of State.

"Propaganda favorable to the cause of communism has been injected into foreign broadcasts.

"The OWI broadcasts have emphasized on certain occasions, the second front, which does not coincide with the strategy and policy up until now of those charged with the responsibility of carrying on the war."

Representative Busbey declared that an investigation of OWI should not be considered as a party proposition in the least for all are equally concerned, and added:

"I am sure the Members on both sides of the aisle who put country above party, are anxious to know the full, true facts regarding this agency, in order to determine what should be done in the best interests of our country. There is absolutely no other way to ascertain these facts than by a thorough, complete investigation of the entire agency."

Previously Representative Busbey charged that there were more than 20 alleged subversives who now are or had recently been in the employ of OWI. Among those he named who had to do with radio and about whom he stated he had reason to believe an investigating

committee would be able to substantiate the following information were:

Eliasberg, George - Eastern Press and Radio Division, salary \$3,800 a year. Arrested in Germany on a charge of kidnaping. Member of the New Beginner Group, an organization which is frankly revolutionary in its claims and anti-democratic.

Kinkead, Robin - Eastern Press and Radio Division, New York office. Writer in Russia in 1929. Married to Angela McCann twice registered as a Communist Party voter. Beatrice Kinkead, his mother, was a member of the California State Executive Committee of the Communist Party in 1940. J. A. Kinkead, his father, was a member of the Communist Party of California.

Klinesberg, Ohio - Eastern Press and Radio, Senior Script Editor, salary \$4,600 a year. Signer of statement in defense of the Communist Party in 1941. Lecturer at the School for Democracy, founded by public school teachers ousted for Communist activity in New York City.

Kraber, Tony, Eastern Press and Radio Announcer, salary \$3,800 a year. Entertainer for the following Communist front organizations: American League for Peace and Democracy, American Musical Alliance, American Artists School. Member of the Executive Board of the theater arts committee, popularly known as Stalin's fifth column on Broadway. Member of the League of American Writers, which was cited as subversive by the Attorney General.

Carson, Saul - Eastern Press and Radio Division, member of the League of American Writers which was cited as subversive by Attorney General Biddle.

Lania, Leo - Eastern Press and Radio Division. Real name Lazar Herrmann. Signer of a protest in behalf of Matthias Rakosi, Hungarian Communist. A publicist in the Soviet Union for many years. Editor of the Hungarian Communist paprt, Rote Fahne (Red Flag).

Lee, Canada - performer in radio dramatizations. Entertainer at the Lenin memorial meeting. Supporter of the American Peace Mobilization which picketed the White House. Real name Lionel Canagata. Salary \$3,800.

Martin, David Stone - artist, Graphic Division. Active in the Tennessee Valley as a Communist. Frances Martin, his brother, was secretary of the Communist Party of Knoxville, Tenn. He attended Communist meetings with his wife, Thelma Martin, also employed by the OWI.

McMillan, George - Assistant Chief of the News Bureau. Salary \$5,600. Now in the United States Marine Corps but not discharged. Member of the Communist cell in the Federal writers project.

Ray, Nicholas K. - Eastern Press and Radio Program Director, salary \$3,800 a year. Member of the League of American Writers, which was cited as subversive by the Attorney General. Discharged from the W.P.A. community service of Washington, D. C., for communistic activity. Also known as Raymond Michelas Juebzke.

Rosenberg, Harold - Eastern Press and Radio. Contributor to the New Masses, a Communist magazine. Writer of revolutionary poetry.

Roskam, Edwin G. - Photographer. Honorary Chairman, May Day Committee. Member of the Washington Book Shop and the Washington Committee for Democratic Action, both cited as subversive by the Attorney General.

Saxe, Alfred - Eastern Press and Radio Division. Adapter of the play "America Today - Lenin Lives" for the Lenin memorial meeting. Associated with the following revolutionary theater groups: League of Workers Theaters, Theater of Action, New Theater League, Contributor to the Daily Worker.

Gebert, Boleslaw K., broadcaster to Poland in October or November 1942. Otherwise known as Bill K. Gebert, member of the National Committee of the Communist Party.

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RELAXING PRESS AND RADIO CENSORSHIP WIDELY PRAISED

Byron Price, Director of Censorship, and his very efficient associate, J. Harold Ryan, in charge of radio, rang the bell with their issuing a revised code dropping, as the Washington News (Scripps-Howard) put it "various of the verbotens in the old one". Note then the spectacle of the News allied with the United Press praising Mr. Price, lent to the Government by a rival organization, the Associated Press (of which we predict he will sooner or later become the head.)

"Will somebody please pinch us?" says the News. "No, we're not dreaming. It's true. The head of the U. S. Office of Censorship is asking the newspapers to print more, not less, information!"

"Before going further, let us remark that the Office of Censorship, under Director Byron Price (lent to the Government by the Associated Press), has done a uniformly admirable job. Price has issued, from time to time, simple codes which advise us of the types of news we should not print without 'appropriate authority'. In case of doubt we check with his office. And we always get quick, friendly and positive answers. No run-around, no 'come around Tuesday', no hemming, no hawing."

"When a censor says there has been too much censorship, that's news", the New York Times comments. "Byron Price's amended code and accompanying comments, made public yesterday, therefore deserve attention. Mr. Price seems to think that newspapers and radio stations have been too conscientious or too easily intimidated. He finds that they have been 'suppressing news for no valid reason', sometimes at the request of Chambers of Commerce or 'even publicity agents'. He hopes they will cooperate with him to see 'that a dangerous psychology of over-censorship is not created throughout the land by the activities of a miscellany of volunteer firemen.' He would like to have 'all censorship end when hostilities end', and believes 'the trend should be downward from now on.'"

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ATTORNEY GENERAL BUCKS CONGRESS IN FCC EMPLOYEES FIGHT

There was a quick comeback from Attorney General Biddle when Representative Kerr (D), of North Carolina, head of the Subcommittee which recommended the firing of FCC employees Watson and Dodd and Dr. Lovett of the Virgin Islands, alleged subversives, wrote asking what the Attorney General's position was in the matter. Mr. Biddle promptly notified Representative Kerr that he concurs with President Roosevelt's view that the removal of the three was unconstitutional. Expressing regret that in these cases he found it impossible to advocate with conviction the view of Congress, he invited Congress to name its own attorney.

By way of acting on the invitation, Mr. Kerr said the question of naming an attorney to represent Congress will be taken up this week at a meeting of the House Appropriations Committee of which he is a member.

In his letter, Mr. Biddle revealed that the Justice Department will file demurrers to the Lovett-Dodd-Watson petitions. "The vital questions involved are constitutional questions, which, in my judgment, can appropriately be raised and disposed of by demurrers", he said.

Mr. Kerr in his letter noted that the President had termed the congressional action unconstitutional and expressed the presumption that the President had been so advised by the Justice Department.

"If I am correct in this assumption, I presume that your office will approach this matter as a friend of the court, as Attorney General Mitchell did in United States vs. Smith, and that you will consent that Congress employ counsel to represent the Government", Mr. Kerr wrote.

Representative Church (R), of Illinois, advising the House that the case of the three discharged employees was being handled by Charles Horsky charged that Mr. Horsky was a member of a Washington

law firm whose most active partner is Dean Acheson, Assistant Secretary of State. Mr. Acheson, he charges, is an ardent supporter of a bill now before Congress to "put full power in the bureaus with little chance of appeal by the people affected by bureaucratic regulations." This bill, he asserts, represents the views of Supreme Court Justice Frankfurter and of the Committee on Administrative Law appointed by Attorney General Biddle, with Mr. Acheson as Chairman.

"The bill confirms and approves the Frankfurter theory of Government, leaving the bureaucratic agencies of the Government free from review by the courts in any effective manner", Representative Church declared.

"Dean Acheson is the friend of Harold Laski, socialistic secretary of former Prime Minister Ramsay MacDonald of England", Representative Church said, "and Laski is the friend and collaborator of Justice Frankfurter."

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ADMIRAL HOOPER RETIREMENT COMES HOME TO ROOST FOR FLY

Although it has long been a matter of public knowledge that he was the officer being referred to, it wasn't until last week that Representative Anderson (D), of New Mexico, named Rear Admiral S. C. Hooper, former Chief of Naval Communications, as the one who was compelled to retire at the age of 58 because of a complaint against the policies of James L. Fly, head of the Federal Communications Commission.

Secretary Knox, in answer to queries, said that Admiral Hooper was retired for physical reasons, but when asked if his retirement had been requested by Mr. Fly, he declined to answer.

It was Admiral Hooper who made the first report to the Secretary of the Navy which led to the survey of conditions on the findings of which were based recommendations of the Joint Chiefs of Staff and the Secretaries of War and Navy for the transfer to their departments of the radio intelligence activities of the Federal Communications Commission. This request was transmitted to President Roosevelt last February and rejected by him eight months later in a letter made public a few weeks ago by Senator Charles Tobey (R), of New Hampshire.

T.A.M. Craven, FCC Commissioner, said during his testimony before the House Committee last week that it was a "well known fact" that Mr. Fly had visited reprisals on members of the armed forces who opposed his policies and that one of two Naval officers had been "practically cashiered" and put on the retired list because he opposed a Fly decision.

The other Naval officer, whose identity the Committee is withholding, is still on duty in a post of responsibility in Washington.

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WE MUST PLAN WELL FOR FUTURE RADIO NEEDS, SAYS JETT

One of the most interesting questions raised by E. K. Jett, Chief Engineer of the Federal Communications Commission, testifying before the Senate Interstate Commerce Committee now considering the Wheeler-White Bill to reorganize the Commission, was whether there will be room enough in the ether for all rival radio services.

"Any engineer will be glad to tell you that there is plenty of room for his particular service - and there is. But when you add up all these rival claimants, the picture is not any too clear", Mr. Jett told the Senators.

"It is true, of course, that after the war we will have a much larger usable spectrum than we had before the war. And engineers, by pointing to these new frequencies, can make a very plausible case for the view that there will hereafter be more than enough frequencies to go around. But that apparent roominess ceases to look so encouraging when we consider the vast number of channels that will be required for half a million airplanes, a four-ocean Navy, a huge Army communications system, police radio, harbor radio, FM, facsimile, etc., and when you consider also the demands of television, which requires a channel at least 6,000 kilocycles wide, or wide enough for 100 or more standard-width communication channels. In view of these vast new demands, how can we be sure that, when all the claims are added up, there will be channels enough to satisfy everybody?

"For these reasons, I will not go so far as to agree with the prediction made that in the post-war world there would be more than enough frequencies to go around. But I will go so far as to say that, if we do a reasonably good planning job now, there will be room for at least the minimum frequency requirements of all legitimate radio services.

"I have perhaps digressed too far as there are certain unsolved problems of a technical nature which should be settled before we begin to produce new equipment for postwar FM, facsimile and television broadcasting. For example, we are not sure that frequencies now assigned to these services will prove to be entirely satisfactory. Preliminary observations made at the Commission's monitoring stations in the present FM and television bands indicate that "bursts" of relatively strong signals from distant stations may prove to be a source of strong interference. The duration of each "burst" is usually only a fraction of a second but at times the signal strength is sufficiently strong to obliterate the desired signal. It is generally agreed that these 'bursts' are skywave reflections from the troposphere and ionosphere. There is also an entirely different interference problem to deal with in primary service areas where the transmitted signal is reflected from high buildings, hills, etc. These so-called multi-path signals when observed on a television screen appear as 'ghosts' and the multiple pattern thereby created destroys the quality of the picture.

"There are, of course, many additional problems of a technical nature to be solved before we will be in a position to adopt new standards. In television the allocation problem is foremost in our minds because, in addition to interference problems, we know that the present 18 channels and the standards governing this service are inadequate for an efficient nation-wide competitive system of television broadcasting. In my opinion, we should have at least twice this number of channels. The same is true of FM broadcasting in the band from 42 to 50 Mc, which is sufficient for only 5 non-commercial educational broadcast channels and 35 commercial channels. Considering the problem of adjacent channel interference and the geographical separation required for co-channel operation, it is not unreasonable to ask for at least twice the number of channels for these services.

"In considering these post-war broadcasting services we must also plan the necessary relay channels for network programs. It is my understanding that considerable advancement has been made since Pearl Harbor in developing frequencies above 300,000 kc for the distribution of such programs; also, the same networks may just as easily carry telegraph and telephone messages and compete with the services now furnished by the wire carriers. This will involve major questions of policy and may require amendments to the Communications Act. We know, for example, that these relay stations will be installed on towers which will be spaced from thirty to fifty miles apart. The transmitter for each channel of communication will be of very low power, perhaps only a fraction of one watt. Interference will be minimized and efficiency increased through the use of directional beams with the result that the same frequency may be utilized in many sections of the country. There is no reason why this nationwide network should not also carry network programs for standard broadcasting, FM, facsimile, and private telegraph and telephone circuits for the press, stockbrokers, and agencies that usually lease private wire facilities. Who should be granted the privilege of operating this system? Should it be competitive with the telephone and telegraph services which now operate as monopolies in their respective fields? Should there be competitive radio networks, thereby necessitating a forest of towers along the same route? Should the company or companies operating the radio network also be permitted to operate terminal facilities at the subscribers' offices? Should the chain broadcasting companies be permitted to own and operate their own radio networks? These are but a few of the questions which will confront the Commission when, as, and if materials and manpower again become available for the production of civilian equipment.

"It has been predicted that these radio networks will be extended internationally to carry television and aural programs and message traffic all over the world. Although we may be fairly certain that such networks will not be extended beyond the Western Hemisphere or even to South America for some time to come, the technical considerations should not be overlooked when planning our own domestic services. There is much to be gained by allocating the same frequency bands to television service on an international basis and also in adopting international standards for both program broad-

casting and network relay systems. If these things are not done, it may be impossible to set aside common bands of frequencies for maritime and air navigational aids. Furthermore, if different bands and technical standards are used in different regions of the world, the problems with respect to the sale of apparatus and the exchange of international programs would be well-nigh unsolvable."

Mr. Jett, discussing postwar communications said:

"It is difficult to decide how I may best present a picture with respect to the technical future of communications. In the first place, I am a civilian employee of the Government and do not have access to secret military information. Of course, because of my position as Chief Engineer of the Commission and Chairman of the Coordinating Committee of the Board of War Communications, I have been able to obtain a limited amount of technical data from government and industry sources; then too, we have read considerable publicity regarding the development and use of radar, and from this limited amount of information we are able to predict how the principles of radar may be used in peacetime. I have in mind, for example, anti-collision devices which will enhance safety at sea and in the air. But right here I must stop the discussion because the military departments have imposed further restrictions on any discussion of this subject.

"We do know, however, that these postwar anti-collision devices will operate on frequencies high up in the spectrum, which raises immediately some difficult problems with respect to frequency allocation. The bands assigned for their operation must be reserved by international treaty, for unless such bands are free from interference it will be impossible to use the equipment in foreign territory. Of course, certain bands will be used exclusively within our own territorial waters for the benefit of ships approaching our shore while other exclusive bands will be used along the domestic airways. Therefore, while we can provide for our own needs in cooperation with Canada, Cuba and Mexico, it will still be necessary for mobile craft of other countries to operate under our regional regulations when they travel in our territory. The situation is reversed when our mobile craft travel abroad. Therefore, there is but one solution to this problem and that is a world agreement which will provide interference-free channels for the benefit of all nations."

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SHOUSE RETURNS FROM LONDON ON OWI MISSION

After spending six weeks in London as special consultant to the OWI Overseas Branch, James D. Shouse, Vice-President of The Crosley Corporation at Cincinnati is again back in the United States. Mr. Shouse said that England fully expected a German retaliatory attack for the bombing of Berlin, Hamburg and other cities of the Reich.

This bears out a prediction Prime Minister Churchill made to radio and newspaper correspondents when he was in this country. Mr. Churchill likened Germany to a wild beast almost completely surrounded and said he believed like such a beast might make a last desperate lunge and if it did, it was his opinion that it would be at England.

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MANSON WILL DIRECT STROMBERG-CARLSON PUBLIC RELATIONS

As a part of its post-war plans, Lloyd L. Spencer, Vice-President and General Sales Manager, has announced that the promotion and advertising program of the Stromberg-Carlson Company at Rochester, N. Y., has been combined into a newly created Public Relations Department.

Stanley H. Manson, Sales Promotion Manager and Executive Secretary of the firm's labor-management committee, will head the new department, designed to plan for the "distribution of its products as widely and as efficiently as possible . . . using to the fullest advantage . . . newspapers, magazines, radio." F. Leo Granger succeeds Mr. Manson as Radio Service Manager.

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ARMY "RELIC" TRANSMITTER IS LIKE JOHNNY WALKER

A radio transmitter, which broadcast the 1937 solar eclipse from a tiny atoll in the South Pacific, is still in operation and recently was used in a news broadcast from Naples.

Nicknamed "The Relic", the transmitter was used for special events broadcasts after its return from the South Seas. It entered the service of its country in 1942 and was shipped to North Africa. It "made" the invasion of Sicily and was set up in Syracuse where it sent press copy back to Allied Force Headquarters for relay to the United States.

Sent to Bari soon after the invasion of the Italian mainland, the five-ton transmitter was eventually shipped to Naples. There, with the aid of an Italian generator, it broadcast on November 14 a news program from the Advanced Press Headquarters in Italy. This marked the first Allied radio transmission from the continent of Europe since Dunkirk.

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LACK OF ZONE NUMBERS SLOWING UP MAIL - OURS IS NO. 8

It is reported that great quantities of mail for delivery in Washington have been thrown aside in the holiday rush because of the absence of zone numbers. For the information of subscribers of Heintz News Service, the zone number is 8, with the address remaining the same - 2400 California Street. Networks, broadcasting stations, radio manufacturers and others sending us press material also kindly note.

Furthermore - and this situation very likely prevails in all the larger cities - the Washington Postmaster has suggested to newspaper and radio correspondents that to insure prompt dispatch of important correspondence, they should make use of the special delivery service and use long envelopes. Because mailings accumulating in street letter boxes have reach such proportions that it is not possible to keep current on collections, the Postmaster further suggests that urgent mail be deposited in one of the downtown stations or the main Post Office.

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: : : TRADE NOTES : : :
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Frank H. McIntosh, Chief of the Domestic and Foreign Branch of the WPB Radio & Radar Division, will tell the American Marketing Association tomorrow (Wednesday) in New York about the war production of radio and radar equipment.

Ira Hirschmann, Vice President of Bloomingdale Brothers, will talk on "The Place of the Department Store in the Future of Radio, FM and Television".

Majestic Radio and Television Corporation - Four months to September 30: Net profit, after \$152,438 taxes, was \$93,430, or 9 cents each on 989,434 common shares, according to figures filed with Securities and Exchange Commission.

Among the first to be so honored, Columbia University included a radio commentator among those to be presented with gold medals "for distinguished service in advancing international friendship in the Western Hemisphere" last Monday. The commentator was Edward Tomlinson, specialist in Inter-American Affairs for the Blue Network and the other recipients were Dr. Pedro Cue, owner of El Mundo, Havana, and Rodrigo de Llano, Director General of Excelsior of Mexico City.

Neville Miller, President of the National Association of Broadcasters, has been appointed Chairman of the 1944 "March of Dimes" National Radio Division for the National Foundation for Infantile Paralysis.

Serving with Mr. Miller as Co-Chairmen are Mark Woods, President of the Blue Network; William S. Paley, CBS President; Dr. Miller McClintock, President of Mutual, and Niles Trammell, NBC President.

The owners of the Yankee Network are reported to be among the probable purchasers of the Bulova radio stations.

Senator Elbert D. Thomas, of Utah, broadcast his twenty-fourth message to the people of Japan in the Japanese language by snort-wave on December 7th. Senator Thomas concluded:

"Today marks the beginning of the third year which you, the people of Japan, initiated by allowing your rulers to send your sons to their death. Like you, your Emperor has been deceived, just as he was deceived 12 years ago when your war lords told him that it was right to invade the northeastern provinces of China, and just as he was deceived again in 1937 when the war lords of Japan told him that they could conquer China."

Radio's claim to be the speediest method of news gathering appears to be convincingly demonstrated by the industry's daily trade organ, Radio Daily, says the Editor & Publisher, the issue reaching subscribers by mail Dec. 1 being apparently a glimpse into the future. It was dated "Dec. 30, 1943."

The name of Frank J. Cuhel, of the Mutual Broadcasting Company appears on the plaque honoring thirteen war correspondents who have been killed, which was presented by the National Association of Manufacturers to the Overseas Press Club in New York.

P. H. Collins, 62-year-old insurance executive who was with Marconi when the first trans-Atlantic wireless message was completed, died last week. Mr. Collins was a newspaper reporter in his birthplace, St. John's, Newfoundland, at the time the famous message went through, and when he died he still had in his possession a piece of the tape on which the message was received.

Mutual Billings for November hit \$1,479,942, a new high for 30 days, and an increase of 62.6 per cent over that for November 1942, when the figure reached was \$910,167.

Total billings for 11 months 1943, reached the all-time high figure of \$12,238,206, an increase of 39.5 per cent over the amount reached for a like period in 1942, when the total was \$8,774,305.

Canada has become a major source of United Nations supply in the field of instruments and communications equipment, according to a Canadian bulletin which says:

"There are 100 equipment types, ranging from telephone supplies to the most secret developments of radio location and detection apparatus. Such material worth \$250,000,000 will be produced for the United Nations this year. Canada is responsible for seven major developments in the field of signals material, including a 'walkie-talkie' and a field radio station with a range of more than 100 miles. Canadian electrical factories are turning out every type of communications material needed for ships, planes and military vehicles."

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DEALERS TO RECEIVE MORE RADIO TUBES FOR CIVILIAN USE

The development of a program to provide dealers with more balanced stocks of radio tubes for civilian use was urged by the Electronics Distributors Industry Advisory Committee at a meeting with War Production Board representatives in Washington, WPB announced yesterday (Monday).

The Committee was of the opinion that wider distribution of non-military receiving tubes for household sets would be accomplished if the interchange of various types of such tubes between manufacturers and the pro-rating of tube supplies among distributors on the basis of their 1941 deliveries could be accomplished. This would not increase the number of tubes available for civilians, but would improve distribution. Some manufacturers now supply tubes to distributors on the basis of precedence of orders, although others have been using the proposed pro-rata distribution system voluntarily.

The Committee recommended that a task group be appointed to make suggestions to WPB on the redistribution of excess stocks of electronic components no longer required in military programs.

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HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
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DEC 29 1943
FRANK E. MULLER

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No. 1587

FLY CRACKS BACK AT NETWORKS ON "COMPOSITION OF TRAFFIC"

The only result that would follow from a repeal of the Supreme Court decision containing the now famous clause that the Federal Communications Commission could determine "the composition of traffic", James L. Fly, Chairman of the FCC, told the Senate Committee considering the Wheeler-White Bill would be "the restoration of the monopoly that the big networks formerly enjoyed.

"This monopoly must not be restored", Mr. Fly declared, "particularly when we are on the threshold of television and frequency modulation which would make that monopoly far more powerful than it ever has been in the past.

"I want to address myself to five words which have been ripped from their context and adopted as the battle cry of the two big networks and the NAB in their war on the Commission's anti-monopoly regulations. These five words (you have heard them repeated again and again at these hearings) are 'the composition of that traffic'.

"When, on May 10 of this year, the Supreme Court upheld the Commission's chain broadcasting regulations, the big networks were much concerned. This was not surprising because on that date the monopolistic shackles which RCA and CBS had imposed upon the radiobroadcast industry were finally broken. Now that the highest Court had spoken there was no way that they could hope to recapture the monopoly they had previously enjoyed -- unless, they could prevail upon Congress to amend the law. It must have been obvious to them that if they were to succeed an extensive legislative campaign would be necessary. And this campaign had to be pitched on a high plane. It would not do to come before this Committee crying, 'We want our monopoly back.'

"The new slogan worked fine. Almost immediately there was a flood of editorials, all making reference to 'the composition of that traffic'. Neville Miller even went to the length of writing as follows to Mary Haworth, the bleeding hearts editor for the Washington Post:

"I am wondering * * * if your readers realize the effect of the Supreme Court decision of May 10 which places in the hands of the Federal Communications Commission, a body of seven men located in Washington, D. C., supreme authority to determine, whenever they wish, what shall and shall not be broadcast to the American people. They may say, at their discretion, what the people shall hear over the radio, whether it be news, drama, music, comedy or politics.'

"In other words, Neville Miller is blaming the soap operas on the Commission! If he can put that one over he is a better man than P. T. Barnum.

"Now, before I go further, let me stop for a moment and ask two questions. First, isn't it extraordinary that in a case where the question was not presented for decision, the Supreme Court should have strayed off the reservation and gone out of its way to pass on the Commission's powers with respect to programs? It is well known that it has been the settled practice of the Court to confine its decisions to the questions before it. It is hard to believe that the Chief Justice, Mr. Justice Reed, Mr. Justice Frankfurter, Mr. Justice Douglas and Mr. Justice Jackson would have deviated from that policy, or that those jurists would have endeavored to exact a new provision of law of such significant character running counter to the whole tenor of the Communications Act. This brings me to my second question which is this.

"Isn't it extraordinary that it is contended that the Court reached and went out of its way to declare the conclusion that the Commission has the power to control 'what shall and shall not be broadcast to the American people' in the face of Section 326 of the Communications Act which specifically provides:

"Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication."

"The answer to these questions is that the Court neither decided anything nor uttered any dicta with respect to the Commission's powers over programs, which is clear when you put the phrase, 'the composition of that traffic' back into the context from which the NAB tore it. Neither the words, program control, or, programs, or anything comparable to either occurs in the pages preceding or surrounding the one phrase so carefully culled out of its meaningful environment."

Whereupon Mr. Fly went over the Supreme Court decision paragraph by paragraph and concluded:

"In the network case the Supreme Court did nothing more than decide the issue before it - the validity of the anti-monopoly regulations. The law with respect to the Commission's power, or rather lack of power, over radio programs was left just where it has always been. Under Section 326 of the Act the Commission is specifically denied the power to tell a radio station what it shall or shall not broadcast. The only power which the Commission does have is the power to review the over-all service of a station to determine whether it is operating in accordance with public interest, convenience and necessity. If the Commission finds a man like Dr. Brinkley, Reverend Shuler or Dr. Baker, it has the power under

the decisions of the courts to refuse to renew his license. Everyone who has testified at these hearings has said that the Commission should have the power to keep men like these off the air. Certainly it cannot be said that this power has been abused. The record shows that it has been very sparingly exercised.

"In short, the cry of the networks at these hearings has been for Congress to 'repeal the Supreme Court decision'. I have shown you that the decision has nothing to do with programs and therefore to overturn the Court's decision would have no effect so far as programs are concerned. It comes down to this. The only result that would follow from a repeal of the Supreme Court decision would be the restoration of the monopoly that the big networks formerly enjoyed."

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3-YEAR RADIO PERMIT SEEN AS FIRST FCC CONCESSION

The Federal Communications Commission deciding Thursday to issue broadcasting station licenses for a three-year period, maximum allowed by law instead of two years is the first sign of the Commission trimming its sails in the storm raised about the FCC by the two committees on the Hill - the Lea Committee in the House and the Wheeler-White Committee in the Senate.

It is believed the FCC may try to beat Congress to some other concessions the Commission feels it may be forced to make later. The full text of the three-year amendment announcement follows:

"The Federal Communications Commission today (December 15) announced the adoption of an amendment to its rules and regulations looking toward the issuance of standard broadcast licenses for a normal license period of three years, the maximum period authorized under the Communications Act of 1934. The present license period is two years.

"Initial renewals will be for staggered periods, ranging from one year to two years and nine months. Thereafter, all regular licenses will be for the full three-year period. In this way the plan will be placed in operation in such manner as to spread the work load incident to examination of applications for renewals over the full three-year period. Stations are grouped in order of the different license expiration dates in such manner as to include in each group a fair cross-section of the entire industry. This will automatically accomplish a fair distribution of the work load on renewal applications.

"This action is in line with the policy of the Federal Communications Commission and its predecessor, the Federal Radio Commission, to extend the length of licenses whenever the advancement of the radio art and the growth of the radio industry seemed

to warrant such extension', Chairman James L. Fly said.

"In deciding the matter of extending the normal term of licenses, the Commission has always had to consider the concept of a license as a public trust and the need of the industry for all the assurance and stability that seemed consistent with the public trust concept."

"In 1927, when the Federal Radio Commission was first organized, licenses were issued for sixty days. In 1928, the normal license of a broadcast station was a three-month period. This was increased to six months in 1931. In 1939, the Federal Communications Commission authorized the issuance of licenses for one-year periods, and in October, 1941, increased the period to two years."

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MCCORMICK'S CHICAGO TRIBUNE BLISTERS THE "OUTWORN FCC"

The Chicago Tribune, owned by the arch-enemy of the Administration, Col. Robert R. McCormick, who also owns Station WGN, one of the country's outstanding radio stations, this week opened fire on the Federal Communications Commission, of which it said:

"With its only excuse for existence erased by the progress of the broadcasting industry it was set up to regulate, the FCC can now sink back into oblivion alongside its New Deal counterpart, the WPA."

The Tribune editorial follows:

"The Federal Communications Commission was described at a recent session of a House investigating Committee in Washington as a haven for draft dodgers.

"One employee reported that it took all of his persuasive power to keep the Commission from obtaining a draft deferment for him, despite the fact that he was a 4-F, judged unfit for military service because of physical defects.

"This employee told also how the FCC engaged in needless duplication of radio intelligence work already done by the Coast Guard. He said that he was told the Commission wanted its employees to appear busy so that it might secure larger appropriations from Congress and so that the employees would not have to go into the Army.

"As far as made work is concerned, there is little difference between FCC and the defunct WPA except in the size of the projects. From its legitimate task of policing of the airplanes, FCC has turned to censorship, political activities, radio spy work, regimentation of broadcasters, and sociological readjustment of the ownership of radio stations and communications facilities.

"None of these jobs was delegated to it by Congress, and all of them were undertaken as the result of New Deal conniving. When the FCC asks for more money, it is to pursue these New Deal objectives and not to keep order in the broadcasting industry.

"In fact, whatever need there may have been for the FCC is disappearing. The radio industry, one of the most progressive in America, is cutting the ground from under the Commission. Frequency modulation was in operation before the war, and when peace comes and the industry is able to resume FM development, Congress will be able to junk the FCC and end its expensive political and sociological experiments.

"FCC came into being because there are only a limited number of transmission channels available to regular broadcasters and to communications stations, and they must be made to share them without interference. When frequency modulation comes into its own, the number of broadcasting channels will be almost unlimited and the possibility of interference between stations will be remote. Licensing will not be needed. An FM broadcaster can have a full property right, not only to his physical properties, but to his channel as well, and there will be more than enough of the latter to go around.

"The FM broadcasters can be regulated as far as their programs and operating technique are concerned by the same laws that govern the publication of newspapers and magazines. It costs much less to build and operate a frequency modulation station than it does to build and maintain a similar station of the type now in general use. The fidelity of the broadcasting is so much greater that frequency modulation appears certain to supplant the regular broadcasting of today in most parts of the country.

"The few commercial transmission systems that retain their original broadcasting equipment for distance-covering purposes can be regulated adequately by the Interstate Commerce Commission, which has a much more savory reputation for impartiality and efficiency than the FCC and is too busy maintaining that reputation to embark on New Deal social reforms."

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NBC BOOKLET TRACES HISTORY OF RADIO AND NETWORKS

Radio's history from its beginning in 1920 to date, and the relation of this growth to the important contributions made by the National Broadcasting Company, are portrayed in a 24-page illustrated booklet, "What Goes On Behind Your Radio Dial", issued this week by NBC's Promotion Department. Of a press run of 75,000 copies, 25,000 will go to the network's Information Department, 15,000 to affiliated stations and 7,000 to the NBC Public Service Department for distribution by Mrs. Doris Corwith, public service lecturer.

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McCLINTOCK VIEWS PEACE AS A BUSINESS PROPOSITION

"Business must do the job of cementing the world's peoples into one huge neighborhood, and make immediate plans to aid in post-war reconstruction", Miller McClintock, President of the Mutual Broadcasting System, told 500 top executives of New York City, at a luncheon of the Sales Executives Club last Tuesday.

Speaking on the topic "Peace is a Business Proposition", Mr. McClintock said: "In the post-war period American business will be faced with the problem of its own rehabilitation, the solution to which is not national - or even international - but is actually global in scope."

Citing radio and aviation as the two most important industries responsible for making all people "Global-conscious", Mr. McClintock continued, "Only when the war is over will we become fully aware of these two factors that are going to make a neighborhood of all the lands of the earth. In the past surface geography was the dictator of trade and commerce, and to a large extent of international relations. But the airplane and radio are rapidly redrawing the relative positions of continents and countries."

No point in the world is now more than 60 hours away from your home airport. The great circle routes that the air lines are already using - and the ever increasing speed of our long range planes - will soon revise our entire concept of world travel and trade.

"As aviation has shattered our concept of distance, so radio has revolutionized our concept of time.

"We are now about to see another great upsurge in the field of electronics. The General Electric Laboratories are already foreseeing the day when man can travel from 2,000 to 5,000 miles per hour in a vacuum tube controlled by electronic devices. Such tubes extending from one city to another would place Chicago within a travel distance of about one-half hour from New York, and the Pacific Coast about an hour away from the Atlantic.

"But in the more immediate future we can be assured of such advances as: radio broadcasting of higher quality and greater realism; automatic, unattended radio weather stations and more reliable beacons and many improved and new radio devices for use on aircraft, ships, trains and automobiles; inexpensive home sets providing for standard broadcast reception, television, frequency modulation, facsimile and improved phonograph reproduction -- all in one cabinet; three-dimensional television in color and extensive use of television in churches, schools and factories.

"Since almost all of these strides in aviation and radio communications are being developed by American business", said Mr. McClintock, "it becomes the responsibility of American business to put them to uses that will best benefit both us and the rest of the

world. Only when you realize how aviation and radio communications alone can pull the entire world together, can you appreciate the extent of this responsibility.

"Since the airplane and the radio have so greatly altered the limitations of time and space, they are destined to change our business and social relationships with the rest of the world, and will become the most powerful single factors in our struggle for world peace. * * *

"It is not at all visionary", continued the MBS President, "to translate the peaceful relationships of men on the local level to a global basis. The farmers, the merchants, the manufacturers, the mill hands work and live and trade on a reciprocal basis. Similarly, throughout the world there are functional categories. On a world basis, of course, the comparison is more complex. The divisions may be geographical, ethnic, economic, or political. But the net result is the same - each becomes a logical producer or buyer, making or desiring the goods of some other group.

"It is significant", said Mr. McClintock, "that broadcasting is the only advertising medium that could undertake such a world-encompassing job. For in radio the story is told by the human voice, which even the illiterate can understand. No one even needs to learn to read to understand radio."

To overcome language obstacles, Mr. McClintock suggested the use of Basic English as the solution to the problem of broadcasting to a world-wide audience.

"After the war, of course", continued Mr. McClintock, "the world market will take on an entirely new aspect. Then aviation and radio communications will begin in earnest to redraw trade routes and trade policies. In addition, the war itself will have created new needs and new credits.

"The United States Department of Commerce estimates that in our first post-war year our volume of produced goods should top \$165,000,000,000. This is 69% over \$97,000,000,000 for 1940. In fact, the demand for consumer goods will put our manufacturing output far above that of any year in our history.

"American business has always been the motivating force behind democracy in the United States", concluded Mr. McClintock. "In the period of global expansion that lies ahead, we have the perfect opportunity to prove that American business can also be a vigorous force - in fact, the dominant force - in welding closer ties among nations, and in making possible a lasting and universal peace."

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SENATE RADIO HEARINGS END; NEWSPAPER OWNERSHIP NEXT

The open hearings on the Wheeler-White Bill to revamp the old Radio Act and maybe the Federal Communications Commission were concluded last Thursday (December 16). It is possible that the Senate Interstate Commerce Committee considering the measure may hold executive sessions before Christmas but with holiday adjournment so near at hand the whole thing will probably go over into the New Year and the Committee report much later.

Showing the interest of the Senators in the subject - and unquestionably a matter which the Senate and House hearings stirred up - was Senator McFarland of New Mexico, inquiring when the FCC expected to reach a decision regarding the newspaper-owned broadcasting stations. The reply was that maybe the Commission might report on that before Christmas or at any rate at a very early date.

At the final session of the Senate Committee, Chairman Fly read a 29-page memo of detailed comment and recommendations on the provisions of the Wheeler-White bill. One of these with regard to forfeiture of a station license read:

"In any case where the Commission pursuant to subsection (a) hereof is authorized to revoke a license, the Commission may in lieu of revocation after notice and hearing as prescribed by Section 312(a), order the licensee to forfeit to the United States the sum of \$500 for each and every day during which the Commission finds that each and every offense set forth in the notice of hearing occurs, or such lesser sum as the Commission may find appropriate in light of all the facts and circumstances of the particular case."

Up to this time all the Commission could do was to cancel a license and there was no penalty for further broadcasts.

Another suggested amendment read:

"The station license, the frequencies authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of, or indirectly by transfer of control of any corporation holding such license, to any person, nor may stock or other participation in the ownership of any corporation holding a license, whether or not such transfer constitutes a transfer of control, be transferred to any person, if as a result of the transfer the transferee will hold 20 percent or more of the stock or other participation in ownership."

The House Committee lawyers questioned what they called the "relationship existing" between Mr. Fly and Harold A. Lafount, former Commission member, who is now a radio firm executive.

Eugene Garey, Committee counsel, offered FCC files as evidence that the Commission learned in 1941 it had not been

informed of a change in ownership in 1936, but had taken no action. FCC rules require notification of any change in ownership or operation. Mr. Lafount, Mr. Garey said, first acquired stock in 1935 and by 1941 had control.

Edgar L. Brown, President of the National Negro Council, sought to have a provision of the Radio law prohibit the broadcasting "of terms of opprobrium toward any race, creed or color". Luigi Antonini, President of the Italian-American Labor Council complained that stations were dropping foreign language broadcasts and thus rejecting radio as a means of Americanization.

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FCC DISCRIMINATION IN PRESS WIRELESS CASE IS DENIED

Armed with another lengthy statement - this one was 19 pages - James L. Fly, Chairman of the Federal Communications Commission, answered shot for shot the charges Joseph Pierson, President of Press Wireless, Inc., had made to the Senate Interstate Commerce Committee that his company had been discriminated against by the FCC.

Mr. Fly said, in part:

"Mackay and R.C.A. Communications have been denied more applications than Press Wireless.* * *

"In his testimony Mr. Pierson stated that the bulk of the business between Algiers and the United States is press traffic. The figures do not bear this out. For example, for the month of March 1943 - the first month during which the Algiers circuit was in operation - the total press traffic handled over the Algiers circuit, both inbound and outbound, was 97 messages with a total of 9,284 words. This compares with a grand total for the circuit for the month of March of 494 messages and 34,053 words. During subsequent months the proportion of press to other traffic has risen but it still remains true that non-press traffic constitutes a substantial portion of the traffic over the Algiers circuit.

"I have a table here which shows for the period from the opening of the Algiers circuit to September 30, 1943, - the latest date for which figures are available - the percentage of total traffic, both inbound and outbound, in terms of messages, words, and revenues, respectively, devoted to press, government, expeditionary force messages, and regular commercial messages.

"Mr. Pierson criticizes the Commission for acting on applications for these temporary licenses without a hearing. This criticism is without merit. The Commission has found it necessary to issue temporary licenses without a hearing because the exigencies of war will not wait while prolonged hearings are held to determine whether authorizations should be issued. Mr. Pierson, himself, with justifiable pride, told this Committee how Press Wireless was able

12/17/43

to maintain badly needed communication with France after the Germans occupied Paris. Press Wireless did this by keeping one step ahead of the Nazis by transferring its Paris operation to Tours, from Tours to Bordeaux and then to Vichy. The application for authority to communicate with Tours and Bordeaux were filed on June 15, 1940, and granted the same day. Mr. Pierson himself states that through a temporary authority granted by the Commission, Press Wireless handled not only press but government and commercial telegraph from France after the fall of Paris and that for a period of twenty days, it was the only radio company in operation between France and this country. It would have been impossible to have established and maintained this important link with France after the fall of Paris if the Commission had been required to await the filing of a formal application and then held hearings in which all interested persons could participate.

"It is significant that many of the facilities surrendered by American radio carriers for the use of OWI - including the frequency 7820 kc formerly licensed to Press Wireless - are operated by Press Wireless for OWI. Press Wireless receives between \$25,000 and \$30,000 a month from OWI for furnishing international broadcast service. In view of the fact that Press Wireless knew that the frequency was going to be used for international broadcasting and raised no objection thereto and in view of the fact that it is being paid by OWI for operating these facilities for OWI, I fail to see any basis at all for Mr. Pierson's complaint.

"Mr. Pierson apparently also felt that the Commission should not have requested Press Wireless to surrender its frequencies without agreeing to return them at the end of the war. I might say here that all of the carriers attempted to get a commitment from the Commission that they would be given back the frequencies they were surrendering when the war was over. The Commission, however, did not feel that it could make such commitments. None of us know today just what the radio or communications picture is going to be like when the war is over. We would simply be tying our hands if we agreed to assign frequencies now for the post-war period. I think that the carriers themselves realize the necessity for this freedom of action on the part of the Commission.

"In his testimony before this Committee, Mr. Pierson refers to the Commission's investigation of Press Wireless' rates and suggests that the Commission began this general investigation because of the unfavorable press stories appearing in the columns of the stockholders of Press Wireless concerning the Commission's action with respect to the Algiers circuit. There is absolutely no foundation to this charge."

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: : : TRADE NOTES : : :
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Lieut. Gen. James G. Harbord, Chairman of the Board of the Radio Corporation of America, as Chairman of the New York Chapter of the American Red Cross, has been very active in providing Christmas toys for soldiers' children.

The report of the International Telephone and Telegraph Corporation for the first nine months of this year, issued this week, shows a consolidated net income of \$3,294,543, after expenses and charges, compared with a net of \$970,957 in the nine months of Sept. 30, 1942. On a parent-concern basis I. T. & T., alone, reported a net loss of \$981,413 for the nine months, against a loss of \$1,776,627 in the comparable nine months a year ago.

About 70,000 radios of British manufacture are now getting their finishing touches and 14,000 American sets arrived in London recently, a foreign dispatch says. All these sets are for civilians and will be released through normal trade channels at prices regulated under the price-fixing law of 1939.

The FCC has authorized WOR to change the call letters of its Frequency Modulation station from WOR-FM to WMBA. The "BAM" is for the Bamberger Broadcasting Service, the WOR operating company.

Harold Hough, of Station KGKO, Fort Worth-Dallas, Chairman of the Blue Network's stations Planning and Advisory Committee, has been named a Director of the Blue Network Company. Naming of Mr. Hough, for more than a decade a dominant figure in broadcasting, to the directorship is in conformity with the policy set forth by Edward J. Noble, Blue Network Chairman, at the general meeting of network affiliates in Chicago last month. This marks the first time that a station representative, who is not a network stockholder, has been named a network director.

The Federal Communications Commission has adopted an Order (Commissioner Case not participating) concluding that the accounting performed by the New York Telephone Company, a wholly-owned subsidiary of the American Telephone and Telegraph Co., with respect to four transfers of property from the A. T. & T. Co. in 1925, 1926, 1927 and 1928 was "improper". These property transfers were recorded by the New York Company on its books at amounts substantially in excess of the net book cost of the property to the American Company.

The Commission ordered the New York Company to charge to its surplus the amount of \$4,166,510.57 - the figure representing the amounts in excess of net book cost to the A. T. & T. of the property transferred.

The amount of \$4,166,510.57 had been credited by the American Company to its surplus accounts as "profit" on the transfers. The Commission found that since the New York Co. was a wholly-owned subsidiary of the A. T. & T. "Profits" to the American Company from these transfers are "fictitious or paper increments", and are as unreal as profits from interdepartmental transactions within the A. T. & T. itself.

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No. 1588

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No. 1588

December 21, 1943

GRAB FM WHILE GOING IS GOOD, McDONALD URGES PUBLISHERS

Urging newspapers not to again be caught asleep at the switch as they were with standard broadcasting stations, and to take advantage of their present golden opportunity to secure FM licenses, Commander E. F. McDonald, President of the Zenith Radio Corporation, has written the following letter to 600 leading publishers of the country:

"Twenty years ago, when radio was young, Col. R. R. McCormick, publisher of the Chicago Tribune, asked me,

"Why should I, a newspaper man, go into radio broadcasting?"

"Because', I replied, 'a newspaper is the hardest thing in the world to advertise. Outside of your own circulation, which you already have, there is no medium you can use to reach the public other than a direct competitor, such as other newspapers, magazines, billboards, radio, or even direct mail. If you own a broadcasting station, you are turning a potential competitor into part of your organization, and gaining new circulation of your own on the radio to advertise your publication.'

"That was good in 1923. It is even better today. Radio, although still an auxiliary, has become a great factor in molding public opinion, and a great advertising medium. The development of Frequency Modulation presents a new opposition in radio, an opportunity comparable to that given the railroads when the development of diesel-electric streamliners enabled them to recover much of the freight and passenger traffic they had lost to trucks and airplanes.

"This letter is not a bid for publicity, nor is intended to benefit either Zenith or the radio industry as plenty of FM stations will operate whether or not you act. We have no apparatus or transmitting equipment to sell you. My sole purpose is to point out the opportunity FM offers to the press of the United States in helping it retain the leadership in molding public opinion it has held for the past century.

"FM is an entirely new method of broadcasting. It was off to a flying start when war interrupted production of new radio receivers and construction of new broadcasting stations. Its superiority to the Amplitude Modulation now used for standard broadcasting is so striking that I believe it will quickly dominate the field of local broadcasting in the post-war period. Moreover, it is ideally adapted to the needs of a newspaper.

- "1. FM broadcasting stations are much less expensive to erect and operate than the old type Amplitude Modulation stations.
- "2. There will be plenty of FM channels available; wave lengths are not, as with present Amplitude Modulation, limited to a fortunate few.
- "3. FM erases static, both man-made and nature-made, and transmits programs in its area with dependability, fidelity, and realism hitherto unknown.
- "4. While the range of an FM transmitter is limited, it will cover the heart of any newspaper circulation area without interference from other stations at any hour of day or night.
- "5. FM is, in my opinion, destined to replace most of the present-day stations except long-range, clear channel stations. Many will disagree with me on this statement, but may I suggest that many were not in agreement with me some years ago when I stated, as I still state, that television was, and is, just around the corner, for stock salesmen only.

"FM faces none of the economic hurdles that have held back television. It is here. I grant you that not more than one per cent of existing radio sets are equipped to receive FM, but I predict that when the war is over it will be difficult, if not impossible, to sell any radio for forty dollars or more that does not have FM, and prices may go well under this.

"Now I am going to make an unorthodox suggestion with which you may not agree. I feel that it is a mistake for a newspaper owning a broadcasting station to compete with itself by selling radio time for advertising. I believe it will pay many newspapers to erect an FM station and charge the cost of its operation to advertising the newspaper. This will build good will and win the gratitude of the public by eliminating the annoyance of commercial announcements, plug-uglies if you will, that the public resents on the radio today. I speak from experience when I say that an FM station presenting good programs without commercial sponsorship will win and hold a large share of the radio audience. If you, on the other hand, want to compete with yourself by selling time on your FM station, you may, but you will not enjoy the audience and popularity you will without advertising.

"We have operated Zenith FM radio station WWZR in Chicago for nearly four years, and sold no advertising. We use no live talent - use only high fidelity transcriptions and recordings, of which there are splendid services available. We make only two announcements an hour, and even these are recorded. On one of these announcements we present the merits of Zenith as you could present the merits and features of your publication. We find that this practice creates no public resentment.

"The number of FM sets in Chicago is limited, but there are scores of restaurants catering to thousands of customers who

use our FM music constantly in preference to any other music, radio or otherwise, available. In addition to this, there are about fifty war plants, employing thousands upon thousands of war workers in their factories, who entertain their workers and maintain production levels with music from our FM station.

"I have long felt that publishers of the printed word, who have molded public opinion for so long, are best qualified to be, and should be, the major owners of broadcasting stations. The Chicago Tribune went into broadcasting in 1923 and has done a splendid job for the public, and for itself, with its standard broadcasting station, WGN; recently it has broadened its service with FM radio Station WGNB. Many publishers missed the opportunity to get AM wave lengths when radio was young. Opportunity knocks again because FM wave lengths are available now, but applications to FCC for FM are already many. The FM audience of today is not large; neither was the audience for standard broadcasting stations when the original broadcasters entered that field and secured their valuable wave lengths. After the war, the FM audience will grow much more rapidly than the original radio audience did in the early days of radio.

"If you are interested and would like technical details about cost of stations, cost of operation, area coverage, etc., please write. We have set up a department to answer your questions, but, as I said earlier in this letter, we have no apparatus or transmitting equipment to sell you.

"I would like your reactions."

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BELIEVED LEWIS WILL PUT NEW LIFE IN AMERICAN FM NET

It is expected that the appointment of William B. Lewis, former Chief of the Domestic Bureau of the Office of War Information, and former Vice President of the Columbia Broadcasting System, and General Manager of the American FM Network, Inc., will prove a shot in the arm for that organization. Mr. Lewis, now working on a country-wide survey to evaluate CBS programs and to make recommendations for their improvement based upon his conversations with broadcasters in practically every State in the union, will start with the American Network upon the completion of that task within the next few months.

The appointment of Mr. Lewis to the FM vice-presidency also definitely removes another possibility who has been talked of to succeed Neville Miller as head of the National Association of Broadcasters if, indeed, Mr. Miller is to be succeeded. Another name also apparently eliminated was that of Lieut. Commander Harry C. Butcher, U.S.N.R., also a former CBS vice-President, now aide to General Eisenhower in Africa. Commenting upon the suggestion that he head the NAB, Commander Butcher wrote: "One war at a time is enough."

Mr. Lewis succeeds John R. Lathan, who has returned to the agency field. At the conclusion of his first year with OWI, Mr. Lewis said:

"If we have learned one important lesson from this first year of wartime radio (although, actually, we've learned dozens), it's that quantity is nowhere near so important as quality. You can snow the public six-feet-under with announcements, appeals, instructions, special war theme and informational shows, but - if they aren't good shows and announcements -- then you'll get no better results than listener fatigue and tumbling Crossleys.

"Today, we're aiming for better war information, presented more intelligently with less routine, and placed in program schedules where the most persons can hear them. The American people, as radio's staunchest supporters, have every right to expect that their daily listening will offer both escape from war anxiety and needed relaxation from wartime rigors. You can't bludgeon them with a million do-this-but-don't-do-that plugs. If you insist on trying, they'll just exercise that wonderful American prerogative of walking over to the family receiver and snapping the switch marked 'off'.

"Their right to listen to what they want, when they want, is one of the things we're fighting for. They want clear explanation of both factual war information and the issues which are involved, presented with due consideration for everyday standards of good taste. They want to know what this war is all about, how they can help win it. And radio, intelligently coordinated, can give them the answers."

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DOESN'T SEE TELEVISION SUPPLANTING DAILY PAPERS

In the opinion of Ira A. Hirschman, Vice-President of Bloomingdale's Department Store in New York, television will not change a fundamental habit of "wanting to sit quietly and read something that is not moving through the ether, whether through voice or sight." Mr. Hirschman, addressing the American Marketing Association, said that radio has never been able to do more than supplement printed advertising and stated that television presentations by department stores would center in the display field, chiefly the showing of miniature display windows in homes, and therefore would be developed by display personnel rather than by advertising copy writers.

He also predicted the eventual coordination of television with newspapers in the advertising field and urged newspaper publishers to investigate carefully and seek to integrate television into their advertising with maximum advantage to themselves.

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WAR TRANSFORMER AND CAPACITORS STANDARDS O.K.

Standard specifications on radio transformers and capacitors, evolved by the War Production Board, the American Standards Association and the radio industry have proved generally satisfactory, the Radio Replacement Parts Industry Advisory Committee said at its recent meeting in Washington, WPB announced last Saturday. Production using these standard specifications is covered by Order L-293. Standard specifications for radio volume controls also are being drafted, WPB said.

The tight labor situation is the principal problem facing the radio replacement parts industry, Committee members indicated. Materials and facilities do not constitute major problems at present.

The distribution of radio parts under the terms of Limitation Order L-265, which provides that civilian orders for electronic equipment need no ratings but are filled by manufacturers on a certificate showing that the components are needed as maintenance, repair and operating supplies for radio customers, was discussed. Industry members said the distribution system under the order worked fairly well. Under Order L-265 the industry practice is to pro-rate distribution of radio parts to various outlets throughout the nation and not on a "first come, first served" basis, resulting in comparatively equitable distribution, the Committee said.

Frank H. McIntosh, Chief of the Domestic and Foreign Branch of the Radio and Radar Division, WPB, was Government Presiding Officer at the meeting.

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SYLVANIA PLANS NEW POST-WAR RESEARCH CENTER

Among the plans of Sylvania and one which will be well under way when hostilities have ceased, is its centralized research center. Nearly 30 acres of land have been purchased for this purpose at Bayside, Long Island. Located away from the distraction of a manufacturing plant, or the center of a city, all of the advantages of such close associations can be maintained due to its proximity to New York City.

Sylvania's rapidly broadening scope in the fields of lighting, radio and electronics has made such a research center highly desirable. Though it is questionable whether or not any new buildings can be constructed for the duration, adequate land space will be available for such plans as may be developed to fulfill probable future needs.

Research work will eventually cover the design of new products, development of existing designs, application research and devices in which new products are to be used. Plans call for

Production Development Laboratories with all facilities for the study and design of production processes, methods and techniques, together with the development of automatic production equipment, so that new products can be turned over to the various Sylvania plants ready for manufacture.

In addition, a research center of the type planned offers an ideal location on which to train those student engineers who join the company through the Centralized Engineering setup. Following an intensive course under Sylvania's own engineering and research men, supplemented by guest instructors, the relative aptitudes of the men for either research or production engineering can be determined and the men assigned to positions where they will be able to do their best work.

In a corresponding way, other administrative functions, some of which have already been established in the New York area, will be considered for eventual location in the center.

Eventually a considerable staff of research workers will be employed at the Research Center, and, with this in mind, recreational facilities and a modern cafeteria are included in the plans.

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CAPITAL GETS NEWS BY RADIO DURING NEWSPAPER STRIKE

The brunt of the news coverage suddenly fell upon the Washington broadcasting stations yesterday (Monday) in a printer's strike which for a day deprived Washington of its newspapers. Although negotiations between the publishers and the printers had been under way for some time, the strike apparently came out of a clear sky.

The Washington Post and the Times-Herald managed to get out with skeleton editions but the evening papers - the Star, the News and the Times-Herald evening editions - were forced to suspend. Nor was the word "strike" used. The Columbia Typographical Union simply called the printers into "a continuous meeting" and as long as they were at this meeting they could not return to work. The printers demand \$1 a day increase and the publishers offer to pay 72 cents. The War Labor Board ordered the printers back to work pending settlement.

Praise was heard for the broadcasting stations and their public service during the emergency and bitter criticism against the strikers. This writer didn't hear a single good word for them. Also it is believed notwithstanding the all-out support given to labor by President Roosevelt and the New Deal, the Washington newspaper strike (which might as well have been against the broadcasting stations or anything else) in the National Capital did labor more harm than good and seemed to be another assurance that strikes in wartime might prove a boomerang to labor in the 1944 election and result in subsequent stringent labor legislation.

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FCC PROSECUTOR DENIES RESIGNING; CAPITOL SAYS HE'S OUT

Following a report that Eugene Garey, prosecuting lawyer for the House Committee investigating the Federal Communications Commission, had resigned, Mr. Garey at his office in New York called this "grossly exaggerated" and declared he would be back in Washington in January when the hearings were resumed. Despite this denial came the positive assertion that Chairman Fly and the FCC having succeeded in forcing former Chairman Cox, of Georgia, to resign, had likewise been successful in putting the rollers under Mr. Garey and that the latter's resignation was now in the hands of the Committee and would be accepted when the group reconvened after Christmas.

If this proves true, Mr. Fly's fight on Mr. Garey may not do the FCC Chairman any good politically because Garey is a foe of the New Deal and an intimate friend of Jim Farley, who is looming so large in the present anti-New Deal picture. It was further reported that Mr. Garey would join with Senator Wheeler, of Montana, in an investigation of the book "Under Cover" and its author, John Roy Carlson.

Prior to the adjournment of the House Committee for the holidays, investigators said that John A. Kennedy, now a Captain in the Navy, owner of Station WCHS at Charleston, W. Va., would be asked to testify concerning charges made to the Committee by Miss Sylvia Mercer, his former secretary.

Miss Mercer, of Kell, Ill., identified herself as at one time secretary to Kennedy and charged that he was instrumental, in part, in seeking establishment of a "competing" radio station.

She testified that Kennedy allegedly backed W. A. Carrol of Charleston as the "dummy" head of the Kanawha Valley Broadcasting Co. in 1937 when a representative of the Ford industries sought FCC sanction for a competing station in Charleston. Miss Mercer said the Kanawha company was awarded a permit for Station WGKV and the Ford industries application was denied.

She said WGKV authorities made no attempt to comply with the construction orders issued by the FCC and did not begin operating the station until 1939. Then, she said, WGKV, situated in the same building as WCHS, and using its facilities, was operated at a loss.

Howard Chernoff, Managing Director of WCHS, denied Miss Mercer's charges and described her as "a former disgruntled employee." He said that "her charges will be answered fully, if and when we are given the opportunity."

Chernoff said "neither Captain Kennedy nor radio station WCHS owns a single share of stock in Station WGKV, nor do we have any options, written or oral, for any portion of that station or its stock."

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SUIT TO FORCE PAPER TO PRINT RADIO PROGRAMS DEC. 27

Newspapermen throughout the nation will focus their eyes on the District Court in Denver, Colorado, on December 27th when Judge George Luxford opens a hearing on two motions filed by attorneys for the Denver Post, defendant in an unusual action filed by Eugene P. O'Fallon, Inc., operator of Station KFEL, Denver.

The radio station filed an action in the Denver district court last October 23rd seeking to restrain the Post from omitting the listing of KFEL programs and those of the Mutual Broadcasting System (which are carried by KFEL) from the Post's daily log of local radio programs.

The Post's defense, according to the Editor & Publisher, is expected to be based on the fact that a newspaper is not a public utility, that it is not forced to accept any advertising or other matter it does not care to publish, in accordance with tenets of freedom of the press.

The complaint contends that failure of the Post to list KFEL programs is in violation of the Unfair Practices Act of Colorado and that the omission is designed to injure Station KFEL and destroy competition.

The Post's radio log lists only Stations KOA (over which the Post has two daily newscasts), KLZ and KVOD. In addition to KFEL, the Post also eliminates the log of KMYR, an independent station. KOA is the NBC outlet; KLZ is affiliated with CBS, and KVOD with the Blue network.

The Scripps-Howard Rocky Mountain News, a morning paper, publishes the daily logs of all five stations. The Post appears evenings and Sundays.

Attorneys for the Post have filed two demurring motions against the KFEL suit. Hearing on the two motions was originally set for December 20, but was postponed one week at the request of Harry S. Silverstein, chief counsel for KFEL, who advised the court he could not appear that day on account of another court action in which he represents clients outside of Denver.

KFEL's action alleges that the Post has established and maintained a "discriminatory blacklist and boycott" against KFEL and Mutual, and that the Post's attitude is "attended by circumstances of fraud and malice".

The complaint points out that the listing of three other radio stations in the Post's radio log is made without charge, and that the Post thereby secretly extends to them special services not accorded to KFEL, which has been forced to pay \$5 a line to list its program in the Post's radio program schedule.

KFEL charges that the list of programs published by the Post in its log is "false and misleading" as a result of the omission of KFEL programs and such omission was "intentionally done to divert business from KFEL and to convey the impression that KFEL is not on the air."

In addition to asking an injunction against the Post to prevent its continued omission of KFEL program listings, the suit seeks treble actual damages amounting to \$2,395, on the basis of KFEL's paid listings in the Post, and exemplary damages.

The suit also claims that the public interest demands that the people be unhampered by any artificial or unnecessary restraints, public or private, upon their choice of radio stations.

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DENIES NBC TRIED TO HIGH-PRESSURE "CATHOLIC HOUR"

There was a denial of an assertion James L. Fly, Chairman of the Federal Communications Commission made before the Senate Interstate Commerce Committee that the National Broadcasting Company had attempted to throw the "Catholic Hour" off the air. This came in a letter to Chairman Burton K. Wheeler from Edward J. Hebron, Secretary of the National Council of Catholic Men, who said:

"Last Spring the National Broadcasting Company did ask the National Council of Catholic Men to consider moving the 'Catholic Hour' from 6 o'clock Sunday evening (Eastern time) to 3 o'clock Sunday afternoon, saying that at the earlier hour they would be able to assure us a larger number of cooperating stations than were then carrying our program * * *

"The Board of Directors of the National Council of Catholic Men considered NBC's proposal at its meeting on May 1, 1943, and thereupon informed NBC that it would prefer not to have the hour of our program changed. NBC accepted this decision with good grace and with no impairment of the good relations that have existed between us since the inauguration of the 'Catholic Hour' nearly fourteen years ago.

"Our transcript of the testimony before your Committee yesterday seems to suggest that NBC may have accepted this decision of the NCCM Board only as a result of organized efforts by Catholic groups to persuade them to do so. Actually, the negotiations were private, entirely between the National Broadcasting Company and the National Council of Catholic Men. NCCM released no word concerning the matter, either during the pendency of negotiations or afterward, to individuals, groups, newspapers or magazines.

In concluding the hearings on the Wheeler-White Radio Bill, Senator Wheeler said:

"The Committee generally is in favor of preventing either the Government or some small group of men in industry from being able to control and monopolize the ideas peoples have presented to them over the radio." * * *

"The problem that confronts us is to work out legislation which will guarantee, as far as possible, the right of both sides on important controversies to be heard", he said.

"Both sides agree upon this right, but disagree as to how it can be accomplished. The industry would like to determine, itself, whether it is operating in the public interest. It is contended the FCC has too much control, and that this creates fear in the minds of broadcasters that they must do what the bureaucrats like or lose their licenses.

"I want to take away any fear of revocation, but, on the other hand, there will have to be some standards set up so that a broadcasting chain or station cannot take a public-be-damned attitude, only sending out its own views."

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MAJESTIC TO OFFER PUBLIC 70,000 SHARES OF COMMON

The Majestic Radio and Television Corporation of Chicago has registered 70,952 shares of common stock with the Securities and Exchange Commission which it proposes to offer publicly. The stock is said to be outstanding and in that case the proceeds of the sale will be received by the shareholders who are offering the stock. They are reported to be:

Edward F. Barile, 500 shares; Mrs. Cora Casagrande, 5,000 shares; Dudley E. Foster, 1,000 shares; Mrs. Margaret Foster, 980 shares; Mrs. Florence Freese, 1,000 shares; Joseph J. Neri, 500 shares; Mrs. Marie L. Tracey, 56,945 shares and Mrs. Janet M. Vanmeter, 5,000 shares.

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SENATOR TRIES TO HAVE COMMENTATOR YANKED OFF AIR

Although he doesn't mention the commentator by name, it is believed Drew Pearson, Blue Net commentator, was referring to himself when he wrote the following:

"Debonair, dashing Senator Burnet Maybank of South Carolina rushed to the telephone the other night, demanded that the Federal Communications Commission take a certain radio commentator off the air.

"Maybank was beside himself with fury because the commentator had reported that Maybank's predecessor in the Senate, War Mobilizer James Byrnes, disagreed with Southern Senators regarding the soldier-vote bill and paid tribute to Senator Claude Pepper of Florida as the only Southern Senator with enough statesmanship to put the soldiers' vote ahead of race prejudice.

"What was not mentioned on the radio, but what was a fact nevertheless, was that ex-Senator Byrnes was especially provoked with his old friend and fellow South Carolinian Maybank. It was Byrnes who did most to elect Maybank to office. Without Byrnes' powerful support, the junior Senator from South Carolina would have got nowhere.

"Hence, shortly after Maybank's vote against the soldier-vote bill, a member of Byrnes' staff gave Maybank some plain, unadulterated language. 'The country would have been much better off', he said, 'if we had left you in Charleston.'"

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::: TRADE NOTES :::

Lack of radio tubes was one of the answers to the question "What is bothering you most?" asked in the WPB survey.

"Screen actors have to make their audiences forget that they are looking only at projected images", Lionel Barrymore said. "On the radio sound alone must supply an illusion which is no easy job. In a way it is like painting in monochrome."

The Dominican Government has awarded the Heraldic Order of Christopher Columbus to Niles Trammell, President of NBC, and Eli (Buck) Canel, who has charge of NBC's Latin American programs.

A survey just completed reveals that 65 of WOR's 1943 sponsors have used the station from four to 18 consecutive years. This figure is 22 percent of the 300 accounts on WOR's 1943 books, and shows a high average of sponsor renewals. Of these 65 long-term sponsors, 25 have been accounts of WOR for seven years or more.

Paul Hollister, CBS Vice President in Charge of Advertising, George Crandall, Director of Press Information, and William J. Fagan, Administrative Manager of the Network Sales Department, were speakers at a meeting of the CBS Construction and Building Operations Supervisors' Group last Thursday.

The Supervisors' Group was set up some weeks ago as an orientation unit to familiarize supervisors with general operations of other departments of the network, so that operations within the supervisors' divisions would function more efficiently.

Consolidated net income of the American Cable & Radio Corporation after deducting provisions for taxes, interest and other charges of subsidiaries amounted to \$1,389,503 for the nine months ended Sept. 30, 1943, as compared with \$658,963 for the corresponding period of 1942.

Consolidated net income of all America Corporation and its subsidiary companies for the nine months ended September 30, 1943, amounted to \$810,110, as compared with \$1,097,138 for the corresponding period of 1942. Gross cable operating revenues of All America Cables and Radio, Inc. aggregated \$6,108,344, a decrease of \$292,746 from the similar 1942 period.

"The growing attempt to bring radio under censorship is disturbing, according to the questions from the floor of a forum held by the Catholic Lawyers Guild of Brooklyn", the Editor & Publisher comments. "It was quite evident that the speakers and their audience were in agreement on the idea that the powers of the FCC must be redefined by Congress to avert the possibility of government control over speakers and their utterances. Otherwise the guarantee of free speech becomes a dead letter."

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December 29, 1943

MRS. MEYER FINDS ONLY 3% TELL STATION WHAT DIDN'T LIKE

Although her husband is a publisher of a newspaper -- the Washington Post -- and a paper that does not own a broadcasting station, Mrs. Eugene Meyer proved to be a champion of the radio stations as well as newspapers in their effort to give the people what they wanted. It was Mrs. Meyer's contention that the only way they could find this out was to hear from their readers and listeners. When the question came up in connection with radio, Mrs. Meyer proved her point very neatly by asking how many in her audience at Town Hall in New York had ever taken the trouble to tell a broadcasting station what they didn't like. Only about 3% of those present raised their hands.

The question was brought up at a recent Town Meeting of the Air over the Blue Network in a debate, "Has the American Home Failed?", participated in by Mrs. Meyer and Lewis Browne, author of "See What I Mean", with Mrs. Marion P. Bassett of the Summer Institute for Social Progress at Wellesley as interrogator. George V. Denny, Jr. as usual acted as moderator.

Radio was brought into the debate when a question was read from Mrs. Lulu Maye Crosby Coffman of South Bend:

"Why should the publishers of the daily and Sunday newspapers and so-called 'funny magazines' be permitted to publish gangster cartoons and sinister pictures under the title 'Comic Section'?"

There was applause when Mr. Denny remarked that this was an inquiry particularly for Mrs. Meyer as the wife of a publisher.

"My answer to that", Mrs. Meyer replied, "is that the American public is altogether too inarticulate. If you don't like what's on the radio and in the papers, tell them so."

This spirited comeback was greeted by applause. Later in the questioning, Mr. Denny said:

"Mrs. Meyer, Mrs. Edward Hollenback puts a tough question to you:

'What can the home do to counteract the lure of glittering, low-standard movies, comedians who make a joke of marital infidelity, and politicians' promises of easy freedom?'

"Well, I think the answer to that is the answer I made to the other question. The American public gets what it deserves, because you are the masters of what is in the public press and on the screen and on the radio," Mrs. Meyer countered.

At this there were cries of "No" from the audience.

"All right", Mr. Denny interjected, "the audience says 'No'. Is the answer 'No'?"

Mrs. Meyer said, addressing the audience, "Well, I'd like you to raise hands. How many of you have ever told a radio station that you didn't like a program?"

Mr. Denny: "What percentage would you say?"

Mrs. Meyer: "Well, it looks like about three per cent."

Mr. Denny: "Three per cent? Well, I'm afraid that makes the speaker right." (Applause.) "Mr. Browne, have you a comment on that?"

Mr. Browne: "I have a comment, but it probably wouldn't go over the air successfully." (Laughter.)

Mr. Denny: "There is no censorship. Were you implying censorship?"

There was another reference to radio later when Mr. Browne said:

"If I may take just one moment more, you remember in the last war there was a song about 'How're You Going To Keep Them Down on the Farm After They've Seen Paree'? Well, when they came back they never did go back to the farm, for even though they were on the farm, they were really in the city. They had automobiles, they had radios, they had the motion pictures, and they were urbanized. If they didn't go to the town, the town came to the country.

"Now, after this war, the question's going to be: How're you going to put them back in the kitchen after they've seen the industrial plants? Well, the women will only go back to the kitchen if the kitchens are as efficient as the industrial plants are today. Mechanization should make the home much better."

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TELEVISION WILL NOT COME OVERNIGHT SARNOFF CAUTIONS

There should be no expectation that when the war ends the air will be transformed overnight to television, David Sarnoff, president of RCA, said in his annual year-end review. Almost at the same time Mr. Sarnoff was delivering this message more than 40,000 war workers in five RCA plants in Camden and Harrison, N. J.; Lancaster, Pa.; and Bloomington and Indianapolis, Indiana, were linked together in a 15 minute closed circuit program believed to be the first holiday party of its kind in the history of American industry. The program originating largely in New York was carried over the internal plant broadcasting system in each factory.

Of the prospects for television Mr. Sarnoff said:

"It will require from 3 to 6 months to get the machinery in operation to resume the manufacture of television civilian broadcast receivers. It may require a year after approval of standards and full authorization of commercialization of television broadcasting by the Federal Communications Commission before television sets are available within the price range from \$200 to \$300. Production of television receivers is not the only task. Television transmitters must be erected. Interesting programs be planned. Automatic radio relay stations must be built to link key cities into a network. That is no one-year job.

"Alongside of television, 'FM' or frequency modulation on ultra-short waves, holds great promise of becoming an added feature in broadcasting. Even now 'FM' carries the sound part of television. In both television and 'FM', much scientific progress has been made in connection with the application of radio to the war. The home-radio instrument of the future will be a combination television and sound-broadcast receiver incorporating 'FM' and phonograph."

Speaking of other things we may expect, Mr. Sarnoff continued:

"Because of spectacular wartime developments, radio apparatus will be adapted for collision prevention to aircraft, ships, railroads and possibly automobiles. All this will be part of the new service of radio in an era of sight control made possible by the development of electron tubes.

"As new electron tubes always serve as keys to major advances, so in broadcast reception, new and tiny tubes -- smaller than acorns -- may introduce 'personalized' radio. Small, compact receivers, and even transmitters may be built in a little case that will slip into a pocket. The uses to which such 'stations' may be put gives the imagination much to play upon.

"All these new developments will not be realized in 1944, but with 1944 as the year of expected decision in the European war, they will date from it, as radio broadcasting dated from 1919.

"Latest estimates reveal that radio production in the United States is up to \$250,000,000 a month against \$30,000,000 a month a year ago -- all for the armed services. The equipment is the finest and most efficient in the world. America's radio-electronic scientists and engineers have far surpassed Germany's much vaunted super-men of science.

"In fulfilling its unprecedented wartime responsibilities, radio has taken its place among the great industries of America, offering employment to hundreds of thousands of workers. Since the war began in Europe, RCA employees have increased from 23,000 to more than 40,000. Another 6,000 employees are enrolled as officers and enlisted men in the military services."

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BALCOLM OF SYLVANIA NEW RADIO TUBE ADVISORY CHAIRMAN

Members of the recently appointed Radio Receiver Tube Manufacturers' Industry Advisory Committee met with price officials of the Office of Price Administration in Washington, D. C. Wednesday, December 15, OPA announced December 23.

M. F. Balcolm, Vice President in charge of the radio division of the Sylvania Electric Products Company, Emporium, Pa., was elected committee chairman.

Main topics discussed at the meeting were pricing problems of the radio receiver tube industry, with special emphasis on means for securing effective control at wholesale and retail levels.

Establishment by OPA of ceiling prices on civilian replacement tubes sold by retailers and distributors, as well as manufacturers, is planned. The advisory committee is considering ceiling prices only of civilian replacement tubes and not of military tubes. Although prices of civilian replacements are now under the General Maximum Price regulation, it is understood that this has not been effective, particularly in the case of retail sales, and it is now proposed to establish retail and also wholesale price ceilings.

Members of the Manufacturers Radio Tube Advisory Committee and companies they represent, are:

M. F. Balcolm, Vice President in Charge of Radio Division, Sylvania Electric Products Company, Emporium, Pa.; R. E. Carlson, Vice President in Charge of Sales, Tung-Sol Lamp Works, Newark, N.J.; L. H. Coffin, President, Hytron Corporation, Salem, Mass.; and C. J. Hollatz, Executive Vice President, Ken-Rad Tube & Lamp Corporation, Owensboro, Ky. Also L. W. Teegarden, Assistant General Sales Manager, Radio Corporation of America, Camden, N. J.; D. T. Shultz, Vice President, Raytheon Manufacturing Company, Newton, Mass.; and J. H. Robinson, Director of Distributors' Sales, National Union Radio Corporation, Newark, N. J.

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MAAS WOULD GIVE NAVY CONTROL OF RADIO ON ALL SHIPS

A bill to give the Navy wartime power to "effectuate security of radio communications on merchant vessels during the war" introduced by Rep. Melvin J. Maas (R) of Minnesota, ranking minority member of the House Naval Affairs Committee introduced just before the holiday recess, is expected to receive early consideration.

The Maas bill provides:

"That the Secretary of the Navy, whenever and to the extent he deems it necessary for radio security, or for efficiency or effectiveness of radio communication, or otherwise necessary for purposes of national security or prosecution of the present wars, is hereby authorized to exercise the authority vested in him under this

Act with respect to radio equipment and operation thereof on any ship of the United States which has, or pursuant to any Federal statute is required to have, radio equipment on board.

SEC. 2. (a) The Secretary is authorized to prescribe and enforce requirements as to (1) the amount and types of radio equipment which is to be carried aboard ships of the United States, (2) installation and operation of such equipment, (3) conditions under which such equipment shall be operated and wave lengths to be employed, (4) the qualifications of personnel who may operate such equipment, their hours of watch and other duties with respect to operating such equipment, and the minimum number of operators to be so employed; (b) the Secretary may delegate to any officer of the Navy, Coast Guard, or Marine Corps any authority vested in him under this section except the promulgation of rules and regulations.

SEC. 3. The enactment of this Act or the exercise of authority thereunder shall not be construed to suspend any other law or any requirement imposed pursuant thereto, except that any requirement imposed pursuant to section 2 of this Act shall, to the extent of any conflict with respect to any provision of, or requirement under, any other law, supersede such other provision or requirement.

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WPB TURNS OVER STANDARDS TO ARMY-NAVY AGENCY

The War Production Board announced last week that it will turn over to the recently organized joint Army-Navy Electronic Standardization Agency (ANESA) a compilation of standard specifications for 20 electronic components. Of the components on which standard specifications were drafted for WPB by the American Standards Association, eleven have been approved for procurement purposes by the Army and Navy. Drafting of standard specifications on the remaining nine is expected to be completed and turned over to ANESA by March 1.

The Radio and Radar Division of WPB, which has been responsible for the standardization study for the past year, said its work is now reaching the important stage of application of the approved standards, a function which is primarily one for the Armed Services. The Army and Navy have indicated that they will continue the study and application of standard specifications for electronic components both for the duration and as a peacetime operation through ANESA and the joint Army-Navy Board for Approving Standards, also formed recently. ANESA is at Red Bank, N. J., in close proximity to Fort Monmouth.

WPB pointed out that the standards on the 20 components, when completed, will be 75 per cent, item-wise, of all components used in electronic devices. That is, they make up three-fourths of the components which reoccur frequently in radios or other electronic equipment.

The Armed Services, in deciding to take over the future work on standardization in electronics, gave credit to WPB for having initiated and carried forward this task. They also credited the accomplishment of WPB for having brought the Army and Navy

together on the use of common standards for electronic equipment. These common standards have resulted in increased industrial production and more efficient functioning in the combat theatres through the interchangeability of components for replacement, maintenance and repair purposes.

The components on which American War Standard specifications have been approved by the Army and Navy are ceramic radio insulating materials, steatite radio insulators, fixed mica dielectric capacitors, ceramic radio dielectric material, external meter resistors, glass bonded mica radio insulators, fixed composition resistors, electrical indicating instruments, shock-testing mechanism for electrical indicating instruments, dimensions for external radio-frequency thermocouple converters and glass radio insulators.

Components on which standards are expected to be completed by March 1 by WPB include fixed paper dielectric capacitors, porcelain radio insulators, fixed ceramic capacitors, dynamotors, external ammeter shunts, variable wire-wound resistors (low temperature), tower-type wire-wound rheostats, and toggle switches.

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HAMMOND SUCCEEDS BROWN AS NBC ADVERTISING DIRECTOR

Charles P. Hammond has been appointed Director of Advertising and Promotion for the National Broadcasting Company to succeed Charles B. Brown. For the past year, Mr. Hammond has been administrative assistant to Mr. Brown who leaves January 1 to become Advertising Director for the RCA-Victor Division, Camden, N. J.

Following his graduation from Cornell in 1931, Mr. Hammond was associated successively with the editorial staffs of the New York World, New York Post and Literary Digest, before going to the Bureau of Advertising of the American Newspaper Publishers' Association.

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RMA EXPANDS FOR POSTWAR WORK; CHICAGO MEETING JAN. 12

There has been a big expansion of the Radio Manufacturers Association in anticipation of an increased 1944 war program and the great postwar problems which are looming.

Eight new special committees are included in the enlarged setup. They have been appointed by R. C. Cosgrove of the Crosley Corporation, chairman of the RMA's overall Postwar Planning Committee.

The new work, both on the immediate and also postwar industry interests, will be developed at an RMA "Mid-Winter Conference" on Wednesday and Thursday, January 12 and 13 at the Stevens Hotel, Chicago. Chairman Cosgrove has arranged for several meetings of the new postwar planning committees on January 12 and also for

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meetings of all set manufacturers, and of the general Postwar Planning Committee, to receive reports and recommendations of the new special committees. A luncheon of the many members on the new committees and also of other groups will be held.

Following are the newly appointed RMA committees (excepting an important group on problems of current and future contract terminations, including present as well as future problems of prime and subcontractors, which has not yet been completed):

Industry Reconversion - A. S. Wells of Wells-Gardner & Co., Chicago, former president of RMA, is chairman, and E. A. Nicholas of Farnsworth Television and Radio Corporation, Fort Wayne, Ind., is vice chairman of this committee, formed to draft a detailed program for future reconversion of the industry to civilian production, and for its discussion with the proper government agencies. The disposition of surplus war materials and of government plants, the postwar patent situation and postwar product planning are among the many important interests delegated to this committee. It will coordinate its work on future peacetime products with the Radio Technical Planning Board.

Employment and Personnel - The chairman is A. H. Gardner of Colonial Radio Corporation, Buffalo, and the committee will handle immediate and also future employment problems, including present manpower, absenteeism, recruiting, absorption of discharged and disabled servicemen, employment stabilization and agreements, bonus and incentive pay, etc. Under immediate consideration is an RMA survey to secure employment and wage rate data, both in connection with new working agreements and also regarding postwar production costs.

Sales Financing - J. P. Rogers of Farnsworth Television and Radio Corp., Fort Wayne, Ind., is chairman of this committee, to secure data and make recommendations regarding financing problems of distributors, dealers and consumers, as well as manufacturers, including V and VT loans, and problems relating to financing by national and local organizations.

Industry Statistics - Under Ross D. Siragusa of the Admiral Corporation of Chicago as chairman, this committee will plan development of industry statistics including data on production and sales, the latter by areas. The future statistics will include tubes, parts and accessories, transmitting apparatus, as well as receivers.

Advertising Committee - The chairman is John S. Garceau of Farnsworth Television and Radio Corporation of Fort Wayne, Ind. The committee, which held its initial meeting December 8 at New York, deals with present and future advertising of new radio-electronic apparatus, cooperative advertising, publicity and promotion, etc.

Distribution Costs - The chairman is Ben Abrams of Emerson Radio & Phonograph Corporation, New York. The committee, which held its initial meeting December 20 in New York, will

develop data on distribution costs, government control problems and other commercial problems of postwar merchandising.

Export Program - Chairman W. A. Coogan of the RMA Export Committee is chairman of the special group to consider postwar conditions and problems of postwar export trade, including products and merchandising, financing, shipping, trade marks, and promotion in export fields, and also contacts with government agencies concerned with export trade.

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CHARGES NEW DEAL DOING BEST TO GIVE U. S. NAZI RADIO

Following up with a vicious wallop the attack the Chicago Tribune made upon the Federal Communications Commission and Chairman James Lawrence Fly, the New York News, another of the so-called Axis newspapers, or anti-Administration paper, charges the New Deal with doing its best to bring U. S. radio "under German-style and Russian-style government overlordship." The attack of the News, which claims the largest circulation in the United States, 2,013,200 daily and 3,810,226 Sunday, was reprinted in the Washington Times-Herald, the third of the "Axis" papers.

The New York News editorial reads in part as follows:

"The Roosevelt Administration has long been trying to bring all three of our main mediums of expression--press, movies and radio--under its control.

"It has brought an antitrust suit against the Associated Press to punish it for having refused a franchise to Marshall Field 3d's Chicago Sun; tried to intimidate the Chicago Tribune with a censorship-violation charge which the grand jury tossed out on its ear; abused individual newspapermen; and so on. The press is still wiggling and squirming to retain its constitutional freedom, but there is no guarantee that it can do so.

"The radio and the movies are in worse case than the press. The Administration, from 'asking' the movie industry to make propaganda films of all kinds, has lately gone to issuing movies of its own. More and more you see the line 'The United States Government Presents' on movie reels concerning the war, production, and so on and so forth.

"On the radio industry the Administration has a stranglehold, because of the Communications Act of 1934. This act created the Federal Communications Commission, and defined the FCC's powers in loose, vague language. The FCC's chairman is a Mr. James L. Fly, who has vastly built up his powers under the vague law of 1934. His FCC, having power to revoke station licenses, has meddled with programs and attempted censorship; and recently the Supreme Court held that it was not violating existing law by doing these things.

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To correct some of these abuses and clip Mr. Fly's claws to some extent, the White-Wheeler bill to amend the 1934 Communications Act was introduced recently in Congress. This bill would take some of the vagueness out of the present law, and would impose some curbs on the FCC majority's tendency to grab powers of censorship and intimidate broadcasters with its powers to revoke their licenses if they don't please it.

It looks to us, though, as if the bill is open to improvement, and should be considerably strengthened, after which it should be passed by Congress.

The FCC's power to revoke licenses should be taken away, not merely trimmed down. It is this power which gives the Administration its stranglehold on the radio. The Government has no such power to license or de-license newspapers and magazines. If it could do that, we would have no freedom of the press.

In case some station flagrantly abuses its rights, by broadcasting matter offensive to the public taste or against law and order, the authorities should be required to take the case into a court in the station's own neighborhood and get a jury conviction before the license could be revoked.

Knocked in the head should be Mr. Fly's quaint notion that a newspaper, though having superior newsgathering facilities, should not be allowed to own a radio station with which to broadcast news.

With these improvements, the White-Wheeler bill ought to free the radio in this country from its present bureaucratic control. This effort, because this Administration is doing its best to bring U. S. radio under Russian-style and German-style government lordship.

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DUNLAP, NEW RCA ADVERTISING AND PUBLICITY DIRECTOR

Orrin E. Dunlap, Jr., Manager of the RCA Department of Information, has been appointed Director of Advertising and Publicity for RCA, it was announced by David Sarnoff, President of the Radio Corporation of America.

Mr. Dunlap succeeds Horton H. Heath, who has accepted a position with the National Broadcasting Company as Assistant to the Vice President and General Manager.

Mr. Dunlap was Radio Editor of The New York Times for eighteen years. His association with radio dates from 1912 when he built an amateur wireless station at Niagara Falls, N. Y. In 1917 he was chief operator of the Marconi Wireless Telegraph Company aboard the S.S. Octorora. During the First World War he served as radio operator in the U. S. Navy, graduating from the U. S. Naval Radio School at Harvard as one of the three honor men of the class.

Mr. Dunlap was graduated from Colgate University in 1920 after which he attended the Harvard Graduate School of Business, specializing in advertising and marketing. After a year on the staff of the Hanff-Metzger Advertising Agency in 1922 he was invited by Carr V. VanAnda, Managing Editor of The New York Times to organize a radio section and to direct the coverage of radio news.

Mr. Dunlap's nine books on radio include two on advertising, "Advertising by Radio" and "Radio in Advertising." His other books are: "Dunlap's Radio Manual", "The Story of Radio", "Talking on the Radio", "The Outlook for Television", "Marconi: His Life and His Wireless"; "The Future of Television", and "Radio's 100 Men of Science" a collective biography, recently completed for publication by Harper & Brothers in 1944.

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FCC SILENT ON SALE OF BLUE STOCK TO TIME MAGAZINE

Although understood to be opposed to publications owning or controlling radio stations there was no comment at the Federal Communications Commission on the report from New York that Time, Inc., owned by Henry R. Luce, had purchased a substantial interest in the Blue Radio Network from Edward J. Noble, former Undersecretary of Commerce, who bought the system in October for eight million dollars cash.

Mr. Noble announced that the staffs of Time, Life and Fortune magazines would "make a major contribution" to the network's programs, which will play up news and news features.

Time's interest in the company will represent $12\frac{1}{2}$ per cent of the stock, while another $12\frac{1}{2}$ per cent interest was sold to Chester J. LaRoche, former chairman of the board of the advertising firm of Young & Rubicam, and now head of the War Advertising Council. Smaller interests also were sold to Mark Woods, president of the Blue Network and Edgar Kobak, executive vice president.

Mr. Noble said these transactions have left him in virtual control of the company.

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SOUTHERN WRECK BRINGS PROPOSAL TRAINS USE 2-WAY RADIO

That two-way radio could have prevented the Atlantic Coast Line wreck has been pretty generally recognized by the public with the result that officials in Washington are looking into the possibility of requiring radio equipment for public carriers.

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::: TRADE NOTES :::

Mrs. Eugene F. McDonald, Jr., wife of Commander McDonald of Chicago was sponsor at the launching of the submarine U.S.S. HARDHEAD at Manitowoc, Wis. recently.

Dr. C. B. Jolliffe of the RCA Victor Division, Camden, N.J. has been elected a director of the Radio Manufacturers Association. He succeeds H. C. Bonfig who, after several years of service on the RMA Board of Directors, has been transferred by his company to new duties.

Harry M. Plotkin has been appointed Assistant FCC General Counsel in charge of the Litigation and Administration Division. Mr. Plotkin, a resident of Chicago and native of Massachusetts, graduated magna cum laude from the Harvard Law School in 1937. With the Commission since January 1940 he has been Chief of the Litigation and Administration Division since October 1942. From 1937 to January 1940 Mr. Plotkin was associated with Topliff and Horween, Chicago law firm.

The Commission also announced the appointment of Peter Shuebruk, likewise from Massachusetts, as Assistant to the General Counsel to fill the vacancy which occurred when Nathan H. David enlisted in the Navy last month. Mr. Shuebruk also graduated magna cum laude in 1937 from Harvard Law School, where he was an editor of the Harvard Law Review.

There are now 100 radio and scientific plants financed by the Defense Plant Corp., a subsidiary of RFC, with commitments of \$69,163,000, according to a published statement by Secretary of Commerce Jesse Jones just forwarded to Senator Hill of Ala., chairman of a Senate subcommittee inquiring into war surpluses. Secretary Jones last spring disclosed that the Defense Plant Corp. had financed 54 plants for radio and scientific equipment for a total of \$60,000,000.

FM Broadcasters, Inc., will stage its fifth annual session in New York City on or about January 26, 1944. The exact date hinges on hotel availabilities. FMBI Director T. C. Streibert, WOR, New York, was appointed chairman of a Convention Arrangements Committee. The two-day meeting will be the first time FMBI has ever convened beyond a single-day get-together.

Says Drew Pearson: "Each week alert Gardner Cowles, Jr., president of the Iowa Broadcasting Company and publisher of the Des Moines Register and Tribune will poll Iowa on an important national question."

The Army's "walkie-talkie" may be used to expedite the reading of gas and electric meters after the war. E. N. Keller, of Philadelphia Electric Co., said a reader could radio the figures to a central point where they could be recorded and a bill mechanically punched immediately.