

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

## INDEX TO ISSUE OF JUNE 2, 1944.

|                                                            |    |
|------------------------------------------------------------|----|
| Petrillo School Music Radio Ban Comes Home To Roost.....   | 1  |
| Grant First Railway Train Operation Radio Licenses.....    | 2  |
| Extend Relay Licenses; Transcription Ruling Later.....     | 3  |
| Conferees Agree To Cuts In FCC Appropriations.....         | 4  |
| WLB Plea To Avert Broadcast Engineers' Strike.....         | 4  |
| Senator Wheeler Angrily Hurls Radio Bill Into Ashcan.....  | 5  |
| Deny Deleting Cantor In Suggestive Song Was Censoring..... | 6  |
| RMA To Hear WPB Radio Director Just Back From Russia.....  | 7  |
| Pearson Corrects Mysterious GE Listening Device Story..... | 8  |
| FCC Action.....                                            | 9  |
| Trade Notes.....                                           | 11 |

No. 1632

June 2, 1944

## PETRILLO SCHOOL MUSIC RADIO BAN COMES HOME TO ROOST

Involved on three or four other fronts, James C. Petrillo, President of the American Federation of Musicians, no doubt was one of the most surprised men in the country when he learned that Senator Vandenberg (R), of Michigan, had introduced an amendment to the Wheeler-White communications bill calculated to keep the dapper little music czar from throwing any more High School orchestras off the air. There is every reason to believe that Mr. Petrillo thought the incident was closed and that he had gotten away with it, more than two years now having elapsed since he cracked down on the broadcasts of the students at the National Music Camp at Interlochen, Michigan.

However, Senator Vandenberg, like the old elephant, hadn't forgotten about it and rising solemnly in the Senate last Monday said:

"In view of the fact that the Interstate Commerce Committee is considering a new radio code, I ask consent to introduce for the Senator from Idaho (Mr. Clark) a bill to prohibit interference with the broadcasting of any non-commercial, cultural, educational programs. The bill would be presented by the Senator from Idaho if he were not necessarily out of the city, he being Chairman of the Special Committee which has been investigating this matter. The chief and important objective is to release music of American school children from the domination of James Caesar Petrillo. I introduce the bill, and ask that it be referred to the Committee on Interstate Commerce."

There being no objection, the bill (S. 1957) to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of non-commercial cultural, educational programs, was read twice by its title and referred to the Committee on Interstate Commerce.

"If we are going to rewrite the radio law", Senator Vandenberg said, discussing his amendment further, "we want this in. It is one notorious phase of the radio situation that will have to be considered if any revision of the Radio Code is to be adequate."

Through his demands for the use of union musicians, Mr. Petrillo has taken high school bands and orchestras off the air, Senator Vandenberg declared. He cited as an example orchestras and bands of High School students assembled from all over the country each year at Interlochen, Mich., for two months' training under expert directors.

"This has been looked on", he said, "as about the finest type of High School musical culture and for years it was on national radio hookups. But Petrillo took it off the air two years ago and kept it off."

The President of the National Music Camp at Interlochen is Joseph E. Maddy who has also bitterly fought Mr. Petrillo and who no doubt was behind the Michigan Senator's surprise move. While it is not believed there is a chance of the White-Wheeler bill becoming a law at this session, due to convention campaign interruptions, nevertheless the bill sooner or later will come up in some form or another and it was bad luck for Mr. Petrillo to have that amendment tacked on - one that will probably stick, and while the broadcasting of school orchestras may not mean much to Mr. Petrillo one way or another, nevertheless it will give him a lot of undesirable publicity especially since it is an amendment which members of Congress are apt to favor. Also banning High School orchestras is a move in which Mr. Petrillo is not on firm ground and in which he may suffer defeat. Especially so if the amendment goes over to the next Congress which is almost certain to be Republican and in which Senator Vandenberg, who evidently intends to see the amendment through, may be a very powerful factor.

X X X X X X X X

#### GRANT FIRST RAILWAY TRAIN OPERATION RADIO LICENSES

As a result of criticism of alleged antiquated signal methods following the Congressional Limited, Tamiami Special and New York Central railroad wrecks, the Federal Communications Commission last Tuesday issued to the Chicago, Rock Island and Pacific Railway Company construction permits for experimental use in applying radio to railroad train operation. Licenses have been issued to other companies engaged in experimental work for the railroads, such as the Bendix Company, but it was said these were the first licenses given directly to a railroad.

"The Commission granted the applications filed by the Chicago, Rock Island and Pacific Railway Company for four construction permits for experimental Class 2 radio stations to be used in conducting tests of radio communication under actual operating conditions in the railroad yards and on trains of the permittee in Chicago and west to Lincoln, Nebraska", the FCC announced. "The Chicago, Rock Island and Pacific Railway Company has informed the Commission that an actual program of experimentation will be undertaken to develop factual information regarding the use of very high frequency circuits and systems as a means of providing communication between the following points in railroad service:

"1. End-to-end of trains; 2. Two-way yard-to-trains, engines or cabooses; 3. Two-way yard-to-yard; 4. Two-way dispatcher-to trains, engines or cabooses and 5. Two-way brakeman or flagman-to-trains, engines or cabooses.

"Radiotelegraph and radiotelephone emission is authorized, including the use of both amplitude modulation and frequency modulation. Frequencies authorized are within the bands 30 to 40 megacycles and 100 to 400 megacycles, with a maximum power of 10 watts.

"Since these stations will be operated at fixed locations, as well as on moving trains, it was necessary for the applicant to request construction permits, inasmuch as stations on railroad rolling stock only may be licensed without the stations having been previously authorized under construction permits.

The Rock Island Lines have already made emergency use of radio in routing traffic over a thirty-mile stretch after a storm disrupted telephone communication between Colby and Selden, Kansas.

X X X X X X X X

EXTEND RELAY LICENSES; TRANSCRIPTION RULING LATER

The Federal Communications Commission en banc amended Section 4.3(b) of its Rules Governing Broadcast Services Other Than Standard, so as to increase the license period of relay broadcast stations from two to three years and make expiration dates of relay broadcast station licenses as nearly as possible the same as expiration dates of the licenses of the broadcast stations with which they are used. (There are a few cases where a relay broadcast station is licensed for the use of two standard broadcast stations. In such cases, a license for each station will be issued.)

At the same time the Commission amended Section 3.404(a) stating the requirements for program and operating log entries by the licensee of each broadcast station, by adding a fourth requirement "(4) An entry showing, for each program of network origin, the name of the network originating the program."

In view of an apparent misunderstanding on the part of some broadcasters as to the effective date of the Commission's proposed amendment to Section 3.407 of its Rules, relaxing the requirements of identifying announcements for transcribed radio programs, the Commission issued the following statement:

"On May 16, 1944, the Federal Communications Commission in Order 120 proposed an amendment to Section 3.407 of its Rules and Regulations governing announcements of transcriptions. At the same time, the Commission invited interested persons to file statements or briefs on or before June 16, 1944, setting forth why the amendment should not be adopted or why it should not be adopted in the form proposed. No final action will be taken by the Commission on the proposal until after June 16.

"Therefore, pending final action by the Commission, Section 3.407 of the Rules and Regulations, as presently constituted, continues in effect."

X X X X X X X X X X

## CONFEREES AGREE TO CUTS IN FCC APPROPRIATIONS

With regard to the Federal Communications Commission appropriations for the forthcoming year, the House and Senate conferees on the Independent Offices Bill agreed to strike out authority for the purchase of passenger-carrying automobiles in the regular and national defense appropriation items, as proposed by the Senate. The conferees agreed to limit funds available for travel under the appropriation for salaries and expenses to \$39,000, as proposed by the Senate, and appropriated \$2,104,500 for salaries and expenses, instead of \$2,209,000 as proposed by the House, and \$2,000,000 as proposed by the Senate; and agreed to appropriate \$4,191,143, as proposed by the Senate, instead of \$4,491,143, as proposed by the House, for salaries and expenses, national defense.

X X X X X X X X X

## WLB PLEA TO AVERT BROADCAST ENGINEERS' STRIKE

In an effort to avert a strike of broadcast engineers and technicians of the National Broadcasting Company, the Blue Network, and Station WOR in Newark, the War Labor Board sent telegrams to all concerned to maintain status quo pending an investigation. It is the contention of James C. Petrillo, President of the American Federation of Musicians, that so long as there is music on records broadcast, the work of handling them is in his Union's field.

The National Broadcasting Company and the Blue network advised the WLB's Acting Disputes Director, Leonard Berliner, they would comply with his request to maintain the status quo. A. T. Powley, President of the National Association of Broadcast Engineers and Technicians, said the Bamberger Broadcasting Co. also had agreed to comply.

Mr. Powley's organization had threatened to strike if the companies gave effect to a contract with the AFL musicians under which the latter union would get jurisdiction over "pancake turning" operations.

In New York, the broadcasters reported everything normal. Mr. Powley said he expected the WLB would set up a panel and hold hearings on the dispute, but Board officials said the next step had not yet been planned.

X X X X X X X X X

When Eddie Cantor returns to the air next Fall, neither he nor members of his cast will use prepared scripts. The step is being taken in preparation for television, Mr. Cantor stated.

X X X X X X X X X

## SENATOR WHEELER ANGRILY HURLS RADIO BILL INTO ASHCAN

Presumably angered by the rebuff his provision, that all news broadcasts be put on a sustaining basis, received and criticism "a few people in the industry" made of other provisions, including a lengthy brief from the National Association of Broadcasters, Senator Burton K. Wheeler (D), of Montana, washed his hands of the Wheeler-White Radio Bill last Wednesday and declared he would give it no further consideration. Which, of course, means no radio legislation this session. Nobody expected the new bill to be passed in its present form but there was general surprise at the unceremonious manner in which Senator Wheeler chucked it.

The first intimation that Senator Wallace White, of Maine, co-author of the bill or any of the members of the Interstate Commerce Committee had of Senator Wheeler's action was when they received a notice calling off a meeting of the Committee next day at which the bill was to have been discussed. It stated that further consideration of the bill had been "postponed indefinitely".

Apparently the thing that angered Senator Wheeler was the criticism of the industry. "There were really very few complaints", Mr. Wheeler declared, "and these few came from the industry."

Senator Wheeler said he had had every disposition to approach with an open mind further discussion of features admitted to be controversial, and added:

"But not only these controversial features, notably the proposed elimination of commercial sponsorship of news broadcasts and commentaries, but other sections to which no reasonable exception could be taken, have already become the subject of so much opposition from the broadcasters that it is apparent that the industry itself does not know from day to day what it wants."

In casting the bill into the ashcan, Senator Wheeler laid the blame on "a little handful of people in New York". In asserting that the radio industry couldn't agree on a number of provisions, Senator Wheeler said:

"They don't want free speech", he declared. "They want to control free speech. They don't want any regulation at all, except regulation of interference with the industry."

Senator Tobey (R), of New Hampshire, expressing surprise over Senator Wheeler's decision, said he had hoped the Committee would "meet, revise and improve the bill", adding, "I don't see anything constructive about doing nothing."

Senator Tunnell (D), of Delaware, said that if the Chairman found "he couldn't get beneficial legislation through, he has done the wise thing, but I had hoped some legislation could be worked out." This also was the view of Senator McFarland, (D), of Arizona.

6/2/44

"I'd like to see a bill perfected and enacted", said Senator Johnson (D), of Colorado. "We are badly in need of legislation on the subject of radio."

Senator Johnson had previously said that the Committee would reject legislation to provide revolving legislation (which would have de-throned Mr. Fly if the Democrats were still in power when the bill passed). Senator Johnson said that he personally was opposed to the provisions that networks must carry news commentators as a public service. However, Senator Johnson had in mind some kind of a Federal system of licensing commentators whereby they could be held responsible for their broadcasts.

"I see no reason for banning commercial broadcasts of news commentators just because some members of the Committee don't like Walter Winchell and Drew Pearson", Senator Johnson concluded.

X X X X X X X X

#### DENY DELETING CANTOR IN SUGGESTIVE SONG WAS CENSORING

Censoring apparently was the last thing in the minds of National Broadcasting Company officials when they deleted a portion of a suggestive song in a television broadcast in New York and Philadelphia last week of Eddie Cantor. It was probably the first time anybody ever got cut off on a television program. In explanation of NBC's stand, C. L. Menser, NBC Vice-President in Charge of Programs, stood pat, saying:

"When the song entitled 'We're Having a Baby, My Baby and Me', was submitted to NBC, objection was made to certain parts of the lyrics. This objection was immediately communicated to Mr. Cantor's representatives. When Cantor appeared in the studio, he protested the deletion and threatened to cancel the program. Our Program Director was faced with the alternative of canceling the whole show or permitting the song to go and cutting the part deemed objectionable by NBC. He chose the latter course and this had and has our complete approval.

"A statement appears in the press to the effect that the song has been approved for Mr. Cantor's appearance on an NBC program next Sunday, May 28th. This is an error because Mr. Cantor is not scheduled to appear on our network at that time. We regret exceedingly the necessity for cutting any program, but this is the second time it has been necessary to adopt this course in connection with Mr. Cantor's broadcasts. He is thoroughly familiar with our policy, which is based on an obligation to the public to make certain that our broadcasts do not bring into the American home material which the audience would find objectionable."

When Cantor, who was assisted by Nora Martin, came to the words in the song to which NBC objected, the audience heard them not. When Eddie was reported to have done a little hula-hula to illustrate

them, they saw it not, due to the fact that the studio engineer simply turned the camera out of focus

The lyric portion objected to was:

Girl: Thanks to you, life is bright.  
 You've brought me joy beyond measure.  
 Boy: Don't thank me. Quite all right. Honestly,  
 it was a pleasure.  
 Girl: Just think, it's my first one.  
 Boy: The next one's on me.

The television program originated in Station WNBT in New York and was relayed to WPTZ in Philadelphia, where J. H. Carmine, Vice-President of Philco was speaking at the Poor Richard Club. Mr. Carmine was quoted as saying: "It was history making all right; we usually get sound without sight over the air, but here was sight without sound."

X X X X X X X X X X

#### RMA TO HEAR WPB RADIO DIRECTOR JUST BACK FROM RUSSIA

The radio industry will be joined by many government officials in discussions of the huge war radio-radar program and also future industry problems at the third War Production Conference of the Radio Manufacturers' Association to be held next Tuesday and Wednesday, June 6th and 7th in Chicago. In conjunction will be held the 20th anniversary meeting of the RMA membership and many Committees and groups. President Paul V. Galvin will preside. About 500 industry executives are expected in attendance, but there will be no exhibits or meetings for the trade and no banquet or other social events.

Ray C. Ellis, Director of the WPB Radio and Radar Division, who has just returned from a visit to the Soviet Union, will speak on "Radio in Russia" at a luncheon meeting on Tuesday, June 6th.

Among the other Government officials who will participate in the RMA War Production Conference will be Maj. Gen. William Henry Harrison, Chief of the Army Signal Corps Production and Distribution Service. "The War Program" will be discussed by General Harrison at the annual membership luncheon Wednesday, June 7th.

Others who will participate at various sessions include: Deputy Director John S. Timmons of the WPB Radio and Radar Division; John Creutz, Acting Chief of the Domestic and Foreign Branch of WPB; S. H. Lebensburger, Director of Requirements Branch, and Derek Brooks of Federal Economic Administration, and a number of Army and Navy officers.

X X X X X X X X

## PEARSON CORRECTS MYSTERIOUS GE LISTENING DEVICE STORY

Drew Pearson carried the following correction in the Washington Post with regard to a mysterious new listening device which he said had been tuned in on a highly confidential conversation in the Capital, which had been recorded and later replayed for President Roosevelt:

"The other day, this column carried a story involving Charles E. Wilson, Executive Vice Chairman of the War Production Board and a fine public servant - a story which I now find has done him an injustice.

"The story was that, over a year ago, during the heat of the War Production Board row between the Wilson-Nelson forces and the Army-Navy-Eberstadt forces, Wilson probably by accident had picked up, with a new long-distance listening device, a conversation in which Bernie Baruch, Undersecretary of War Patterson, Undersecretary of the Navy Forrestal and others were critical of the WPB and of the President.

"Chief point and occasion for the story was that the President was a forgiving person and had appointed Forrestal Secretary of the Navy despite the fact that he knew about this critical conversation. This main point, however, seems to have been obscured in all the speculation as to whether private conversations can be safe in the future. So further elucidation is in order.

"First, however, the main point I want to make here is that I now find Mr. Wilson did not use any long-distance listening device or any other device to listen in on the above conversation. This columnist has often paid tribute to Mr. Wilson and is delighted to take this opportunity to do so again, and to say that, if any false impressions were given, it is deeply regretted. Mr. Wilson had absolutely nothing to do with the incident.

"He has informed me that his former company, General Electric, has not developed any long-distance electronic listening device. Nevertheless, other people have, so it looks as if the privacy of the Nation might not be too sacrosanct in the future.

"One phase of the idea was first developed in Hollywood when movie companies wanted to take a long-distance angle shot and did not want the microphone to appear in the picture. So they used a directional beam microphone, which can pick up conversations a short distance away.

"The radio companies developed the idea further for baseball games in order to focus the microphone on first or third base from the roof of the stadium and pick up an argument with the umpire. This device will not work at long distances.

"However, electronic experts say it is possible to focus a microphone from the top of a fairly tall New York building and pick up conversations in the street below.

"Also a most unique listening device is reported to have been developed by Col. H. O. Bixby, now of the United States Signal Corps, who also developed amazing underwater listening devices. By a small microphone placed in a book or briefcase and without any wires, it is reported that conversations can be transmitted to a receiving set some distance away. This device was developed outside the Signal Corps and, if the Army is using this or a similar device today, it remains a military secret.

"So what with radar and television, we may soon be walking around, both listening in and watching people at the other end of the block.

"Regarding the transcription of the critical Baruch-Forrestal-Patterson conversation, there is no question but that this happened. Their conversation was reported and the general content of it reached the White House, although by whom and how will have to remain one of those Washington mysteries.

"It was so mysterious to Secretary of the Navy Forrestal that, a year ago, when he heard about this whole thing, he had Comdr. Ray Whitely of Naval Intelligence search his house to see where the microphones were located.

"All of which brings us back to the original forgotten point of the original much-controverted story - that the President can be a very forgiving man."

X X X X X X X X

#### FCC ACTION

The Federal Communications Commission has taken the following action:

Texas Star Broadcasting Co., Houston, Texas, granted petition for reinstatement and conditional grant of application for construction permit for a new station to operate on 1230 kilocycles, 250 watts, unlimited time, in accordance with Commission's policy of Jan. 26, 1944; York County Broadcasting Co., Rock Hill, South Carolina, granted construction permit for new station frequency 1340 kc, 250 watts, unlimited time, subject to conditions provided in Commission's policy of January 26, 1944; KOBH, Rapid City, South Dakota, granted consent to transfer of control of Black Hills Broadcast Company of Rapid City, licensee of Station KOBH, from Tri-State Milling Co. et al, to Robert J. Dean, for the sum of \$32,000.

KOIN, KOIN, Inc., Portland, Oregon and KALE, KALE, Inc., Portland, Oregon, granted petition for postponement of effective date with respect to multiple ownership insofar as Stations KOIN and KALE are concerned until August 1, 1944; KHQ, Louis Wasmer, Inc., and KGA Louis Wasmer, Spokane, Wash., denied petition for extension of licenses of stations KHQ and KGA for such periods as may be necessary

6/2/44

to enable the petitioners to comply with respect to multiple ownership regulation; designated for hearing applications for renewal of licenses; KGKO, KGKO Broadcasting Co., Fort Worth, Texas; WBAP, Carter Publications, Inc., Fort Worth, Texas and WFAA, A. H. Belo Corp., Dallas, Texas, designated for hearing applications for renewal of licenses of Stations KGKO, WBAP and WFAA; WAIT, Radio Station WAIT, Chicago, Ill., denied petition for grant of regular license; designate for hearing application for renewal of license.

Also WCOL, WCOL, Inc., Columbus, Ohio, granted consent to transfer control of WCOL, Inc., from Kenneth B. Johnston to Lloyd A. Pixley and Martha P. Pixley (jointly) and Milton A. Pixley and Grace M. Pixley (jointly), by transfer of 250 shares, or 100% of the issued and outstanding capital stock of the licensee, for a total consideration of \$250,000; KTMS, News-Press Publishing Co., Santa Barbara, Cal., granted Special Service Authorization to permit broadcasting information to longshoremen at 2:30 P.M., PST daily and Sunday, as a public service without charge, from June 2 to August 1, 1944; KFAR, Midnight Sun Broadcasting Co., Fairbanks, Alaska, granted extension of Special Service Authorization to operate on 660 kilocycles, 10 kilowatts power, unlimited time, for the period ending May 1, 1945.

Also, WIBC, Indianapolis, Ind., granted consent to voluntary transfer of control of Indiana Broadcasting Corp., licensee of Station WIBC, from H. G. Wall, Margaret B. Wall and Thelma M. Lohnes, to Indianapolis News Publishing Co., for a consideration of \$440,000, for 1000 shares of capital stock plus \$2 per share for each 30 days between date of agreement (Feb. 16, 1944) and the date upon which actual transfer of shares of stock to transferee occurs; KLRA and KGHI Little Rock, Ark., granted consent to acquisition of control of Arkansas Broadcasting Co., licensee of Station KLRA, from A. L. Chilton by the transfer of 2400 shares, or approximately 64.5% of the issued and outstanding capital stock, to the Gazette Publishing Co., for a consideration of \$275,000. Granted consent to voluntary assignment of license of Station KGHI from the Arkansas Broadcasting Co. to A. L. Chilton and Leonore H. Chilton, a partnership d/b as KGHI Broadcasting Service, in return for which Chilton will surrender all his remaining 348 shares of stock in Arkansas Broadcasting Co.

Also, granted Evening News Press, Inc., Port Angeles, Wash. petition to reinstate and grant conditionally application for construction permit for new standard station to operate on 1450 kilocycles 250 watts, unlimited time, in accordance with January 26, 1944 policy; engineering conditions; KXOX, Sweetwater Radio, Inc., Sweetwater, Texas, granted consent to transfer of control of Sweetwater Radio, Inc., licensee of Station KXOX, from the 9 present stockholders to Wendell Mayes, J. S. McBeath and Mittie Agnes McBeath, by the transfer of 100 per cent of issued and outstanding capital stock for a total consideration of \$27,646.48.

X X X X X X X X

::::-----::::  
 ::::TRADE NOTES::::  
 ::::-----::::

Purchase of WHOM, Jersey City is not the first step in acquiring a radio chain by the Iowa Broadcasting Company, according to the Editor & Publisher, which quoted Gardner Cowles, Jr., President of the Company as saying:

"I don't intend to start a chain, although I might buy an additional station. I happen to be very optimistic over the future of radio."

-----  
 The House Thursday voted 282 to 46, to abolish all Federal agencies set up by Executive Order unless their existence has been recognized by Congress through direct appropriation or other legislation. This would include the Board of War Communications and Prencinradio. The proviso, already approved by the Senate, was included in a report from Senate-House conferees on the \$8,000,000,000 Independent Offices appropriation.

-----  
 Walter Winchell was among those to be given "Page One Awards" by the New York Newspaper Guild.

-----  
 To Dr. Edwin H. Armstrong, Professor of Electrical Engineering at Columbia University and inventor of frequency modulation in radio reception, was given Thursday the first Chief Signal Officer's certificate of appreciation, awarded by the War Department. The award was established to honor civilians who have made extraordinary contributions to the war, but who are not eligible for awards made to civilian employees of the War Department or for the Army-Navy E given to industrial organizations under direct control of the War Department.

-----  
 The article prepared for the Reader's Digest but held up because of the protest of Chairman James L. Fly of the Federal Communications Commission, has been printed in full in the Congressional Record of June 1 (Page A2905) at the request of Representative Eugene Cox (D), of Georgia.

-----  
 We have one radio for every three people; Russia one for every 90 people, S. B. Pettengill writes in a pamphlet "As We Go Marxing On" distributed by the Committee for Constitutional Government, 205 E. 42nd Street, New York City.

-----  
 Daniel Saidenberg, cellist and conductor, formerly of the Philadelphia and Chicago Symphony Orchestras, has joined the Overseas Branch of the Office of War Information as Chief of the Music Department of the Radio Program Bureau.

-----  
 It seems to us that Henry Ford is quietly stealing the show Saturday nights with his "Early American Dance Music" on the Blue. Or maybe it is just because we are old enough to enjoy and appreciate it. In any case we believe stations who are seeking a musical novelty would do well to listen to this.

X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

---

INDEX TO ISSUE OF JUNE 7, 1944.

|                                                                |    |
|----------------------------------------------------------------|----|
| Marshall Field Buys WSAI, Cincinnati; Creates Chain Talk.....  | 1  |
| Radio To Have Another Friend In Senate If Capehart Wins.....   | 2  |
| Licensing Commentators Seen As Step Towards Muzzling.....      | 3  |
| Cowles Brothers Add WCOP, Boston, To Their Holdings.....       | 4  |
| Petrillo Bawls Out Green For Backing WJJD And KSTP.....        | 5  |
| FCC Approves New Broadcast Station License Renewal Forms.....  | 6  |
| Would Pull Fug From Under Commentators' Licensing Bill.....    | 7  |
| Radio And Radio Pictures Win New Laurels In Invasion.....      | 8  |
| Comdr. Harry Butcher Right There With The King - Eh What!..... | 10 |
| FCC Action.....                                                | 10 |
| Trade Notes.....                                               | 11 |

No. 1633

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

June 7, 1944

## MARSHALL FIELD BUYS WSAI, CINCINNATI; CREATES CHAIN TALK

The surprise move of Marshall Field extending his sphere of action to Ohio by the purchase of Station WSAI from the Crosley Radio Corporation in Cincinnati, so closely following his buying Station WJJD in Chicago from Ralph Atlass, immediately started speculation of Mr. Field invading other anti-New Deal strongholds and possibly forming a radio chain in addition to other newspapers he might acquire.

The sale of either WLW or WSAI was necessitated by the order of the Federal Communications Commission, which prohibits the operation of two broadcasting stations serving the same general area under the same ownership. Among those reported angling for WSAI was the Cincinnati Enquirer, the only newspaper in that city not having a station.

It is anticipated that the WSAI studios will remain in Crosley Square until broadcasting equipment becomes available at which time the station will move into its own quarters thus separating WLW and WSAI physically as well as in the matter of ownership.

The price given in connection with the sale is said to be \$550,000. Mr. Field paid \$1,000,000 for WJJD, a 20,000 watt station in Chicago. WSAI, formerly owned by the U. S. Playing Card Company, operates on 1,360 kilocycles with 5,000 watts power and is affiliated with both NBC and the Blue networks.

It is assumed that WSAI under the direction of Marshall Field will enter vigorously into the Ohio campaign in favor of President Roosevelt just as he already is doing with his newspapers in New York and Chicago and as he is expected to do with WJJD as soon as he assumes possession. If this is true, he will have stiff Republican opposition in Cincinnati from WKRC, of the Times-Star, owned by the Taft family.

In addition to further emphasizing the trend of newspapers acquiring broadcasting stations, the purchase of WSAI by Marshall Field from the company headed by Powel Crosley, Jr., marked a notable exchange between two men both in their fifties and both born in the Middle West now very much in the public eye. Marshall Field III, born in 1893 in Chicago, grandson of the famous Chicago merchant, entered the newspaper field through his interest in PM, an evening paper in New York City. In 1941 he established the Chicago Sun in opposition to the Chicago Tribune.

Powel Crosley, born in Cincinnati in 1886, was a radio pioneer who had previously been in the advertising and automobile business. He started in the radio business and wound up as one of

the largest manufacturers of radio receiving sets in the country and the owner of WLW, one of the most powerful broadcasting stations in the world. Mr. Crosley is also president and owner of the famous Cincinnati baseball club.

It is a foregone conclusion because of its New Deal complexion that the Federal Communications Commission will approve the transfer of license of WSAI to Mr. Field and that there will be no difficulty in closing the deal insofar as the FCC is concerned.

Due to the necessity of settling certain details of the sale and filling out of forms, it may be 10 days or two weeks before the application for transfer reaches the Commission. Dempsey and Koplovitz are the radio attorneys for Mr. Crosley in Washington, and Horace L. Lohnes for Marshall Field. It was said that no change in the personnel of WSAI was anticipated as a result of the sale.

X X X X X X X X

#### RADIO TO HAVE ANOTHER FRIEND IN SENATE IF CAPEHART WINS

If Homer E. Capehart, radio pioneer who was nominated for Senator at the Indiana State Republican convention last week, is elected, the industry will have another good friend in the upper branch of Congress. Mr. Capehart was the president and organizer in 1925 of the Capehart Corporation in Fort Wayne, Indiana, manufacturers of a combination radio and phonograph set.

When Everett Sanders, former Indiana Congressman, Chairman of the Republican National Committee and now a prominent lawyer in Washington, was asked what he thought of the chances of Mr. Capehart's election, he said: "Excellent!" It is expected that Mr. Capehart's opponent for the senatorship will be the present Governor of Indiana, Henry F. Schricker, who has already announced his candidacy for the Senate.

Mr. Capehart attracted national attention some years ago when the Republicans were at their lowest ebb by huge "Cornfield Rally" and barbecue at his spacious country home at Washington, Indiana, where the natives like to have their little joke by calling it Washington, D. C. (Daviness County). Republicans came from all over the State and Mr. Capehart added cheer to the occasion by footing the bill for everything.

Then again - if this Hoosier writer's memory is correct - Mr. Capehart stage-managed the formal notification of Wendell Willkie at Elwood, which was another national event.

Mr. Capehart, who was born at Algiers, Indiana, in 1897, after disposing of the Capehart Corporation to Farnsworth, became Vice-President of Rudolph Wurlitzer of Cincinnati. He is now President of the Packard Manufacturing Company, manufacturers of "juke box" remote controls but at present engaged in war work, and owner of the Capehart Engineering Company, both of Indianapolis.

X X X X X X X X

## LICENSING COMMENTATORS SEEN AS STEP TOWARDS MUZZLING

The substitute for that portion of the Wheeler-White radio bill which would have banned commercially sponsored news broadcasts which Senator Johnson (D), of Colorado, introduced last Monday, promises to be as much of a target as the provision which Senator Wheeler so angrily scrapped.

Calling Senator Wheeler's curb too drastic, Senator Johnson believed that Senator Wheeler's aim of preventing what he called "smearing" of Congressmen and others could be accomplished by the Johnson amendment which provided that :

"1. Sponsored commentators had to get licenses from the Federal Communications Commission and be subject to a 'code of ethics' written into law.

"2. The Commission could revoke the licenses of those who break the code by 'departing from the path of decency and fair play in attacks upon those who do not have an equal opportunity to answer.'"

Claude A. Mahoney, Blue Network commentator, whose morning broadcasts are widely listened to by official Washington, was quick to call Senator Johnson's proposal the "first step towards the destruction of free speech".

"Remember the idea of Senator Wheeler to take commercially sponsored news programs off the air entirely?" Mr. Mahoney declared to his radio audience. "He gave that up as a bad job, just as I predicted he would have to do. But now Senator Johnson of Colorado has a plan. Under his plan every sponsored commentator would have to have a Federal license and be subject to a code of ethics. The FCC could revoke the license if the commentator deviated from what the Senator calls the path of decency and fair play in attacks on those who do not have an equal opportunity to answer. As I have said before, it always seems queer to me that anybody in Congress - with immunity - you can say anything you want to in Congress and not get sued - why anybody in Congress should complain about the folks outside who are subject to the laws of libel. I have this suggestion; instead of throttling all news commentators, why not get to work and tighten the laws that are on the books. Make them so tight that if I call anybody in this studio a heel, he could sue me and I would have to prove he is a heel, or get stuck for a stiff penalty for slander. Somehow or other, whenever the members of Congress begin to monkey with this thing, I think of the old story of the goose that laid the golden egg.

Chairman James L. Fly of the Federal Communications Commission, horned into the current discussion of news commentators in connection with an editorial in the Washington Post. He wrote to the Editor:

"Your editorial entitled "Radio News", in The Post for May 29, raises incidentally a very interesting point. As you suggest, more and more worthwhile noncommercial programs are being commercialized and driven 'into the arms of commercial sponsors'. Even 'town meetings', which have never been bought and sold since the days of the Pilgrim fathers, are now traded in at a rate reputed to total \$800,000 per year for one such program.

"The suggestion that the FCC antimonopoly regulations have anything to do with this is, however, wholly erroneous. The 'options' which our regulations limit apply only to commercial programs. Even before our regulations took effect, the networks had no power to require a local station to carry any non-commercial programs; and local stations could refuse to broadcast even the best of them. This situation our anti-monopoly regulations did not affect. What happened was that a war boom hit the broadcasting industry; many stations found their free time all sold out; and instead of exercising a reasonable self-restraint, they proceeded to cancel town meetings and symphonies in order to put on profitable commercial programs. Thus as the profits of the broadcasting industry have risen, their public service has declined - despite, not because of, the FCC anti-monopoly regulations."

X X X X X X X X

#### COWLES BROTHERS ADD WCOP, BOSTON, TO THEIR HOLDINGS

The Iowa Broadcasting Company - the Cowles brothers - are adding a fifth station to their rapidly growing network, WCOP Boston, purchased from the Arde Bulova interests for \$225,000. This marks a strengthening of their eastern invasion, WHOM, Jersey City, an entering wedge into New York City having been acquired several weeks ago for \$350,000. The other Cowles stations are in the Middle West - KRNT, Des Moines, Ia.; WMT Cedar Rapids, and Waterloo, and an affiliated station WNAX, Yankton,-Sioux City, S.D.

KSO, a second Cowles station in Des Moines, is being sold to Kingsley H. Murphy, newspaperman of Minneapolis, for \$275,000. This, of course, is to comply with the FCC ruling that there shall not be two stations in the same area under the same ownership.

X X X X X X X X

The Rand McNally Invasion Issue Global War Map is being distributed through WTOP, Washington, D. C., as a promotion tie-in with CBS network and local invasion news broadcasts. As a further public service, a pin-up schedule giving day, time and commentator for all regularly scheduled news programs on WTOP, is included with each map.

X X X X X X X X

## PETRILLO BAWLS OUT GREEN FOR BACKING WJJD AND KSTP

Causing what may be a split within the ranks of the American Federation of Labor, James C. Petrillo, President of the American Federation of Musicians, an A.F. of L. affiliate, blew up at the annual convention of the musicians in Chicago yesterday (Tuesday) with a terrific bawling out of William Green, President of the American Federation of Labor. Evidently the straw that broke the camel's back was Mr. Green backing up Ralph L. Atlass of WJJD, and Stanley Hubbard of KSTP, in refusing Mr. Petrillo's demand that Union members replace "the pancake turners" who change records on canned music programs. Mr. Green repudiated the WJJD and KSTP strikes as violations of labor's no-strike war pledge.

"We have a labor leader raising the flag and waving it in our faces and declaring that we will lose the war because of a strike against two little radio stations, but not doing anything about big strikes in war plants", Mr. Petrillo charged, referring to Green.

"I wouldn't be as spineless as he is", the Music Czar continued. "Did Bill Green repudiate any strike of machinists on the West Coast when they tied up munitions and supplies necessary for our soldiers?" Petrillo asked. "Did he repudiate any of the AFL strikes which are spreading throughout the country?"

Among other charges, Petrillo said that Green has done nothing to clean out "racketeers and crooks" from labor leadership.

Petrillo accused Green of failing to repudiate the spread of strikes in war industries, of lacking courage to step into jurisdictional rows and of being largely responsible for the War Labor Board, which was decidedly unpopular with the head man of the Musicians' Union.

"The charges of racketeers and crooks in labor ranks must be true because you don't hear anybody refute them", Petrillo told the 720 delegates. "Let's start right now and clean up the racketeering as it should be done. If you do away with the crooked employers, then they will not be able to deal with the crooked labor leaders.

"I demand, Mr. Green, that you use all the power and money of the American Federation of Labor to see that the employers are also convicted when they connive with the labor leaders of the AFL."

X X X X X X X X X

Audience reactions to radio programs, ranging from dramas for adolescents to morale-building shows and commercials, are reported and analyzed by three members of CBS' Research Department in the recently published "Radio Research 1942-1943", which is edited by Paul F. Lazarsfeld, Director of the Office of Radio Research, Columbia University, and Frank N. Stanton, Vice President, Columbia Broadcasting System.

X X X X X X X X X

## FCC APPROVES NEW BROADCAST STATION LICENSE RENEWAL FORMS

The Federal Communications Commission, on May 30, 1944, approved a revised Form 303, application for renewal of license for standard broadcast stations and authorized two new forms, 303-A, Statement of Technical Information Concerning Standard Broadcast Stations Using Nondirectional Antennas, and 303-B, Statement of Technical Information Concerning Standard Broadcast Stations Using Directional Antennas.

The Commission has required very little engineering data with regard to any standard broadcast station since the change to the abbreviated renewal application Form 303 in February, 1942, and in view of the recently extended license period for standard broadcast stations to three years, it is essential that up-to-date engineering data be filed with the Commission. For this reason, licensees will be requested to submit to the Commission, by August 1, 1944, such current engineering information on Form 303-A or 303-B. It is expected that a supply of the newly approved forms 303-A and 303-B will be available in a short time and will be promptly mailed to each standard broadcast station.

One significant change in the forms covering the engineering data is that in addition to being executed by the applicant, the chief engineer or technical director of the station will be required to swear or affirm that he has read the same, knows the contents thereof, and that the matters and facts set forth in the form are true of his own knowledge. Past experience has indicated that many licensees filed their renewal applications with gross errors which are repeated time and time again, thus indicating that the data had been copied from a previous renewal application without reexamination by anyone having knowledge or information of the facts. It is hoped that with the revised forms, engineering information submitted will be current, accurate, and of real assistance to the Commission.

In addition to up-to-date engineering data, the revised application form and renewal of license seeks to elicit information as to the ownership, operation, interests therein, etc., of all licensees. Current information on program service is likewise sought and applicants will be required to attach to the original application only the program and operating logs or one exact copy thereof required to be kept under Section 3.404 of the rules for the seven consecutive days immediately preceding the date of execution of the application form. If the original log is submitted and so marked, it will be returned to the applicant.

The requirement in the revised form for submission of program and operating logs is in lieu of the provision in Form 303 prior to revision, which sought a breakdown of program content giving percentage of total monthly hours (commercial and sustaining) divided into types of programs such as entertainment, educational, religious, agricultural, fraternal, news, etc., and it is believed will result in eliciting more accurate information on the subject of

program service the station renders with less effort on the part of the applicant.

In view of the fact that under Section 1.361 of the Commission's Rules of Practice and Procedure, licensees are required to file an annual financial report, no additional financial data is required by the revised Form 303 unless changes in the financial status of the applicant have occurred since the filing of the applicant's last annual report, in which event such changes are required to be reported. The applicant must, however, represent that its financial condition, except for minor changes occurring in the normal course of business, is the same as of the date of execution of the renewal application as that shown in the most recent annual report, stating the date filed.

X X X X X X X X X

#### WOULD PULL RUG FROM UNDER COMMENTATORS' LICENSING BILL

Here is the view taken by the Washington News (Scripps-Howard) of the legislation introduced by Senator Johnson (D), of Colorado, which would give the Federal Communications Commission the power to license sponsored radio news commentators:

"Said the headline: 'Bill provides for U.S. licensing of radio commentators.'

"Said the editor, when he read that: 'There, but for the grace of God, go I.' And so said the columnist, the magazine writer, the pamphleteer, and all others who under Article I of the Constitution of the United States like to express their opinions, in speech or type.

"Because speech and type and senatorial oratory aren't limited by broadcast bands, licensing of all opinion isn't involved in this - or is it, if such a trend really gets a start?

"When radio came in, it was obvious that some sort of police force should be set up or there would be bedlam on the air - the number of wave lengths being restricted. So there was born a regulatory system which is now what we have in FCC.

"Since all bureaus grow on what they feed on, and since human beings love power, there has evolved a control which goes way beyond the police power which the mechanics of radio originally called for. Gradually that power extended itself into the substance of what was being said, rather than the mere mechanics of transmission. And so it has come to pass that a Senator of the United States, Johnson (D., Colo.), would now put radio commentators under license and a 'code' written by Congress.

"Now license, simply defined, means that the power to license is the power to destroy. 'The Lord giveth and the Lord taketh away.' He who comments by license stands on a rug that can be pulled from under him by the whim of the licensor. The licensee can

not be a free agent. His expression is restricted by the fear of obliteration: That's all you can make of it. Extend it to all expression and you have wiped out democracy.

"Now there have been times when we, momentarily, listening to some radio commentators and reading some writers with whom we did not agree, would have liked to obey that impulse and pull the rug. But only momentarily, of the long-haul consequences.

"And we believe Sen. Johnson, who has exhibited many evidences of being a statesman, will, when he thinks this thing through, pull the rug from under his own bill.

"Voltaire said it : 'I wholly disapprove of what you say and will defend to the death your right to say it.'"

X X X X X X X X

#### RADIO AND RADIO PICTURES WIN NEW LAURELS IN INVASION

Radio has covered itself with glory in the Invasion program. Not only has it reached a new high level as a means of communication with the troops, but it also established a record in keeping the world informed as to what was going on.

In this country there was magnificent cooperation on the part of the National Broadcasting Company, Columbia Broadcasting System, Blue Network and the Mutual System.

The Office of War Information has released the following bulletin today:

"At H-Hour on D-Day, 3:34 A.M., June 6, the internal teletype system linking all radio and cable desks of the Overseas Branch, sent a flash to all desks reading: "First Allied landings in Western Europe have started."

"Immediately all of the pre-arranged plans were put into motion and the wheels began to turn.

"The flash was cabled to Chungking, Algiers and Naples at 3:42 A.M. and two minutes later the text of the first communique was sent to Bombay, Stockholm, Beirut, Istanbul, Moscow, Cairo, Chungking, Algiers and Naples.

"In the Radio Program Bureau, the first Flash was put on the air in French at 3:37 A.M. At 3:47 it was broadcast in Italian and at 3:48:30 direct contact was made with SHAEF in London.

"From London, OWI transmitters carried the brief announcement of the landings, then General Eisenhower's Order of the Day and messages for the leaders of the Governments-in-Exile. There was considerable interference with the London pick-up due to atmospheric conditions and at 4:22 A.M., New York was obliged to return to its regular program originating from our own studios.

"Throughout the day, OWI's regular schedule of broadcasts continued, with English every hour on the hour, German 15 minutes after the hour, French on the half-hour, and Italian at 45 minutes after the hour. These are the major languages. Broadcasts in the minor languages from New York started with one in Bulgarian at 6:00 A.M.

"Some of the changes already made or planned during the day in the regular pattern of OWI programs includes: the 3:30 P.M. program (French), usually devoted to a special show called "Friendship Bridge", will be devoted to a resume of up to the date news on the progress of the Allied advance, half of it in Flemish for Belgian listeners. The 1:00 P.M. English show will be half Norwegian and the 3:00 P.M. English show will be half Danish.

"For the next few days the regular German troop shows will each contain two spots of two minutes each in Central European languages. These German language shows are at 1:15 A.M., 8:15 A.M., 12:15 P.M., and 6:15 P.M. Specific broadcasts to German troops in Western Europe will be discontinued from New York on the theory that the Germans will be too busy to listen to them. The time will be devoted to German language programs with specific items in Hungarian, Czech, Polish and Rumanian.

"The Special Events Division of the Radio Program Bureau has been arrangements with the major networks to record the first six hours of their programs after the 'landings' communique was released. Arrangements also have been made in New York to record several prominent Netherlands and Norwegian personalities for use in programs in these languages. From Canada, they hope to get a special recording from Prime Minister MacKenzie King, the Czech Attache at Ottawa and French Canadian officials in Quebec (for French language spots).

"Between 3:42 A.M. and noon, the Cable-Wireless Division of OWI's News and Features Bureau sent a score of outposts in all parts of the globe, a total of more than 45,000 words. This was in addition to a large number of background stories sent to all outposts in advance of D-Day. Special instructions were cabled to outposts on the use of the advance material.

"The News and Features Bureau's Picture Division started moving radiophotos of the landings as soon as they were available. A recent picture of General Pershing, with a facsimile of his message, was moved to Madrid, Algiers, Istanbul and Beirut, at 8:15 and the same subjects were transmitted to Bombay, Stockholm and other points between 8:30 and 9:30 A.M. The first pictures of the actual operation were received at 9:30 A.M. and were moved immediately to all points. At 11:00 A.M., a total of 16 subjects had been transmitted by radiophoto to OWI outposts."

A feature of the Invasion was also the U. S. Signal Corps radiotelephoto service and that of RCA. Photos came through from Rome and London simultaneously with the news dispatches.

R. C. A. Communications, Inc., reported a greatly increased volume of traffic through its broadcast relay circuit, a unit that picks up overseas broadcasts and relays them to local networks. The International Broadcast Service of RCA handled fifty overseas monitoring and pick-up broadcasts yesterday, or 100 percent more than were handled on September 3, 1939, the previous busiest day.

X X X X X X X X

COMDR. HARRY BUTCHER RIGHT THERE WITH THE KING - EH WHAT!

Standing alongside of the King of England when he chatted with the paratroopers before the take-off for the invasion was none other than Commander Harry C. Butcher, of Washington, former Vice-President of the Columbia Broadcasting System, and now Naval Aide to General Eisenhower. This was shown in a U. S. Signal Corps Radiotelephoto which appeared on the front page of the New York Times today (Wednesday, June 7th). Harry had evidently been detailed by General Eisenhower as an aide to the King and was standing behind His Majesty as natural and pleasantly unconcerned as if he were among his old friends at home.

Broadcasts of the invasion take-off mentioned the fact Commander Butcher was constantly at the side of General Eisenhower.

X X X X X X X X

#### FCC ACTION

The Federal Communications Commission en banc took the following action on June 6th:

KID, granted consent to voluntary transfer of control of KID Broadcasting Co., Idaho Falls, Idaho, from Jack W. Duckworth to Walter Bauchman, H. F. Laub and L. A. Herdtl, by transfer of 250 shares, or 100% of authorized, issued and outstanding capital stock of the company for a total consideration of \$100,000; KLCN, Blytheville, Ark., granted consent to voluntary assignment of license of Station KLCN from Fred O. Grimwood to Harold L. Sudbury, for a total consideration of \$15,865.12; KFAB, KFAB Broadcasting Co., Lincoln, Neb., granted construction permit to change frequency from 780 to 1110 kilocycles, hours of operation from Simul. Day, S-N WBBM, to unlimited, and install directional antenna for night use with certain provisions; WJAG, The Norfolk Daily News, Norfolk, Neb., granted construction permit to change frequency from 1090 to 780 kilocycles; WBBM, Columbia Broadcasting System, Chicago, Ill., granted modification of license to change hours of operation from Simul. Day, S-N KFAB, to unlimited time on frequency 780 kc.; KFVD, Standard Broadcasting Co., Los Angeles, Cal., and KPAS, Pasadena, Calif., denied petition for postponement of effective date of multiple ownership rule 3.35, and designated for hearing renewal applications for Stations KFVD and KPAS.

X X X X X X X X

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

Although known for sometime that the boys were to separate after a successful association of many years, it was formally announced this week that Martin Codel, publisher of Broadcasting, had sold his 50% holdings to Sol Taishoff, Editor and General Manager. As a result of the sale, Mr. Taishoff becomes the owner of all the outstanding capital stock of Broadcasting. Mr. Codel has not made known his plans for the future.

-----  
 Introducing a bill to return to Standard Time, Senator Wherry (R), of Nebraska, expressed the belief that Congress itself might repeal the present war time.

"The question whether the Congress can reserve the right in a statute at its pleasure without approval by the President has apparently never been ruled on by the courts", Senator Wherry said.

-----  
 Added to the roster of active members of the Television Broadcasters' Association in New York last week were WGN, Inc., the Chicago Tribune station, which recently filed an application for a television station in Chicago, and the Balaban & Katz Corporation, owners and operators of television station WBKB in Chicago.

Application for an affiliate membership from the Electronics Department of the General Electric Company of Schenectady, was also approved by the Directors. General Electric also holds an active membership in the Association.

-----  
 President Roosevelt Monday nominated Capt. Ellery Wheeler Stone, former radio and telegraph executive, to be a Rear Admiral. It was explained that the promotion, on a temporary basis was made to give Captain Stone a flag rank for assignment as Deputy to the President of the Allied Control Commission in Italy. He is regarded as an outstanding communications expert.

Captain Stone was President of the Federal Telegraph Company 1924-31; operating vice-president Mackay Radio and Telegraph Company, 1931-37; Vice-President All America Cables and Radio Inc., 1937-38, and later Vice-President Postal Telegraph Co.

-----  
 The American Cable & Radio Corporation on Tuesday reported consolidated net income for the first quarter of 1944 to be \$891,170, as compared with \$404,230 for the corresponding period of 1943.

Consolidated net income of All America Corporation and its subsidiary companies for the three months ended March 31, 1944, amounted to \$376,150, as compared with \$299,233 for the corresponding period of 1943.

Operations of Commercial Mackay Corporation and subsidiaries for the three months ended March 31, 1944, resulted in consolidated net income of \$518,850, as compared with \$108,905 in 1943.

-----  
 NOTE: BECAUSE OF WAR CONDITIONS THIS SERVICE WILL TEMPORARILY BE ISSUED ONCE A WEEK - MAILED FROM WASHINGTON EVERY WEDNESDAY.

R. D. HEINL

X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

*Heinl*  
*✓*

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

RECEIVED

Frank E. ...

INDEX TO ISSUE OF JUNE 14, 1944.

|                                                              |    |
|--------------------------------------------------------------|----|
| Cowles Bros. Believe In Paying Papers For Radio Space.....   | 1  |
| Special Invasion Programs Inaugurated By BBC For AEF.....    | 3  |
| Calls Licensing Administration's Club Over Radio.....        | 4  |
| Commends Canadian Commentators Rules To Congress.....        | 5  |
| Rostron, R.C.A. Communications V-P, Dies.....                | 6  |
| Cosgrove, New RMA Head, Foresees Bright Radio Future.....    | 7  |
| RKO Television Corporation Comes In With Quite A Splash..... | 8  |
| \$46,481,397 Station Income For 1943 Tops 1942 By 50%.....   | 9  |
| Radio Engineers Vote To Strike; Petrillo Gets 5th Term.....  | 9  |
| Fly Pins Bouquet On Himself On Monopoly Anniversary.....     | 10 |
| FCC Action.....                                              | 10 |
| Trade Notes.....                                             | 11 |

No. 1634

June 14, 1944

COWLES BROS. BELIEVE IN PAYING PAPERS FOR RADIO SPACE

Sixteen newspapers in Middle Iowa have begun publication of the new paid radio gossip column, "Likely Listenin' at 1350" of the Cowles' Des Moines station KRNT. The column, released weekly, suggests in appearance the "Iowa Poll", published by the Des Moines Register, which is now becoming so familiar to newspaper readers throughout the country. "Likely Listenin' at 1350" is eighteen inches, set double-column, with liberal use of column and half-column cuts of local and Columbia Network personalities. Stories are written concisely, so as to include seven or eight in each release, and are introduced by short one or two-word heads, set bold-face.

Blakemore Agency, Des Moines, contracted for the space used by KRNT in seven daily and nine weekly papers in the following neighboring towns:

Guthrie Center Times, Knoxville Journal, Newton Daily News, Pella Chronicle, Ames Daily Tribune, Chariton Herald Patriot, Webster City Freeman-Journal, Albia Union Republic, Perry Chief, Oskaloosa Daily Herald, Indianola Herald, Jefferson Herald, Winterset Madisionian, Marshalltown Times-Republican, Boone News-Republican, and Eldora Herald-Ledger.

Typical items in "Likely Listenin' at 1350" are:

"EILEEN

Scarce three years ago, an unknown church soloist. Today, singing star of the enjoyable Family Hour Sunday afternoons at four. For all her success, Eileen Farrell remains the charming, unaffected girl she was three years ago, with her hearty sense of humor.

"JACK AND THE BEANSTALK

Is Saturday morning's 'Let's Pretend' story, 10:05 on KRNT, for all the youngsters.

"MAIL

'It was a pleasure to meet you . . . and to have the privilege of broadcasting with you on your news program over KRNT.' Which is a short quote from a letter Stan Dixon showed me the other day. It was signed 'John Bricker' and came from the Office of the Governor of Ohio. (Dixon is heard 5:15 weekdays and at 12:30 and 6:30 on Sunday with KRNT news.)"

Being in the publishing business themselves and practicing what they preach, the Cowles brothers thus add another station to the ranks of the paid advertisers. It is only reasonable to expect

that they may take this way of introducing their stations, recently purchased WHOM, Jersey City for \$350,000, and WCOP for \$275,000, to listeners in Greater New York and the Hub.

And in connection with those two stations, Gardner Cowles, Jr., said to this writer last week:

"There has been a great deal of wild speculation, much of it grossly exaggerated, about our radio plans in the East. We frankly do not have any mysterious plans except we want to improve WHOM and WCOP and build them into stronger and more popular stations. We do expect to file for FM licenses for Jersey City and Boston."

John Cowles, having in mind his newspaper publishing business, has caused considerable discussion recently by proposing the formation of national newspaper networks similar to radio networks for the sale of national advertising. Invited by Editor and Publisher to reply to some of the publishers who differed with him on his network idea, Mr. Cowles wrote, in part, as follows:

"Because the current volume of newspaper advertising is good, many publishers are, in my opinion, much too complacent about the future of newspaper advertising. In the post-war years I believe newspapers will have far tougher advertising competition from both radio and magazines than they have yet had, and the downward trend of national newspaper advertising even during the pre-Pearl Harbor years is a matter of plain record.

"If even a few dozen national advertisers who are now large customers of the radio chains or magazines liked the idea of buying newspaper advertising in 30 or more major markets in one package, wouldn't the publishers be wise to consider making it possible for them to do it?

"Maxwell House and Chase and Sanborn might be the only two coffee roasters in the country, for example, who would be prospects for such a national newspaper network. Both of them have concentrated the bulk of their advertising for many years on the radio. If one or both could be sold on the idea of using such a newspaper network, would not countless sectional coffee accounts promptly become better prospects for enlarged individual national newspaper advertising? Wouldn't the total volume of coffee advertising in newspapers in all probability be materially increased?

"If in the early days of radio broadcasting 'Deke' Aylesworth and Bill Paley had allowed national advertisers to pick and choose among the stations comprising their basic networks, radio chain advertising would never have developed to the point that it has reached today.

"Spot radio advertising, moreover, has multiplied along with chain radio advertising partly because, through use of the chains more of the large advertisers became sold on radio and their smaller competitors followed them into radio with individual or sectional spot business.

"My brother, Gardner Cowles, Jr., and I are interested in three midwest radio stations, one at Cedar Rapids, Iowa, one at Des Moines, and one at Yankton, South Dakota. National advertisers invest about as many dollars in those three radio stations as they do in the Des Moines Register and Tribune. The overwhelming bulk of that radio revenue comes, moreover, as part of a package deal, either through the purchase of those stations as part of the chain or in the buying of time on those three stations as one separate package for spot or transcription advertising. If advertisers are willing or eager to buy a 'must' package in broadcasting, why should they shy away from a 'must' package in the purchase of newspaper space?

"When national advertisers now buy a string of separate newspapers across the country, competing newspapers that are not receiving the schedules try to get the business shifted by complaining to the advertiser or agency that bad judgment was used in the selection of the specific publications. Newspaper advertising as a whole is harmed by such destructive practices. If an advertiser buys a chain radio program on NBC, or Columbia, the operators of the competing stations that are not getting that particular program do not stir up discontent among the advertiser's sales force or customers.

"When national newspaper advertising is sold through networks, an individual paper that doesn't get the schedule because it is not a member of that particular newspaper network would have no motive for attempting to unsell the national advertiser on the use of his competitor. The selling of newspaper advertising would then tend to be more constructive, with benefit to all newspapers."

X X X X X X X X

#### SPECIAL INVASION PROGRAMS INAUGURATED BY BBC FOR AEF

Radio will follow American soldiers of the Allied Expeditionary Force as they penetrate deeper into France with a rounded service of programs unlike anything heretofore attempted in military history. The British Broadcasting Corporation has inaugurated a service which already has begun to broadcast many kinds of American and British program material to the invasion troops. Approved by General Eisenhower, and officially described as "a truly interallied effort in broadcasting", the set-up provides for joint operation by official radio personnel of the United States, Britain and Canada, within the Overseas Services Division of the B.B.C. and using B.B.C. studios linked with transmitters radiating a powerful medium wavelength (285 metres; 1050 kilocycles) directed across the channel from Great Britain.

Because of the stimulus to men of the invasion forces of knowing what is happening in Italy and on the Pacific and the Russian fronts, programs from the London news room of the B.B.C. are being given priority in the broadcasting schedules. News resumes are being broadcast "every hour on the hour" - eighteen in all, princi-

pally during daylight hours when chances of listening are best - with arrangements for special bulletins to announce any outstanding development. In addition "home" news of the three countries is being relayed from the American Forces network in Britain, the General Forces Program of the B.B.C. and from the Canadian Broadcasting Corporation.

Facilities involved, it was stated at New York headquarters of the B.B.C., include those of the American Forces network which was established last July to provide familiar entertainment to the millions of American troops stationed in Army camps in Great Britain. It is expected that this network will continue to supply typical American entertainment programs, such as have been regularly broadcast by Bob Hope, Jack Benny and other topflight performers, supplemented by "live" shows given by American entertainers in Britain and later in France when the invasion front has been firmly established. Further "live" programs arranged by the special service division of the War Department to meet the appetite of the G.I.'s for baseball and other sport news, are planned.

A joint Anglo-American radio production staff will supply special programs. For Canadians in the A.E.F. there will be special programs provided by the London unit of the Canadian Broadcasting Corporation. The B.B.C.'s General Forces Service, on which are carried network entertainment programs for American troops in India, will also supply material to the B.B.C. program for the A.E.F.

There was the highest praise for the BBC Invasion coverage by John K. Hutchens in the New York Times, who wrote:

"The service of the British Broadcasting Corporation, as D-day listeners know, was not less than superb. The BBC was not only first with a good deal of the news but exemplary in its presentation, and especially fine with its 'actuality' broadcasts, which were heard chiefly on the independent stations. Indeed, the latter - and their listeners - should be singularly grateful to the BBC for programs, both recorded and 'live', they would not otherwise have received."

X X X X X X X X

CALLS LICENSING ADMINISTRATION'S CLUB OVER RADIO

In an editorial "After 11 Years" from the New York News, reprinted in the Washington Times-Herald, June 12 summing up the Roosevelt Administration, such as the Montgomery Ward incident, the anti-trust suit against the Associated Press, the "Roosevelt technique for intimidating the press in continually deriding and denouncing it" has this to say of the FCC:

"Mr. Roosevelt's Federal Communications Chairman, James L. Fly, persistently harasses the radio industry. Disclaiming intent to censor radio, he nevertheless has interfered from time to time with radio programs' contents and subject matter. And the FCC has the licensing power which it uses as an Administration club over radio."

The editorial concludes: "That is how democracy creeps up on a Democracy."

X X X X X X X X

COMMENDS CANADIAN COMMENTATORS RULES TO CONGRESS

Senator Burton K. Wheeler (D), of Montana, introduced in the Congressional Record (June 6, Page A3032) an editorial from the newspaper Labor of which former Representative Edward Keating of Colorado is editor defending the White-Wheeler bill and calling attention to the new Canadian regulations just issued. Pointing out that the economic views of Senator Wheeler and Senator White are sometimes "as far apart as the poles", Labor says:

"They are to be commended for at least making a start toward cleaning up this intolerable situation. Their bill is really very conservative. To the north of us in Canada, where the people own a Nationwide broadcasting system, the Government is going much farther.

"In Canadian regulations news commentators are told they must present the facts without 'strong personal bias or expression of opinion.'

"If the commentator wishes to interpret the news, then the broadcasting company must set up a balanced panel of commentators of contrasting views.

"Canada will no longer tolerate such vicious propaganda as Herr von Kaltenborn, who may be taken as a fair example of all that is bad in news broadcasting, is constantly giving the radio audience.

"It would be a good thing if every Member of the American Congress would study the Canadian regulations. Such a study would probably result in strengthening the Wheeler-White bill, and in any event, it would go a long way toward assuring the passage of that measure."

With regard to the Wheeler-White bill, Labor says:

"Practically every big paper we have seen cries that the constitutional guaranty of freedom of speech is menaced by the Wheeler-White proposal. There is no foundation for that argument.

"The owner of every newspaper claims the right to print anything he sees fit in his columns. He calls that freedom of the press. He hires columnists whose writings are agreeable to him.

"If he hates labor unions, then he never, by any chance, engages a columnist who has a good word to say for collective bargaining. He pursues the same policy in reference to other outstanding public issues.

"He denies his readers the right to get both sides, and he sternly denounces anyone who would interfere with his dictatorship.

"Now, the airways belong to the people of the United States. Radio might be described as their newspaper, for through that channel, if they exercise their right of ownership, they can get the facts which will enable them to form intelligent opinions concerning what is going on in the world.

"Being the owners of radio, they have the undoubted right, through their chosen representatives in Congress, to say to the broadcasting companies: 'We are permitting you to temporarily use our property. We are not charging you anything for the privilege. Possession of the airways enables you to reap rich profits. In return, we demand that you give us clean and accurate reports of domestic and international events.'

"What's wrong with that proposition? There is nothing wrong with it from the people's point of view. Of course, there is a great deal wrong with it from the point of view of those influential interests which desire to control public thinking. They hire radio commentators to twist the news - to suppress this fact and to exaggerate that fact. They use the people's radio to confuse the people's thinking.

"In the judgment of this newspaper, the commentators now talking over the air - with a mighty few exceptions - have done more to mislead the American people - and particularly during this war emergency - than any other single influence.

"Among these commentators are men who never hesitate to broadcast the most fantastic and demoralizing falsehoods. They have been exposed and denounced on innumerable occasions, but they continue to poison the public mind because certain rich 'sponsors' profit from the lies and half-truths which they are constantly pouring into the ears of the American people. Only on the rarest occasions is anyone permitted to reply."

X X X X X X X X X

#### ROSTRON, R.C.A. COMMUNICATIONS V-P, DIES

John B. Rostron, Vice-President and Traffic Manager of R.C.A. Communications, Inc., who has been with the organization almost since it began, died last Monday at his home at Hewlett, Long Island. Mr. Rostron, who was 67 years old, was born in Manchester, England. He started to work for the British Post Office at the age of 15, joined the Commercial Cable Company, Ltd. in 1897, and two years later came to the United States.

Mr. Rostron became associated with R.C.A. Communications in February, 1920, shortly after the firm's founding, and held the post of Assistant Traffic Manager until March, 1929, when he was named Traffic Manager. He was appointed a Vice President in December, 1940.

He leaves a widow, Mrs. Anna E. Rostron and four daughters.

X X X X X X X X

COSGROVE, NEW RMA HEAD, FORESEES BRIGHT RADIO FUTURE

Raymond C. Cosgrove, Vice-President and General Manager of the Crosley Radio Corporation at Cincinnati, newly elected President of the Radio Manufacturers' Association, predicted a new era of development and expansion for the radio industry and continued success in meeting the needs of the war. Mr. Cosgrove said that the industry had "performed miracles" in the war program.

The elevation of Mr. Cosgrove to the presidency of the RMA at Chicago last week was the climax of a war gathering of the manufacturing association which broke all records for attendance. Radio bulletins on the invasion were read at the two luncheons, to overflow audiences of over 400 on "D-Day", Tuesday, June 6, and over 700 industry leaders and executives on Wednesday.

Maj. Gen. Wm. H. Harrison, Chief of the Signal Corps Procurement and Distribution Service headed the speakers at the RMA meetings, and praised the industry for its equipment of the allied fighting forces and urged continued pressure on the war program extending into 1945.

Col. Wm. M. Mack discussed contract termination problems, outlining the Signal Corps arrangements for co-sponsorship by RMA of a contract termination training program, beginning next month, in sixteen cities. The Board of Directors unanimously accepted the Signal Corps invitation to co-sponsor and participate in the industry training program.

WPB Director Ray C. Ellis, just back from Russia, expressed the opinion that the United States and Russia "can be of great mutual help to one another" if they handle the post-war radio problems on a business basis.

Amendments to the by-laws, adding seven more Directors and increasing the Board of Directors from 27 to 34, were adopted. Another By-Law eliminated industrial tubes from the Association's jurisdiction. The seven additional Directors elected were - Herbert A. Bell of Packard-Bell Company, Los Angeles, and Joseph Gerl of Sonora Radio & Television Corp., Chicago; Fred R. Lack of Western Electric Co. and George Lewis of Federal Telephone & Radio Corp., both of New York City (Mr. Lack for a two-year term and Mr. Lewis for a one-year term; Ernest Searing of International Resistance Co., Philadelphia; S. I. Cole of Aerovox Corporation, New Bedford, Mass.; Monte Cohen of F. W. Sickles Company, Springfield, Mass. Other new Directors elected were Frank M. Folsom of RCA Victor Division, Camden, N. J.; R. E. Carlson of Tung-Sol Lamp Works, Inc., Newark, N.J., and G. Richard Fryling of Erie Resistor Corp., Erie, Pa.

E. A. Nicholas of Farnsworth Television & Radio Corporation, Fort Wayne, Ind., was elected Chairman of the Set Division, to succeed Mr. Cosgrove; David T. Schultz of Raytheon Manufacturing Co. of Newton, Mass., was elected Chairman of the Tube Division, to succeed M. F. Balcom of Sylvania Electric Products, Inc., of Emporium, Pa., who was elected Chairman of the Division's Executive Committee. C. J. Burnside of Westinghouse Company of Baltimore was elected Chairman of the Transmitter Division.

## RKO TELEVISION CORPORATION COMES IN WITH QUITE A SPLASH

The publicity announcing the RKO Television Corporation was elaborate. It consisted of a large printed brochure and the first issue of RKO "Television News Bulletin". Chapters in the brochure were: "Why Is RKO Interested in Television?", "Live Programs or Film?", "Television Today", "Present and Post-War Periods of Television Coverage", "Television Receivers - Production Forecast" and "Network Transmissions - Relay Stations and Coaxial Cables".

There are quotations from prominent people such as James L. Fly of the FCC, who calls television a "cushion against unemployment", Niles Trammell, President of the National Broadcasting Company who says it is the "greatest medium of mass communication yet evolved", and others.

"No single individual advertiser, no single advertising agency, nor any group of advertising agencies could possibly operate such enormous facilities as RKO and its subsidiary, Pathe News, Inc., now offer the potential television users of this country", the RKO states. "These facilities are now available to both reputable advertisers and recognized advertising agencies through RKO Television Corporation. The same facilities make it possible for RKO Television Corporation to offer advertisers not only filmed television programs, but live-talent package productions as well. The following pages present some of the more important phases of this new medium."

The "Television News Bulletin" gives "Television Stations and Applications", "Television Stations Now Operating", "Licensed Experimental Television Stations", and "Television Station Applications".

The RKO Television Corporation states it will welcome inquiries from advertisers, advertising agencies and all those commercially interested in television as to how it may be of specific service to them at this time and adds: "If you would like to receive subsequent RKO Television News Bulletins, please so advise."

The address of the new corporation is 1270 Sixth Avenue, New York, and the officers are:

Chairman of the Board, N. Peter Rathvon, President, Radio-Keith-Orpheum Corp.; President - Frederic Ullman, Jr., President, Pathe News, Inc.; Executive Vice-President - Ralph B. Austrian, formerly Assistant Vice-President, RCA Manufacturing Co.; Vice-President - Malcolm Kingsberg, Treasurer, Radio-Keith-Orpheum Corp.; Treasurer - A. W. Dawson, Assistant Treasurer, Radio-Keith-Orpheum Corp.; Secretary - J. Miller Walker, Secretary, Radio-Keith-Orpheum Corp.; Director of Production - Thomas H. Hutchinson, formerly Television Program Manager, NBC; formerly Television Director, Ruthrauff & Ryan, Inc.; and Talent and Casting Director - Arthur Willi, Talent Director, RKO-Radio Pictures, Inc.

X X X X X X X X

\$46,481,397 STATION INCOME FOR 1943 TOPS 1942 BY 50%

A total broadcast service income of \$46,481,397 for 1943 - or more than a 50 percent increase over their 1942 total - was received by 796 standard broadcast stations reporting to the Federal Communications Commission. These same stations had a total broadcast service income (broadcast revenues less broadcast expenses, not including Federal income taxes) of \$30,673,542 for the calendar year 1942.

Average broadcast income per station rose from \$38,534 in 1942 to \$58,393 in 1943.

Only 73 of these 796 standard broadcast stations reported losses (broadcast expenses in excess of broadcast revenues) during the year 1943; 171 had losses in 1942, and 166 in 1941.

A total of 912 standard broadcast stations were operating during 1943. The above figures do not include 36 non-commercial standard stations, 14 stations operating outside the continental United States and the 9 key stations owned by the major networks. Twenty-six other stations have not yet submitted their 1943 financial statements to the Commission.

X X X X X X X X

RADIO ENGINEERS VOTE TO STRIKE; PETRILLO GETS 5TH TERM

The National Labor Relations Board announced last Monday that members of the National Association of Broadcast Engineers and Technicians (independent) had voted in favor of a strike as a result of a jurisdictional dispute with the American Federation of Musicians (AFL) over jobs with the NBC, Blue networks and Station WOR.

In the meantime word came from Chicago that James C. Petrillo had been re-elected President of the American Federation of Musicians for the fifth term. His re-election was without opposition. Charles L. Bagley of Los Angeles was named Vice-President, and Leo Cluesmann of Newark, N. J. re-elected Secretary.

Since the Broadcast Engineers union filed a strike notice last month calling for a vote under the Smith-Connally Act, the War Labor Board has ordered the parties to maintain the status quo pending a settlement of the dispute.

The NLRB reported that NABET members had voted 332 to 7 in favor of a walkout in stations owned by the National Broadcasting Company, 81 to 3 in Blue Network stations and 39 to 10 at WOR.

The independent union filed a strike notice after the networks and WOR signed contracts with the AFM giving that union jurisdiction over so-called platter turners, whose work formerly had been handled by NABET members.

X X X X X X X X X X

## FLY PINS BOUQUET ON HIMSELF ON MONOPOLY ANNIVERSARY

Commenting on the first year of radio's operation under Federal Communications Commission anti-monopoly regulations, Chairman James L. Fly has issued the following statement:

"Thursday, June 15, marks the first anniversary of radio's Emancipation Day. On June 15, 1943, the FCC Chain Broadcasting Regulations, as upheld by the U. S. Supreme Court, went into effect; and I am glad to say that never before in its history has the industry been so prosperous.

"Despite predictions of doom by network officials if the regulations became effective, broadcasting profits are higher now than ever before. Broadcasting stations as a whole earned 50 percent more, before income taxes, in 1943 than in 1942, and the networks similarly profited. Thus NBC, which in 1942 earned 137 percent on the value of its property, in 1943 earned a return, before income tax of 190 percent. CBS went up from a 97 percent return in 1942 to a 158 percent return in 1943. The Blue Network went up from 8 percent to 149 percent, and the stockholders in the Mutual Network, on a combined basis, earned a return of 84 percent in 1943 as against 59 percent in 1942. Experience has now shown that the prophets of disaster were mistaken, and that the broadcasting industry can prosper as never before under our regulations."

The Commission is now studying program logs of all broadcasting stations to determine the extent to which the Chain Broadcasting Regulations have resulted in increased availability of network programs to listeners.

X X X X X X X X

FCC ACTION

The Federal Communications Commission en banc has taken the following action on June 13th:

KSRO, Santa Rosa, Cal., granted consent to voluntary assignment of license of Station KSRO, from Ruth W. Finley, Executrix of the estate of E. L. Finley to Ruth W. Finley, individually; KPPC, Pasadena Presbyterian Church, Pasadena, Cal., granted modification of license to change hours of operation from 5-KFXM to specified hours; KROD, Dorrance D. Roderick, El Paso, Texas, granted renewal of license for station KROD, together with power of attorney to T. E. Roderick and Olga B. Roderick, to administer the affairs of Dorrance D. Roderick in connection with this station; WWPG, Palm Beach, Fla., granted consent to relinquishment of control of Palm Beach Broadcasting Corp., licensee of Station WWPG, by Charles E. Davis, through the sale of 125 shares of common stock to Ajax Corp. for the sum of \$12,500 in cash, and \$17,500 plus accrued interest from date of agreement to date of transfer, for a 50% interest in a \$35,000 mortgage secured by the physical assets of the licensee; KWBU, Corpus Christi, Texas, granted consent to assignment of construction permit for Station KWBU, from Baylor University and Carr P. Collins to Century Broadcasting Co., newly organized corporation.

X X X X X X X X

::: \_\_\_\_\_ :::  
 ::: TRADE NOTES :::  
 ::: \_\_\_\_\_ :::

There is a revival of the rumor that Chairman Fly of the Federal Communications Commission will resign soon, now that the Wheeler-White bill to reorganize the Commission has apparently been shelved and the 1945 budget has been settled.

-----

J. Leonard Reinsch, Director of Stations WSB, Atlanta, WIOD, Miami, and WHIO, Dayton, all owned by former Gov. James M. Cox of Ohio, has been appointed Radio Director of the Democratic National Committee.

-----

Neville Miller passes out of the radio picture for the time being at least in accepting what was considered more or less of a political appointment - Senior Deputy Chief of the Balkan Missions of the United Nations Relief and Rehabilitation Administration with headquarters at Cairo. This organization is headed by former Governor Lehman of New York. Mr. Miller was former Mayor of Louisville, Kentucky.

-----

R. C. A. Communications, Inc., announces the restoration of telegraph communication with the liberated areas of Europe with the opening in Rome of its second station, Naples having been the first. According to the announcement, Rome and Naples are the first two American owned communication stations on the European Continent. Until further notice service is restricted to press messages and those destined for military personnel.

-----

The Globe-Democrat Publishing Co., St. Louis, Mo., has asked for a construction permit for a new high frequency (FM) broadcast station to be operated on 44,700 kilocycles with coverage of 13,083 sq. miles amended to specify frequency of 46,300 kilocycles.

-----

It is reported that Lever Brothers are seeking the television sponsorship of the New York City Victory Parade at the conclusion of the war.

-----

Edgar Kobak, Executive Vice-President of the Blue Network, last night embarked on what he described as a "holiday for the imagination" when he covered the subject "Commercial Development of Television in the Next Decade" at a meeting of the Radio Executive Club's Television Seminar.

"In 1922, I delivered a lecture on the development of radio broadcasting in the next ten years - and I was wrong", Mr. Kobak said. "Therefore I am the ideal person to do the same for television"

-----

WNBC, State Broadcasting Corp., Hartford, Conn., has asked to transfer control of licensee corporation from Arde Bulove and Harold A. LaFount to The Yankee Network, Inc., 5000 shares common and 500 shares preferred stock - 100%; also WPEN and WPEN-FM transfer of control of licensee corporation from Arde Bulova to Bulletin Co. (500 shares common stock - 100% (Price \$620,000 in addition to the amount by which assets exceed liabilities but not to exceed \$670,000;

X X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

*Date*

RECEIVED

JUN 22 1944

FRANK E. MULLEN

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

## INDEX TO ISSUE OF JUNE 21, 1944

|                                                               |    |
|---------------------------------------------------------------|----|
| Diamond Emblem For Winterbottom's 30 Years' Service.....      | 1  |
| Petrillo's Hand Seen In Possible Defeat Of Sen. Clark.....    | 3  |
| I. T. & T. And Blue Net Secure Valuable Brazil Rights.....    | 5  |
| Free Speech Fight Forecast With Radio As Target.....          | 6  |
| FCC Still Can Say Thumbs Down On Newspapers, Sez Fly.....     | 7  |
| Dry Cell Battery Industries Urged To Expand Production.....   | 8  |
| Shouse Sees Radio, Press And Films Seeking Television.....    | 9  |
| Sterling, "Radio G-Man", Makes Hit With Press Women.....      | 10 |
| Radio Engineers Seek Changes In WPB Wire Specifications.....  | 11 |
| Dr. Leigh Of FCC To Direct Press Freedom Inquiry.....         | 11 |
| KSTP Wins First Round In Court In Petrillo Strike.....        | 12 |
| Colonial Radio Corporation Is Now Sylvania Subsidiary.....    | 12 |
| U. S. Radio Performs Magnificently - Photos In 4 Hours.....   | 13 |
| Sanabria Denies Tele-Radio Correspondence Course Charges..... | 14 |
| Trade Notes.....                                              | 15 |

June 21, 1944.

## DIAMOND EMBLEM FOR WINTERBOTTOM'S 30 YEARS' SERVICE

Just thirty years ago - William A. Winterbottom walked into the executive offices of the Marconi Wireless Telegraph Co. in New York and sat down at his new desk carrying the title "Commercial Manager" in preparation for the first direct trans-Atlantic wireless service. He had just quit the north Atlantic cable service after 12 years, having decided that the future of communications was in the newer art.

At midday he was invited out to lunch by the Contract Manager. By the time coffee was served the Contract Manager asked him how much he had hit E. J. Nally, the General Manager, for.

"Two hundred dollars a month, and a great opportunity," Mr. Winterbottom replied.

"I'm glad to hear it", said the Contract Manager. "I'll have to get going myself - I'm only making a hundred and fifty!"

On the anniversary of that occasion in 1944, the same Contract Manager - Col. David Sarnoff - President of RCA, on active duty overseas - presented, by proxy, a 30-year diamond service emblem to Mr. Winterbottom, the Vice President and General Manager, and a Director, of R.C.A. Communications, Inc.

Shortly before that there was another history-making occasion at R.C.A. Communications, when Miss Marjorie H. MacInnis was the guest of honor upon completion of 25 years as secretary to Mr. Winterbottom. At the luncheon Miss MacInnis wore a corsage grown by Mr. Winterbottom in his own greenhouse - a multiple orchid with four flowers on one stem, which, according to Ray Hutchens in the June issue of Relay Magazine "is almost as rare as a 25-year secretary".

Mr. Hutchens writes further:

"Mr. Winterbottom, who was born on May 31, 1884, at Liverpool, England, first heard the call of wireless in 1902 while he was a junior operator in the British Post Office at Manchester. He took a half-day off and went to the first commercial radio installation - a ship-to-shore station in the north of England. At that time, only four ships were equipped with wireless, and their working range was only about 250 miles. None were within range. The equipment at the shore station was simple: a large spark coil, condensers, tuning coils, and a giant hand key, but Mr. Winterbottom proved his ability to hold down an operator's job by pumping the hand key as fast as the transmitter would work.

"He was offered \$1 a week. He declined, stating that while he still had faith in the game, he intended to pick it up again when there was more to do and more to be paid for doing it.

"Rubbing his aching arm, he sought out the local cable company offices in Liverpool rather than write the afternoon off as a loss. They were next door to each other; one window read "Western Union", the other, "Commercial Cables". Standing in the doorway between them, he tossed a coin. Western Union lost.

"Commercial Cables sent him to New York, where he arrived in January, 1903. For the following 11 years he worked successively as cable operator, branch manager, solicitor, and director of traffic production.

"Meanwhile he followed the development of wireless. He built and operated his own station - before the days of government licenses - and even had his wife, an ex-telegrapher he had first met while he was working at Manchester, copying the nightly press from 'CC' at Cape Cod, Mass.

"Few cable men shared his confidence in radio; in fact, few shared his knowledge of it, and when he again decided to pick up the wireless game, he visited the Marconi Company and told them it was high time they hired some first-class communications men. He wanted to be on hand when those big stations the J. G. White Engineering Corp. was putting up began operation between New York and London.

"He was taken on the Marconi Company payroll June 1, 1914. He was sent to San Francisco as Division Manager in 1916, reorganized the Alaskan service before it was sold to the Government, and visited Hawaii to open the first radiotelegraph service with Japan.

"In 1919 he was appointed Traffic Manager, and when the newly-formed RCA took over the Marconi Company properties, he continued in the same office. RCAC was organized as the communications subsidiary in 1929, and he was elected Vice President in charge of Communications; he has been Vice-President and General Manager since 1930, and a Director since 1932.

"Mr. Winterbottom lives at Bayside, Long Island. His hobbies are woodworking, growing rare orchids, photography, and sailing his 48-foot cruiser, the 'Randa'. Since the war, the 'Randa' is no longer seen on the Sound; the administration of 52 international radio circuits for the public and other services for the Government leaves little time for a camera or a greenhouse, but he still likes to work with his hands for recreation. He built, for instance, a curved dais for the orchestra at the Bayside Yacht Club, an exacting task few wood-workers would take the pains to do as well."

X X X X X X X X X X

## PETRILLO'S HAND SEEN IN POSSIBLE DEFEAT OF SEN. CLARK

There are those who see the influence of James C. Petrillo, head of the American Federation of Musicians, in what appears to be the defeat of Senator D. Worth Clark (D), of Idaho, a member of the Senate, Committee having to do with radio and communications, in the latter's race for senatorial renomination in Idaho's primary election.

At this writing, Glen H. Taylor, one-time cowpuncher and later a radio entertainer, was leading Senator Clark by 196 votes. Returns from 815 of the State's 845 precincts give Taylor, whose programs are heard over KSEI, Pocatello, 10,702 votes to 10,506 for Clark. It was such a close race that it took a week for these returns to come in and it may be another week before the official count is made and Senator Clark knows definitely whether he is in or out.

Senator Clark who himself recently purchased an interest in Station KJBS in San Francisco, aroused the ire of Mr. Petrillo several years ago by championing the broadcasters when the A.F.M. czar ordered the making of records stopped. In an effort to force Petrillo to raise the ban, Senator Clark on September 14, 1942, heading an Interstate Commerce subcommittee, began an investigation of the entire situation. Principal witnesses then were Elmer Davis, Director of the Office of War Information, James L. Fly of the Federal Communications Commission, and others. Following their testimony, Senator Clark introduced a resolution calling for a full investigation and it was adopted by the Senate without objection.

Senator Clark, however, did not press the matter further until January 12, 1943, when he called Mr. Petrillo before his committee for a show-down. It was one of the comparatively few public appearances of Petrillo in Washington. He has repeatedly defied the War Labor Board and other governmental agencies but apparently was afraid to ignore the senatorial call to the woodshed. He appeared but apparently was annoyed and fought constantly the entire two days he was on the witness stand.

It was at this hearing that Petrillo, under the sharp cross-examination of Senator Tobey (R), of New Hampshire, made the famous admission about his "pancake turner" demands, which Ralph L. Atlas of WJJD in Chicago, is now putting up such a hot fight on.

The exchange between the Senator and the music union leader was as follows:

Senator Tobey. I could not put the record on myself.

Mr. Petrillo. No, sir.

Senator Tobey. I would have to have a separate employee, a pancake turner, they call them, and pay him from \$45 to \$90 to do that job; is that correct?

Mr. Petrillo. That is correct.

Senator Tobey. Now how far does that theory go in the operation of union labor?

Mr. Petrillo. Well, I can only say this to you. In Chicago I happened to negotiate the contract myself and when I made the demands for the pancake turners, there was no opposition to it. They gave them to me, so I took them.

Senator Tobey. Well now, if it is a good thing for Chicago, why is it not a good thing everywhere else in the country?

Mr. Petrillo. Well, all of the unions are not powerful enough to make those demands, Senator. I probably would have dropped it myself if they said "You will have to call a strike, because I am not going to give you the pancake turners." But, as I said, I put it in there and they gave it to me, and I couldn't turn it down.

Senator Tobey. But the principle you believe in. You believe in the principle regardless. It all depends on the size and power of the labor union.

Mr. Petrillo. Oh, yes.

At the time this admission was greeted by a big laugh but later when Mr. Petrillo evidently realized that his foot had slipped and that he had made a damaging statement, his anger began to mount and it was said that he blamed Senator Clark personally as the prime mover in the investigation which caused him to be dragged down to Washington. Since then Senator Clark has threatened several times to call Petrillo back for another grilling, the last time being shortly before the Idaho primaries.

Senator Tobey is up for re-election this Fall and it will be interesting to see if he suffers any unusual opposition as the result of his gilling the labor leader on the witness stand. Senator Vandenberg (R), of Michigan, has also been making it pretty hot for Mr. Petrillo for forcing the High School musicians in Michigan off the air. However, Mr. Vandenberg is not up for election for several years to come.

On the front page of the Washington Star last Sunday, June 18th, and no doubt seen by most everyone in official Washington, was a cartoon dealing with Petrillo by Berryman, captioned "Midsummer Night's Dream by Sewell Avery." It was a takeoff on the picture of Mr. Avery being carried out of Montgomery Ward. Instead it was Petrillo being carried out of the American Federation of Musicians. One soldier was tooting a bugle and another was beating a drum. They were being led by Attorney General Biddle in the role of drum-major. An inset showed Mr. Avery in bed laughing and apparently enjoying thoroughly the dream.

X X X X X X X X X

## I.T. &amp; T. AND BLUE NET SECURE VALUABLE BRAZIL RIGHTS

Within a few days of each other came the news that the International Telephone and Telegraph Corporation and the Blue Network had obtained important concessions in Brazil in their respective fields. President Getulio Vargas, of Brazil, has promulgated a decree under which the capitals of all states and territories of Brazil will be linked together into a comprehensive radiotelephone network. Existing internal radio and wire lines are to be supplemented by a new radiotelephone system, built and operated by Companhia do Brasil, an I. T. & T. subsidiary.

An agreement has just been signed between the Blue Network and a group of radio stations owned by A. J. Byington, Jr., in Brazil for an interchange of both sustaining and commercial programs. This arrangement marks the Blue Net's entry into the international field.

Speaking of the new Brazilian affiliation, Edward J. Noble, Chairman, said:

"After careful consideration and study of the many important factors involved, the Blue Network has decided to expand its service into the international field.

"Through the interchange of properly selected programs, it is our aim to build a better understanding between the peoples of the United States and foreign countries.

"Brazil, as the traditional Ally and friend of the United States, and the largest and one of the most progressive countries in South America, with a population in excess of 45,000,000, was selected to join with us in the inauguration of this enterprise."

After the inaugural period of operation between the Blue Network and Brazil, studies will be completed with a view to making similar arrangements with radio stations in other foreign countries.

Announcement of the I. T. & T.'s expansion program was made as follows:

"Companhia Radio Internacional do Brasil operates international radiotelephone and telegraph service from Rio de Janeiro to Europe and the United States and to other countries throughout South America. C.R.I.B. recently has built radio stations for this purpose in seven of the state capitals of Brazil, and plans to put stations in all of the other Brazilian state capitals.

"Since Brazil has no connections between the central sections of the country around Rio de Janeiro, Sao Paulo and Santos by land wire telephone to the south, north and west areas of the Republic, the decree of President Vargas will permit these international stations of C.R.I.B. to supply internal radiotelephone connections between the various sections of Brazil and all of the state capitals when the network has been built by C.R.I.B.

"Operation of the C.R.I.B. system then will be permitted for domestic transmission by radiotelephone but not by domestic radiotelegraph, that operation being limited to its international service."

X X X X X X X X

### FREE SPEECH FIGHT FORECAST WITH RADIO AS TARGET

A further indication that radio would be a live topic of discussion at the forthcoming national conventions and maybe be included in the platform resolutions, was former Democratic Rep. John J. O'Connor, of New York, breaking loose at the American Democratic National Committee meeting in Chicago with the charge that the U.S. was about to witness an unprecedented onslaught on free speech during the coming campaign.

Mr. O'Connor, who once was on President Roosevelt's "purge" list and as a result failed of re-election, charged that a free press "has had a better chance of surviving than free speech via radio because the Government has more direct control over the operation of radio through the legislative power to license and regulate the use of the air for the purpose of broadcasting."

The speaker told the meeting of anti-fourth term Democrats that "this Fascist control of our airways has been going on at least since 1938."

In 1938, he said, he brought to the floor of the House a resolution calling for an investigation of "the monopoly in radio". This resolution, he said, had been prepared by a presidential advisor and introduced by him at the request of the President. Later, he added, "the President made peace with those in control of radio and his 'rubber stamps in Congress' killed the resolution."

Former Representative O'Connor cited time given Earl Browder, head of the Communist Political Association, on a National Broadcasting hookup to make "the opening keynote speech for the fourth term." He said the American Democratic National Committee asked for equal time to answer Browder.

"Not hearing from National Broadcasting Company for about three weeks, we again presented our request," he said, "to their head office in New York. They then designed to acknowledge our letter from their Washington office - first demanding that we satisfy their examination of our membership and purpose - which, if satisfactory to them, might induce them to consider giving us an opportunity to answer Mr. Browder.

"Do you want to make a bet on the outcome? What the final decision will be after our correspondence has passed from Mr. Sarnoff's company through Mr. Fly, James C. Fly, Chairman of the Federal Communications Commission, and then to the White House?

"The Republicans can expect the same 'tossing around' - maybe somewhat less crude, but to my own, intimate, personal knowledge, this Fascist control of our air waves has been going on at least since 1938."

X X X X X X X X X

FCC STILL CAN SAY THUMBS DOWN ON NEWSPAPERS, SEZ FLY

Chairman James L. Fly of the Federal Communications Commission, reminded the House FCC investigators yesterday (Tuesday) that the Commission had never reached a conclusion with regard to newspaper ownership of broadcasting stations but in the meantime had adopted a policy to "determine on their merits" in each case the applications of newspapers for a station in a community. In doing this, Mr. Fly said, the FCC took into consideration "the importance of a voiding monopoly of the avenues of communicating fact and opinion to the public" and the desirability of "diversification of such media".

"The question as to the authority of the Commission to issue a general rule on newspaper ownership of radio stations remains, then, undetermined and unsettled?" the Chairman was asked.

"Yes", Mr. Fly replied.

The proceeding which led to the general notice issued Jan. 13 was the long investigation conducted by the Commission of newspaper-owned stations to determine whether joint ownership was or was not in the public interest. The authority of the Commission to conduct the inquiry, which was undertaken at the request of President Roosevelt, was contested throughout the public hearings but upheld, with limitations on its scope, by the United States Court of Appeals, leaving open the question of its legal right under the 1934 Communications Act to exclude from consideration newspaper applicants under a ruling against joint ownership.

Chairman Fly also said that a request of the joint chiefs of staff to take over the FCC's Radio Intelligence Division was "based upon incorrect facts" and a misunderstanding.

Mr. Fly said that he believed military authorities had referred only to military radio intelligence work when they recommended the transfer to President Roosevelt in February, 1943. The transfer was not effected. Mr. Fly pointed out that had the transfer been made, the Army and Navy would have had to answer all complaints of radio interference throughout the nation, make intercepts of foreign radio-telegraph traffic, and conduct a general patrol of the ether to enforce civil regulations.

Had the military desired only to halt the FCC's military radio intelligence work, Mr. Fly said, "all they had to do was to stop asking us for assistance in the military field, since we were doing military intelligence work only at the specific request of the Army and Navy."

X X X X X X X X X

6/21/44

## DRY CELL BATTERY INDUSTRIES URGED TO EXPAND PRODUCTION

"Requirements of the Army and Navy have increased to such an extent that, unless battery production is stepped up immediately and continued at an increasingly high rate, military operations will be seriously handicapped", Charles E. Wilson, WPB Executive Vice Chairman, said. "In addition to military requirements, certain civilian needs must be met to assure support of the war effort. Total essential requirements are so great and so urgent that no time can be lost in waiting for anticipated new facilities for dry cell battery production. Ways and means must be found to obtain the immediate increase with existing facilities."

Mr. Wilson expressed confidence that the dry cell battery industry, which in the face of many difficulties has already increased production far beyond the prewar rate, will bring all its ingenuity to bear upon the present difficult situation. He assured the industry that WPB will render all possible assistance to each member of the industry in obtaining equipment, material, or labor, in working out wage incentive plans, or in solving any other individual production problem.

Army and Navy representatives, estimating that military requirements exceed production of batteries for military purposes by 30 percent, stressed the importance of increasing the supply. Dry cell batteries, produced in sufficient quantities for communications and other military equipment for ground, sea, and air operations, not only assure the success of those operations, but also reduce casualties, they said.

William Y. Elliott, Vice Chairman for Civilian Requirements, WPB, said, "the Office of Civilian Requirements recognizes the prime importance of meeting military battery requirements and will not press any claims for civilian production that might interfere with the military battery program for 'walkie-talkie' and urgently needed Signal Corps equipment." He urged, however, that particular efforts be made to take care of as many civilian requirements as possible. He mentioned in particular the importance of supplying enough hearing aid batteries for war workers and other civilians in essential occupations, and stressed especially the essentiality of farm radio batteries and flashlight batteries, now under tighter controls.

Other WPB representatives outlined the general battery situation. Present and anticipated production does not meet the carefully screened requirements of the claimants - Army, Navy, OCR, Foreign Economic Administration, War Shipping Administration, Maritime Commission - and the demand for special industrial applications, they said. Requirements for all types of military batteries, farm radio batteries, and hearing aid batteries are particularly difficult to meet. During the next three months, increases in one type of battery can be made only at the expense of other types.

6/21/44

Though farm radio batteries compete with military batteries for production facilities, every effort is being made to increase the supply, WPB representatives said. Most of the limited quantity of flashlight batteries that can be made will go to war plants, public utilities, farmers, and other users of importance to the war effort. Only a few will be available for general consumption. Production of multiple cell #6 ("hot shot") and lantern batteries is not expected to present great difficulties.

Battery manufacturers fall into two classes, those who are qualified to produce military and the more difficult types of civilian batteries, and those who have not qualified for such production, WPB representatives said. Manufacturers who are not now producing military batteries will be aided in entering that field by WPB.

Definite steps have been taken by WPB to assure speedy action in rendering assistance to manufacturers, Stanley B. Adams, Director, Consumers Durable Goods Division, said. To enable manufacturers to obtain as much assistance as possible through the WPB regional offices and to save them the necessity of coming to Washington, one man has been assigned to each of four regional offices in Chicago, New York, St. Louis, and Cleveland, to handle battery problems. These offices cover the four regions in which most of the battery plants are located, Mr. Adams said.

X X X X X X X X X X

#### SHOUSE SEES RADIO, PRESS AND FILMS SEEKING TELEVISION

There may be a three-sided fight between radio, the newspaper and the motion pictures for possession of television, James D. Shouse, Vice-President of the Crosley Radio Corporation in charge of broadcasting, told the Radio Executives Club at its television seminar.

According to Mr. Shouse, the receiving set manufacturers will be sitting on the sidelines and the Federal Communications Commission will be umpiring the scrap.

Predicting that television will develop much more rapidly than was expected up to two or three months ago, Mr. Shouse said that up to that time FM apparently had had precedence. He expressed the opinion that a great deal of FM's preferential consideration has arisen out of the general problem of allocation, adding that he could not understand why "the mere fact of being able to do approximately the same thing in a somewhat different way represented an impelling reason to induce a replacement of one form of broadcasting for another."

X X X X X X X X X X

## STERLING, "RADIO G MAN", MAKES HIT WITH PRESS WOMEN

Notwithstanding that Mrs. Roosevelt was present as a counter-attraction, George E. Sterling, Chief of the Radio Intelligence Division of the Federal Communications Commission, went over big at the Women's Press Club luncheon last week. Of the occasion Eileen Etten writes in the Washington Times-Herald:

"There's a saying in journalistic circles that the women of the press here in the Nation's Capital are the most cynical and hardest to please of all writers.

"So, when a man tosses aside his fears of a critical woman audience, addresses the National Women's Press Club and is called 'the hit of the evening', he's got personality plus a lot of other things.

"In the case of George E Sterling a lot of other things include imagination, intelligence, a flair for story telling, and a thorough knowledge of his work and its place in modern times.

"Also present was a goodly dash of courage when the personable Chief of the Radio Intelligence Division of the Federal Communications Commission addressed the women at their club's inaugural dinner last week and almost brought down the rafters with applause.

"Of course Sterling, who's frequently called 'the chief G-man of the air ways', since the division he heads guards America against radio espionage and other illegal operations, isn't afraid of the novel.

"As a school boy back home in Maine, he and a friend built a wireless telegraphy set before radio was invented. At the age of 14 in 1908, when radio was a bawling baby, he established an amateur radio station.

"Appropriately enough, since he comes from a long line of sea-faring people, Sterling spent some time at sea as a radio operator.

"He now has had over 20 years' experience in the enforcement of radio laws, regulations and treaties, having been with the Federal Government since 1923.

"The two years that he's been Chief of the Radio Intelligence Division have held plenty of thrills like catching the staff of the Germany Embassy in their attempt at radio communication with the homeland after war was declared, and catching German spies in South America.

"Sterling's a commuter to Washington since he, his wife, and two daughters live near Baltimore. He's the author of the 'Radio Manual', and in peacetime an enthusiastic amateur radio operator on his own amateur station W3DF."

X X X X X X X X X

## RADIO ENGINEERS SEEK CHANGES IN WPB WIRE SPECIFICATIONS

The Molybdenum and Tungsten Wire and Rod Industry Advisory Committee at a meeting in Washington this past week discussed problems of wire straightness, tolerances on radio component parts, tensile strength and inspection methods of wires and rods, the War Production Board reported last Saturday.

At the joint meeting, radio engineers and wire rod producers explained their difficulties in forming with the various specifications of the radio industry, WPB reported. Radio engineers said the tolerances set up by the Army and Navy for tungsten components are too narrow for efficient production, an opinion that was shared by tube manufacturers, WPB said. The radio engineers will discuss these problems in the near future with Army and Navy representatives and with their own firms in an effort to widen the critical tolerances.

In discussing straightness problems, it was brought out at the meeting that several degrees of wire straightness are required, and an effort should be made to so inform tungsten producers receiving the various orders whenever special straightness is necessary.

No particular uniformity exists in the inspection methods of ground seal rod, committee members said. Repeated inspections usually reveal additional material to be rejected, one radio engineer pointed out. The general practice of the tube industry, he said, is to accept material from wire and rod manufacturers, which they, in turn, inspect and cull. The procedure of returning complete shipments on the basis of spot inspections was reported not to be a general practice.

A discussion on the methods of testing stretch in molybdenum wire indicated a more or less uniform procedure, the committee told WPB. No answer was given to the request of the tungsten producers to set a minimum stretch figure. Present stretch requirements are set too high, producers indicated, according to WPB.

X X X X X X X X

## DR. LEIGH OF FCC TO DIRECT PRESS FREEDOM INQUIRY

Dr. Robert D. Leigh, who since 1942 has been in charge of the Federal Communication's Foreign Broadcast Intelligence Service, has resigned, effective July 15th, to take over the direction of the University of Chicago's inquiry into the freedom of the press. His headquarters will be in New York City. Dr. Leigh will be succeeded by Dr. Charles Hyneman, who is now with the United Nations Relief and Rehabilitation Administration.

Dr. Leigh, who was born in Wilson, Neb. in 1890, was formerly President of Bennington College, a member of the staff of the Institute for Advanced Study, Princeton University, and Acting Dean of Barnard College at Columbia University.

X X X X X X X X X X

## KSTP WINS FIRST ROUND IN COURT IN PETRILLO STRIKE

District Judge Paul W. Guilford, in Minneapolis, last Saturday issued a temporary restraining order resulting in the postponement for a week of a meeting called by the Minneapolis Musicians' Association to determine whether the Union should withdraw musical services from Station KSTP in Minneapolis. The order enjoined the Union from conducting the meeting called for Saturday or any other meeting "in which any vote shall be taken ordering musical services shall be withheld from KSTP."

The Court order also restrains the Union from "in any manner violating the terms and conditions of the directive order of the War Labor Board or doing anything which would create a work stoppage in the Minneapolis studios." The order continues effective until 9:30 A.M. next Friday when Union representatives must appear before Judge Guilford to show cause why the order would not be continued in force until the Regional War Labor Board hands down its decision in the controversy.

On June 5th, the Union musicians employed in the KSTP Minneapolis studios, participated in Government conducted election, eight voting against strike, six voting for strike, and two not voting.

X X X X X X X X

## COLONIAL RADIO CORPORATION IS NOW SYLVANIA SUBSIDIARY

Purchase has been completed of the capital stock of Colonial Radio Corporation, of Buffalo, by Sylvania Electric Products, Inc. Colonial, as a wholly owned Sylvania subsidiary, will retain its own identity. Allen H. Gardner will continue as President of Colonial. No changes are contemplated in any of the executive or administrative personnel of Colonial.

Since 1931 Colonial has been a manufacturer of radio receivers principally for Sears, Roebuck & Company and leading automobile manufacturers. It is expected that the Company will continue to operate in these markets.

Colonial's 1943 volume of \$56,000,000 was made up entirely of radio equipment for the armed services.

X X X X X X X X

Peter Ayles, representative of the Canadian Broadcasting Corporation, while attending International General Electric's broadcasters' conference, announced that two 50-kilowatt short-wave transmitters are being installed in New Brunswick, Canada, and that this fall programs originating in Montreal, 600 miles away, will be broadcast to South America, Africa, Australia and the Far East in the nation's first venture into overseas broadcasting.

X X X X X X X X X X

6/21/44

## U.S. RADIO PERFORMS MAGNIFICENTLY - PHOTOS IN 4 HOURS

A communications system unrivalled in the annals of warfare is enabling a fully aroused nation to back up America's fighting men on the beachheads of France with all the resources at its command, the War Department jubilates.

Army commanders in the front lines, in England and in the United States are in instantaneous contact through ultra-high speed radio channels that insure perfectly coordinated control of the operations. Information on the progress of our troops at scores of points is flashed in a matter of seconds to General Eisenhower's headquarters in England and on to the War Department in Washington.

"D" day found the U.S. Army Signal Corps ready with a system expanded, streamlined and foolproofed during the years the United States was gathering its full strength for the all-out blow. Radio and landline telephone and telegraph stations were installed at strategic points and equipped with ingenious apparatus designed and refined by the nation's greatest electronics experts. Alternate fallbacks were provided so that if one channel failed, another was ready to fill the gap and guarantee continuous communication.

From the instant the first landing ship shoved off in the English channel for the campaign of liberation, communications control has been maintained without a hitch.

Three weeks before the invasion, Maj. Gen. Harry C. Ingles, Chief Signal Officer, said:

"Success in fast moving war is in direct proportion to the efficiency of the communication system. The United States equipment, methods and personnel are the best in the world."

For the first time in the history of warfare, high commanders in Washington may direct - instantly - the operations of our military forces throughout the world, without the loss of a second's time.

Less than four hours after General Eisenhower's announcement that the invasion of Europe had begun, the first photographs of the operation were given to news picture agencies in Washington for distribution to the public by the War Department Bureau of Public Relations.

It was at 5:22 A.M., EWT, on 6 June that the first picture, showing Infantrymen embarking from England in a landing craft, was received over the radiotelephoto of the Signal Corps Army Communications Service on the fifth floor of The Pentagon. By 7:30 A.M. it had been developed, copies made, and sent to the Pictorial Branch of the Bureau of Public Relations for distribution.

From that time until 11:30 P.M., some 47 radiotelephotos were received, processed, and released. This represented pictorial coverage from the embarkation to the landing. The first picture of Allied Forces landing on French soil, an aerial reconnaissance shot, was handed to picture agency representatives at 11:30 P.M., 6 June.

X X X X X X X X

#### SANABRIA DENIES TELE-RADIO CORRESPONDENCE COURSE CHARGES

American Television Laboratories, Inc., 433 East Erie St., Chicago, and its President, Ulises A. Sanabria, have filed with the Federal Trade Commission a joint answer denying allegations of misrepresentation in connection with the sale of correspondence courses in television and radio.

The complaint charged that, contrary to the respondents' representations, their so-called "free" course in television is offered only to enroll students who will pay for the regular tuition course and that their school is operated for no other purpose than to make a profit, and regardless of any incidental benefit to the student, industry or the Government.

The answer asserts that the respondent corporation should not be properly called a correspondence school since less than 4 percent of its revenue is derived from its correspondence division and its activities are devoted almost entirely to manufacturing and to giving residence training in electronics in its laboratories. The facilities and teaching personnel of the residence school, the answer alleges, were sufficiently outstanding to attract the attention of the Sixth Service Command which contracted with the respondents for the training of more than 5,000 radar men for the U.S. Army Signal Corps at a tuition cost of \$200 per man. The respondents aver that the course was used by the Army as a yard stick to determine whether the school was capable of giving "the high level of engineering training necessary for the national emergency." The answer says that the school was commended by the commanding general of the area for "a satisfactory performance".

At numerous times, the answer continues, the respondent's school provided free training in its laboratories for men and women for all branches of the armed services without hope of any profit whatsoever.

In reply to other allegations of misrepresentation the respondents assert that their school does qualify students for positions, but does not guarantee them jobs, and that they do offer engineering courses as the term "engineering courses" is generally understood.

The answer further asserts that with but few exceptions all students taking laboratory training were personally instructed by the respondent Sanabria and given lectures by Dr. Lee DeForest.

X X X X X X X X

6/21/44

---  
:::                    :::  
::: TRADE NOTES    :::  
:::                    :::  
---

The Federal Communications Commission Tuesday granted the American Telephone and Telegraph Company experimental licenses for two Class 2 radio stations, one to be located in New York and the other in Boston for the purpose of testing out the possibilities of relaying telephone, telegraph, FM and television in the ultra-high frequencies.

-----  
Representative Clarence F. Lea (D), of California, Chairman of the House Committee investigating the Federal Communications Commission, has just received the official count showing that he has won the Republican nomination for re-election, which insures his return to Congress next Fall, as Mr. Lea on May 16th won the Democratic nomination. For 12 terms, Representative Lea, who is 70 years old, has been the candidate for both parties. In 1942 he was returned to office by a 29,000 majority.

-----  
Addition of twelve new members brings the membership of the Radio Manufacturers' Association to a peak record of 210 companies, the largest since the RMA pre-war trade shows.

-----  
The July issue of the Reader's Digest will contain an article "The Irrepressible Gene McDonald", written by William F. McDermott and reprinted from Forbes Magazine.

-----  
With favorable flying conditions, television set owners in New York, Schenectady and Philadelphia should witness scenes at the opening of the Republican National Convention ten or twelve hours after the delegates are called to order in the Chicago Stadium, according to plans of C. L. Menser, NBC Vice President in Charge of Programs.

NBC also plans to telecast the keynote address by Governor Earl Warren at approximately the hour it is delivered at the Stadium. This will be done by filming the key noter several days before the convention opens.

-----  
General Electric News Bureau has just sent out a pamphlet entitled "Television at WRGB" (Publication No. GEB-146) describing the workings of G.E.'s television station at Schenectady.

-----  
Writes the Editor of Sylvania News:

"It is unfortunate that the actions of a relatively few dealers in charging unreasonable prices, made it necessary for OPA to issue the regulation setting a price ceiling on radio tubes. Obviously the real solution to this problem is to provide more tubes. More tubes would automatically eliminate 'black markets.'"

Television receivers for the postwar home head the list of products the American family hopes to purchase after peace comes, Arthur T. Roth, Executive Vice President of the Franklin Square National Bank of Nassau County, N. Y., declared Monday night.

He drew this conclusion from the results of a savings plan put into effect by his bank whereby residents of his Long Island community of 10,000 residents deposit a certain sum each week in accounts earmarked for specific purchases after the war.

-----  
 Arthur Daniel Lord, 68, retired broker and President of the DeForest Radio Co., died last week of a heart ailment at the Brick Church Railroad Station, East Orange, N.J.

-----  
 The Frequency Modulation Bulletin issued by FM Broadcasters Inc., 711 Colorado Building, Washington 5, D. C., formerly mimeographed, is now printed. The June 9th issue said:

"Because of the wartime equipment 'freeze', growth of the static-free, full-fidelity system must be measured largely by applications for FM stations. These arrive at the Federal Communications Commission daily. The map, as of June 1, spots 154 applicants. The list on page 4, compiled later, contains 163.

"Estimates reveal that these applicants will spend \$10,000,000 for broadcast equipment alone. Set manufacturers predict 20,000,000 receivers in the hands of listeners within four years after the war."

-----  
 Executive Vice Chairman Charles E. Wilson of the War Production Board, has written President Roosevelt asking leave to return to the presidency of the General Electric Company, it was learned yesterday (Tuesday). Mr. Wilson submitted a resignation late last year, but agreed to defer putting it into effect at the request of the President to supervise the production preparations for the liberation drive into France.

-----  
 The United Automobile Workers (CIO) has petitioned the Federal Communications Commission to revoke the license of Station WHKC, Columbus, Ohio, on the ground of unfair censorship. The Union charged that although it paid full rates for time on the air, it was forbidden by the station to solicit new members or to discuss race, religion, politics or any controversial issue in its broadcasts.

-----  
 Drew Pearson had this paragraph about ex-Senator Clarence Dill of Washington, co-author of the original Communications Act:

"When ex-Senator Dill ran for Governor of Washington in 1940, he was so confident of victory that, when he filled out his autobiographical sketch for 'Who's Who, 1942-43' edition, he put himself down as 'Governor'.

"He was defeated. Nevertheless, 'Who's Who,' Vol. 22, p. 683, lists 'Clarence C. Dill, Governor'. Later it states: 'elected Gov. State of Washington, 1940'.

Maybe he was not superstitious and didn't think it was bad luck to count his chickens before they were hatched."

X X X X X X X X

JUL 7 1944

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING CO.  
GENERAL LIBRARY  
30 ROCKEFELLER PL.

RECEIVED  
JUL 20 1944  
FRANK E. MULLEN

INDEX TO ISSUE OF JUNE 28, 1944.

Press Loses Heavy Hitting Friend When Craven Quits FCC.....1

Radio Tubes Are Also Scarce In Brazil.....2

Tam Craven Decorated With Order Of The Pink Sarong.....3

Radio Manufacturers Blue Print Reconversion Plan.....5

Television Takes Its Place Alongside Radio At Chicago.....7

Civilian Radio Supplies Increase Unlikely Soon.....8

Lightning Strikes Gene McDonald In Two Magazines At Once.....9

Better Dry Farm Radio Battery Seen By Fall.....11

New RCA Time Saver Revolutionizes Penicillin Production.....12

Better Mica In Radio Tubes May Bring Higher Prices.....13

Schuettes Junior Celebrate Their Elders' Silver Wedding.....13

Republicans Go To Bat For Free Radio And New Radio Law.....14

OPA Swoops Down On N.Y. Radio Set Black Market.....14

Trade Notes.....15

No. 1636

June 28, 1944

## PRESS LOSES HEAVY HITTING FRIEND WHEN CRAVEN QUILTS FCC

When T.A.M. Craven kisses the boys good-bye within the next day or two - June 30th to be exact - the newspapers will lose the best friend they ever had at the Federal Communications Commission and the one who, aided by Commissioner Norman S. Case, probably saved them from getting the axe. If it hadn't been for the courageous fight Tam Craven put up - which in the opinion of this writer might have cost him his reappointment had he sought it - the newspapers would be in a far different position than they are at present. And judging from the admission made by Chairman James L. Fly to the House investigators, even now the newspapers are on none too solid ground notwithstanding the fact the election is just around the corner. Mr. Fly tried to dodge the issue but finally admitted the question of policy with regard to licensing of newspaper-owned stations still remained unsettled and undecided.

Commissioner Craven fought Chairman Fly - and it is believed indirectly President Roosevelt - to a standstill, and maybe that accounts for the best offer for his services coming from the Cowles Brothers, pioneer newspaper publishers, who duplicated this great success in the magazine field and now are developing their radio properties extensively. The Cowles brothers, in outbidding others for whom Gardner Cowles, Jr. recently said he thought was "about the best technical man in the industry" may also have taken that way of showing their appreciation for the service Commissioner Craven has rendered to the press in particular and the broadcasting industry in general.

For let it be remembered that the fight Tam Craven put up for the newspapers was not the only time he kicked over the traces. Here are some other instances:

### 1. Regulation of Chain Broadcasting

Opposed new chain broadcasting rules on grounds that the Commission (a) exceeded its authority; (b) assumed jurisdiction of the Department of Justice and the courts; (c) rules were impractical; (d) creates monopoly instead of fostering competition; (e) disorganizes radio broadcasting; (f) destroys the American concept of a "free radio".

### 2. Television

Opposed original stoppage of television operation on commercial basis on grounds that: (a) Commission interfered with scientific progress; (b) Regimented research to accord with Commission's inexperienced concept of technical development; (c) exceeded authority and jurisdiction.

3. A. T. & T.

Opposed Formal Rate Investigations during the war, because it involved time and expense. Also opposed Commission attempts to establish new concepts of regulatory processes. Suggested rate reductions secured by negotiation between the Commission and company officials.

4. Judicial Procedure

Opposed Commission's judicial hearing procedure on grounds that:  
 (a) it violated the due process guarantee in Bill of Rights;  
 (b) it was unsound mixture of prosecuting and judicial procedures.

5. Investigation Methods

Opposed present method of investigating complaints and of making preliminary inquiries on grounds that it was: (a) Unamerican;  
 (b) backdoor censorship; (c) wasteful of public funds.

6. Abuse of Licensing Power

Opposed using Commission's licensing power in a manner which forces licensees to be subservient to the whims of the Commission. Believes the present Commission's rule of radio constitutes Government control of a medium of free speech and is contrary to American principles of democracy.

7. States Rights

In Kansas Telephone Exchange case, the Commission minority was supported by the Court decision.

No announcement has been made as to the exact duties of Commander Craven in his new work. Gardner Cowles, Jr. recently said there had been a great deal of wild speculation and gross exaggeration of their radio plans. It was learned on excellent authority, however, that the Cowles' interests expect to acquire at least one more important station in the East and when the location of that station has been made known, it is believed another good reason will be seen why they acquired the services of such a man as Tam Craven at this particular time.

X X X X X X X X X X

RADIO TUBES ARE ALSO SCARCE IN BRAZIL

Radio tubes have been scarce in the State of Sao Paulo, Brazil, since the beginning of 1944, the U. S. Commerce Department advises. Until then stocks built up in 1941 and 1942 adequately met the demand. Substitutions and rewirings have only slightly relieved the growing shortage, which threatens to paralyze communications. Prices of tubes have increased as much as 500 to 700 percent since 1940. The number of radio tubes consumed and the number of radios assembled in the years 1939 to 1943 are given in the following table:

| <u>Year</u> | <u>New Radios Assembled</u> | <u>Tubes Consumed in New Radios Assembled</u> | <u>Tubes Consumed in Replacement</u> |
|-------------|-----------------------------|-----------------------------------------------|--------------------------------------|
| 1939        | 30,000                      | 150,000                                       | 80,000                               |
| 1940        | 32,000                      | 160,000                                       | 95,000                               |
| 1941        | 41,286                      | 206,430                                       | 101,752                              |
| 1942        | 30,254                      | 151,270                                       | 102,508                              |
| 1943        | 11,700                      | 58,500                                        | 85,943                               |

X X X X X X X X X X

TAM CRAVEN DECORATED WITH ORDER OF THE PINK SARONG

There will no doubt be the usual cut and dried resolution to Commander T.A.M. Craven from his FCC colleagues when he leaves the Commission Friday, telling him what a great fellow he is and how much they regret his departure (notwithstanding the fact he had kicked most of them all over the place and had made an all-time record for dissenting from their views). That, of course, is a fore-gone conclusion.

However, the real send-off to him was given in response to the following invitation:

The Malay Club presents

T.A.M. Craven

Retiring Member of the FCC

in

Farewell to Arms

Saturday, June 24, 1944, at 9 P.M.

A Last Supper

preceded and followed by convivial spirits (cane, neutral and blended), will be tendered the Commissioner vaguely between 11 P.M. and midnight.

RSVP - Louis G. Caldwell, Caretaker  
2900 Cleveland Avenue, N.W.  
Washington 8, D. C.

Exactly what the Malay Club is seems to be a well-guarded secret except that, located a few blocks from the Shoreham, it is one of the most picturesque and interesting little clubs in the Capital. And on this particular occasion, those high in official life, and flight radio and communications officials and their wives turned out in full force.

Of course when Louis Caldwell, former Chief Counsel for the Federal Communications Commission and at present attorney for WGN, Chicago, and others, has anything to do with the skits, they are always clever. The "Last Supper" was no exception. Mr. Caldwell acted as Chairman, Reed Rollo, as Secretary, and Miss Gladys Hall, of CBS, Washington, who was one of the big hits of the show (because she was so little) as "The Malay Club Shore Patrol". Assisting was a large cast of club members. One of the first laughs came when the Secretary read the following communication:

"Gentlemen:

"On recommendation of the Joint Chiefs of Staff adopted by order of the Board of War Communications, the Federal Communications Commission feels that it has exclusive jurisdiction over the subject-matter of the Last Supper. I decline to state my reasons since they involve considerations of national defense and military security.

J. Lawrence Fly, Chairman

Case and Craven, dissenting."

When the Secretary asked:

"What does one do at a last supper?", the reply was:

"O, you break bread and you drink whiskey. If there isn't enough to go around, why, you have a miracle or take rum. I started out with a fish course. How about some mackerel in the moonlight, Mr. Secretary?

Secretary: I regret to say that the supply was exhausted at the expense of the National Association of Broadcasters.

Chairman: Members of the Malay Club, since we have no fish, what will you have for your Last Supper?

Chorus: We - want - Craven!

Chairman: Go slow, boys and girls, he's fifty years old and a grandfather. He might be a little tough. How'll you have him?

Shore Patrol: I'd like him raw, sir. He's so handsome.

Chairman: Wait a minute, wait a minute. What has this man Craven done to justify being the piece of resistance at this Last Supper?

Secretary: Mr. Chairman, I've looked him up in Who's Who in Langley, Va. His social standing is excellent in the community. He's a member of the Federal Communications Commission.

Chairman; Can you prove that? What's that large volume?

Secretary: Those are the dissenting opinions of Commissioner T.A.M. Craven, according to the last edition of the Commission's minutes. For an engineer, he's a great lawyer. Freedom of speech; due process of law, public interest, convenience and necessity, and all that sort of thing.

Chairman: That may all very well be, but what has that to do with a Last Supper for the Commissioner?

Secretary: You don't understand. The Commissioner is saying "Farewell to Arms".

Chairman: There's nothing unusual about that, is there? Every sailor says farewell to arms every so often, here and there, doesn't he?

Secretary: But this is farewell to all the arms at the Commission.

Chairman: You mean he's going to do leg work instead?

Secretary: No, he's just going to Look --- that magazine run by the Cowles boys out in Des Moines, Ia.

In conclusion the skit ended by the Chairman proclaiming:

"We, the members of the Malay Club, do solemnly proclaim this Last Supper for Commissioner Tunis Algiers Morocco Craven. Commissioner Craven, it is seven years since the President of the United States attempted to pack the Supreme Court and pack the Federal Communications Commission. Now the packing is coming undone and you are leaving. In the name of the Malay Club, I pronounce you an honorary member, and bestow upon you its sacred Order of the Pink Sarong in recognition of your services. You will readily observe the close relationship of the Order with the Farewell to Arms you are about to declare. Cherish this emblem. You are going to have the devil of a time in the next seven years doing as good a job as you have in the last seven, but we know you'll do it."

X X X X X X X X X

#### RADIO MANUFACTURERS BLUE PRINT RECONVERSION PLAN

An initial specific "blueprint" for future industry reconversion is being prepared for official and also industry consideration in a few weeks, following the meeting in Washington last Thursday between officials of the WPB Radio and Radar Division and a special committee of the Radio Manufacturers' Association. Included will be tentative plans for reconversion to civilian production and also for limited production of transmitters, AM and also FM and television.

Any reconversion action will not be effective before 1945. No authorizations for civilian production, except replacement tubes, are in prospect this year. The RMA committee was again told that

the present war program will require all industry facilities during the remainder of this year, and war contracts will be, and are now being, redistributed to keep all companies in utmost war production through 1944.

No agreements or decisions on any reconversion policies were reached in the discussions of the RMA committee with WPB, and no formal recommendations on reconversion plans were submitted by the RMA committee. The many and varied suggestions and opinions from RMA members, received from a questionnaire of the committee, were discussed. These developed a preponderant opinion for using dollar volume of individual manufacturer's sales in 1941 as a base for any future allocations of set production and against use of the number of employees, tubes or other factors for computing allocations. The consensus of RMA opinion also was that there should be no restrictions on models or types of sets in any allocations and no "Victory" set, with manufacturers left free to determine their own models.

Appointment by OPA of a separate industry advisory committee of set manufacturers is planned in a few weeks. OPA is planning development of a standard uniform formula for price ceilings on future civilian sets, a formula applicable to each individual company's costs.

RMA committees last week also began discussions with several government agencies of immediate problems of disposal of surplus materials, conferences being held by the special RMA Industry Reconversion Committee and also the RMA Tube Executive Committee headed by Max F. Balcom, of Sylvania Electric Products, Inc., Chairman, with officials of the Defense Supplies Corporation and also WPB. Involved is an immediate war surplus, due to overbuying, of tubes, some of which may be diverted to civilian replacements.

Surplus tubes and parts which are officially declared as "war" surplus are being handled by the Defense Supplies Corp., while immediate surpluses resulting from contract terminations, until officially declared as "war" surplus are being handled by the Army and Navy and other procurement agencies, assisted by the WPB Radio and Radar Division. Surplus radio sets are to be handled by the Treasury Department and surplus equipment abroad is to be handled by FEA.

A tentative Administration bill, drafted by the Surplus War Property Administrator, W. L. Clayton, was introduced in Congress last Saturday. The legislation is being handled by the Senate Military Committee and there are several similar bills before House Committees, all deferred until after the Congressional recess. The tentative Administration bill includes the following provisions: to afford former owners opportunity to reacquire property taken over by the government, to encourage beneficial trade relations with foreign nations and to develop foreign markets, to dispose of surplus property as promptly as feasible without fostering monopoly or unduly disturbing the national economy, to realize the highest obtainable rate for the government, to afford smaller business concerns and agricultural enterprises generally an opportunity to acquire surplus property on equal terms with larger competitors, and to discourage sales to speculators.

6/28/44

## TELEVISION TAKES ITS PLACE ALONGSIDE RADIO AT CHICAGO

Following carefully laid plans, a battery of film cameras recorded scenes at the Republican Convention this week in Chicago for the television audiences of New York, Philadelphia, Albany and Schenectady. Supplying these large and important areas with this visual service would be considered a progressive step in itself, but with Governor Dewey of New York an outstanding presidential possibility, the pioneering move becomes of far greater importance.

Beginning at noon Monday, planes began carrying films to LaGuardia Field in New York, and from there to the projection room of NBC's studio in Radio City. WNBT, located on the Empire State tower in New York, acted as the basic transmitter feeding WPTZ, Philadelphia, by means of a radio relay link in South Jersey, and WRGB, Schenectady, by direct signal into that transmitter, 129 miles away.

Preceding the telecasting of special motion pictures which were shot by four crews in the Chicago Stadium was the premiere of "The Republican Party on Parade". This reel traced the history of the Republican Party, its conventions and its candidates from 1860 to the present. Following a quick sight-seeing "tour" through Chicago, the picture moved on to the personalities of the G.O.P.

A complete television record is being made of the Convention beginning with Governor Dwight H. Green's welcoming address, Governor Warren's keynote speech, former President Hoover's talk and so on. The television films are being produced by RKO-Pathe under the general supervision of C. L. Menser, NBC Vice President in Charge of Programs.

The New York Times has this to say about television at Chicago:

"For the first time the conventions at which the two great parties are to nominate their respective candidates are to be brought into the home - alas, at second-hand twenty-four hours later in the form of motion pictures transmitted by local television stations. Instantaneous, direct transmission is possible by television but the facilities are not available. Nevertheless, cameras will sweep the hall and the platform and present close-ups of fervid orators, and microphones will simultaneously pick up words of damnation and praise. It is too bad that the war has prevented television from expanding, so that only the fortunate possessors of pre-war receiving sets may cock both eyes and ears at the proceedings.

"The end is not yet. If we can disembodify ourselves to the extent of transmitting our voices and our visible selves by wire or the ether, why shouldn't we smell and feel electrically all the way from New York to San Francisco? After all, the telephone was just a crazy notion only seventy years ago.

"And when the great decision is at last reached we shall all shake hands electrically with the successful candidate. What a handshake from fifty million, who will say: 'What a grip! Nothing flabby about that man!'"

The magnetic wire recorder, which has been responsible for some eye-witness broadcasts of World War II, also played a part in coverage of the Republican convention. This machine had been placed at the disposal of NBC by the Armour Research Foundation. The machine is said to be as simple to operate as a portable radio set. Vocal tones are recorded on a moving tape or wire, and when the wire or tape is reversed, the words and sounds recorded on it are reproduced.

X X X X X X X X

#### CIVILIAN RADIO SUPPLIES INCREASE UNLIKELY SOON

Unlike some other war production industries, the radio industry faces increased requirements for the last half of 1944, members of the Electronics Distributors Industry Advisory Committee were told by War Production Board representatives at a meeting last week. As a result, any marked increase in radio and electronic equipment supplies for civilians is unlikely in the near future, WPB representatives said.

Committee members expressed the opinion that the present method of radio receiving set tube distribution was operating reasonably well in view of the fact that military requirements are keeping civilian supplies below demand and that the demand for replacement tubes is higher than in peacetime because no new radio sets have been made since April, 1942. Under the present tube distribution system, which has been in effect since January, tubes are interchanged among manufacturers so that each manufacturer has a stock of all types. The manufacturers then supply each distributor with tubes on a pro-rata system based on the distributors' purchases by tube type in 1941.

Wesley L. Smith, chief of the Components Recovery Section of the Radio and Radar Division, explained to the Committee the operation of the section in channeling idle and excess stocks of electronic components in the hands of contractors or producers back into the war production stream. He urged that prospective sellers or purchasers of stocks named on List B of Priorities Regulation 13, governing sales from inventory of idle and excess materials, be explicit in listing the stocks on the required form WPB-1161. Stocks of electronic equipment not required by the armed services or their contractors later are made available for civilian use under the terms of Priorities Regulation 13, Mr. Smith said.

X X X X X X X X

## LIGHTNING STRIKES GENE McDONALD IN TWO MAGAZINES AT ONCE

It is doubtful if anybody in the radio industry ever received a bigger puff than E. F. McDonald, Jr., President of the Zenith Radio Corporation of Chicago, did in being written up in two national magazines at the same time. It was a ricochet. The original article appears in Forbes magazine for June 15th and is captioned "Gene McDonald Pioneers Again - This time it's in the development of hearing devices to aid the deaf." William F. McDermott is the writer and a large handsome photograph of Commander McDonald adorns the outside cover. (In the absence of Clark Gable, Hollywood scouts please take notice.)

The same article condensed is reprinted in the July Reader's Digest with its poor little circulation of 10,900,000 (9,018,000 in the United States and the rest foreign). This time the article is captioned, "Irrepressible Gene McDonald - All his life this man has astonished people by the use he has made of new experiences."

A portion of the article follows:

"Eugene F. McDonald likes to lean back in his comfortable chair, chat a little about the picturesque mementos of his cruises and explorations which crowd his Chicago office, show off his collection of notorious gangsters' guns, and poke a little fun at the tradition that the way to succeed is to plug away at one thing. Gene McDonald has been an explorer and a carefree yachtsman, has built a big business and hunted tropic isles for buried treasure, has contributed many important inventions to the science of radio, and has been a spectacular adventurer.

"It is characteristic of him that he once absent-mindedly drove his car off Lookout Mountain. It is equally characteristic that he turned the accident to good account. It made him deaf in one ear; that is why he became interested in hearing devices. He recently startled the country by perfecting a new one and putting it on the market at a sensationally low price.

"All his gay and busy 54 years, McDonald has been having new experiences and making use of them. He grew up in Syracuse, New York. The Franklin automobile, famous in its day as the only air-cooled American car, was made in Syracuse. McDonald's first job was as a \$6-a-week Franklin mechanic. He soon advanced to a sales managership. At that time automobiles were sold only for cash. This struck McDonald as preposterous, so in 1910 he left his job and set up the first auto finance corporation with a time-payment plan - then a revolutionary idea. Business skyrocketed, and Gene prospered. Then in 1917 he went off to war, serving in Naval Intelligence on sabotage cases and attaining the rank of Lieutenant-Commander.

"Not long after he returned to civilian life, he wandered into a garage one day and noticed all the mechanics gathered around a radio. He listened with them to a broadcast from KDKA, Pittsburgh,

and immediately began to think of the commercial possibilities of this new thing. Deciding that this was the field for him, he promptly sought out two young men who had turned their kitchen into a laboratory and were making a radio receiving set a day, as well as running an amateur short-wave station '9ZN'.

"How about a partner with cash?" Gene asked them. They agreed. McDonald put up the money and the three men formed a corporation, named Zenith after the ZN call letters. Soon Zenith was turning out receiver sets in quantity. Today a \$33,000,000 corporation which employs more than 5,000 people - all in war work now - it is one of the largest radio manufacturing firms in the world. Before the war it had 20,000 dealers in 97 countries.

"McDonald is prouder of the company's contributions to radio than he is of its financial success. For he and his men have produced a steady series of radio 'firsts' - the first all-metal chassis, the first commercially-produced portable, the first short-wave home receiver, the first radio to operate on a moving train, the first 10-tube commercial set, the first foot control for auto radios, and the first workable automatic tuning 'push-button' system.

"In 1923 McDonald helped found the National Association of Broadcasters, and became its first president. \* \* \* \*

"Later Gene smashed the Government's one-man czardom over radio. He told the then Secretary of Commerce, Herbert Hoover, that he felt the rule of radio by the Secretary was unsound. Hoover welcomed a test case. Zenith began broadcasting on a Canadian wave-length; the Government brought legal action and lost, and as a result a new law setting up a Commission was passed.

"Use of short-wave has always been one of McDonald's chief interests. As far back as 1925 he was determined to persuade the Navy to use short-wave for long-range communication. The brass hats weren't much impressed. That year, McDonald commanded the SS PEARY, bound for the Arctic with the MacMillan-National Geographic research expedition.

"The PEARY stopped at Godhavn, Disco Island, a Danish possession, and asked to refuel. 'Sorry', said the official in charge, 'but I must have authority from the Danish Minister in Washington.'

"I'll get it', said McDonald. He opened up his short-wave set, soon made contact with a 'ham' in Washington, and asked him to run over to the Danish Ministry to get consent to coal the ship. Within an hour the approval had come through.

"His jaunt to the Arctic had other results. Back in Chicago, McDonald began to receive letters from the Greenlanders to whom he had given radios, begging for more batteries or some method of generating power for their machines. McDonald thought about the severe Arctic winds. He wondered if they might have power possibilities.

"He investigated and found that two Iowa farm boys were manufacturing a device whereby a little windmill drove a second-hand Ford generator, and thus charged batteries. McDonald went out to Iowa to see the boys, purchased 51% of their stock, ordered 50,000 chargers, and cut the retail price from \$40 to \$15. The Wincharger Corp. today employs 1,600 people and has supplied more than half a million windchargers to farmers, lumber-jacks, miners and frontiersmen, and recently to our military outposts in such places as the Aleutians. The two Iowa boys are still with McDonald.

"After five years of experimenting, Zenith's engineers came out late in 1943 with their new hearing aid, which has a four-position tone control, a crystal microphone, automatic adjustment, miniature radio tubes, and an improved circuit which extends the life of the batteries."

X X X X X X X X X X

#### BETTER DRY FARM RADIO BATTERY SEEN BY FALL

The reasons for the dry cell battery industry's present inability to supply as many farm radio batteries as are needed by civilians have been outlined in a letter addressed by Stanley B. Adams, Consumers Durable Goods Division, War Production Board, to hardware merchants and other dealers in farm radio batteries, WPB said this week. Mr. Adams added that, while this is the situation as it exists now, it is expected that production will have improved by fall.

"Within the past year, dry cell batteries have become one of the most urgent and critical products in our war production program", Mr. Adams said in the letter. "Military requirements exceed production of batteries by an estimated 30 percent. To meet the most urgent needs for the types of batteries used in war equipment, such as 'walkie-talkies', bouys, submarine detectors, direction finders, 'bazookas', field telephones, and more than fifty other items used in direct military operations, it has been necessary to expand the dry cell battery industry to more than three times its peacetime size.

"The needs of our boys overseas are supplied by the same manufacturers who are capable of producing farm radio batteries", Mr. Adams explained. "Substantial increases in farm radio batteries within the next two or three critical months would seriously affect our military program. What we are attempting to do at present is to hold what production of farm radio batteries we now have.

"We realize that the present production of farm radio batteries is not sufficient to meet the minimum essential needs of civilians. We realize, too, that people who are unable, for lack of batteries, to tune in on important radio messages, may be handicapped in their efforts to participate in vital war programs. Therefore, along with our expansion program in military batteries, WPB is taking steps to expand the production of farm radio batteries where it will not affect military production. You may wonder what is holding up production. It is not material or machines, but workers."

X X X X X X X X X X

## NEW RCA TIME SAVER REVOLUTIONIZES PENICILLIN PRODUCTION

Impelled by recurring demands from American fighting fronts and homefront sickrooms for increased production of the drug penicillin, the Radio Corporation of America Laboratories, and E. R. Squibb & Sons, manufacturing chemists, have developed an electronic system that in 30 minutes completes an operation which requires 24 hours by the conventional system in the bulk-reduction of purified penicillin solution - a time-consuming step in production.

Tests showed that in one day's operation a single RCA electronic apparatus had a potential capacity of concentrating penicillin solutions containing approximately 2,000,000,000 Oxford units. The speed of operation is about 48 times as fast as it is in one of the conventional "freeze-drying" machines. The number of units concentrated in 24 hours in an RCA electronic apparatus corresponds to approximately 20,000 ampuls, each containing 100,000 units - an amount sufficient to treat 4,000 patients requiring 500,000 units each.

The advantages in using radio heat, aside from speeding the process, included:

1. Reduction in operating costs, equivalent to the saving of one ton of dry ice a day, or approximately \$65 every 24 hours.
2. Reduction in maintenance costs through elimination of complicated freezing apparatus and high vacuum pumps.
3. Smoother flow of production, with less chance of shut-downs and other delays due to refrigeration and mechanical difficulties.
4. Reduction in floor space requirements by nearly 10 times, as the RCA equipment takes up about the space of an up-ended office desk.

In addition, the radio frequency equipment represents a large saving in initial investment, as compared with the installations required for concentration by freeze-drying, with single units of the RCA equipment tested at Squibb destined to be sold at about \$6,000 which is several hundred per cent less than some of the present installations in use by the Nation's eighteen producers of penicillin.

X X X X X X X X X X

During the tornado which caused the loss of more than 100 lives in Pennsylvania, West Virginia and Maryland, the tall modern steel radio tower of Station WCAE near Pittsburgh crashed. It was broken into two almost equal parts.

X X X X X X X X X X

## BETTER MICA IN RADIO TUBES MAY BRING HIGHER PRICES

The WPB Raw Mica Fabricating Industry Advisory Committee met twice recently in Washington to discuss possible revisions to Conservation Order M-101 and mica consumption and stocks reported by fabricators, the War Production Board reported last Saturday.

Members of the United Kingdom Radio Components Mission attending an afternoon session discussed with United States representatives methods of obtaining and conserving better qualities of mica, manufacture of block mica into film and standards to be established.

In urging the increased use of #6 mica, R. V. Stovall, of WPB Mica Section, said: "In the recent past, some radio tube manufacturers experienced difficulty in using poorer grades of stained and lower quality mica. Now that the better qualities of grade #6 are in plentiful supply, the radio tube manufacturers may have the advantage of using this mica. However, better quality block mica still brings higher prices and the resultant finished tube parts may be higher priced."

WPB further suggests that condenser manufacturers call attention of their customers to the desirability of using capacitors of low-quality mica in place of paper capacitors. Reversion to such capacitors by prime contractors and the armed services is contemplated. Only one-third of available mica-capacitor facilities are being utilized at present, although the overall demand will increase, WPB said.

X X X X X X X X

## SCHUETTES JUNIOR CELEBRATE THEIR ELDERS' SILVER WEDDING

"The Junior Schuettes and the Askeaton Flowers would like to have you come to a Silver Wedding Anniversary, Saturday, June 24, 1944. Don't tell Mom!"

Thus were friends summoned to Askeaton, the country place in Washington of Oswald F. Schuette of the Radio Corporation of America and Mrs. Schuette for a happy occasion. On some pretext, Mrs. Schuette had been persuaded to visit their adopted daughter, Mrs. Carl A. Castellan in Wilmington, Delaware, and returned home just in time to find a hundred or more friends awaiting her.

The Junior Schuettes - Anne, Patrice, Pat, Jimmy and Billy put on the entire show and did an excellent job of it. Absent only was Ensign Oswald F. Schuette, Jr., U.S.N., formerly of RCA Laboratories, who has been accorded high scholastic honors and later served as an instructor at Yale University.

X X X X X X X X X X

## REPUBLICANS GO TO BAT FOR FREE RADIO AND NEW RADIO LAW

Surely the Republicans couldn't have gone down the line any stronger for the broadcasters and the newspapers than in their platform declaration that:

"In times like these, when whole peoples have found themselves shackled by Governments which denied the truth, or, worse, dealt in half-truths or withheld the facts from the public, it is imperative to the maintenance of a free America that the press and radio be free and that full and complete information be available to Americans. There must be no censorship except to the extent required by war necessity.

"We insistently condemn any tendency to regard the press or the radio as instruments of the Administration and the use of Government publicity agencies for partisan ends. We need a new radio law which will define, in clear and unmistakable language, the role of the Federal Communications Commission.

"All channels of news must be kept open with equality of access to information at the source. If agreement can be achieved with foreign nations to establish the same principles, it will be a valuable contribution to future peace.

"Vital facts must not be withheld.

"We want no more Pearl Harbor reports."

Governor Warren of California, in his keynote speech Monday, also charged the Administration with threatening free radio and free press.

An indication of how radio more and more is streamlining national conventions and the engineers with which candidates seek the widest radio coverage is the fact that if Governor Dewey is nominated today (Wednesda?) and there is time, he will fly from Albany to Chicago so that he can broadcast his speech of acceptance tonight when the largest possible radio audience can be reached.

X X X X X X X X

## OPA SWOOPS DOWN ON N.Y. RADIO SET BLACK MARKET

Daniel P. Woolley, Regional OPA Administrator in New York City is starting to clean up the radio set black market there which has been "assembling ersatz radio sets from surplus parts in the hands of dealers and manufacturers."

Nine concerns, which, according to Mr. Woolley, have done an aggregate annual business of \$1,000,000, are charged with not placing ceiling price or manufacturers' identification tags on the radios they sold. Some of the sets marketed at \$78.50, according to Mr. Woolley, are comparable to sets that have ceiling prices of \$29.

Mr. Woolley added that a common practice of some of the defendants was to buy auto radio sets normally retailing for \$15 to \$20 and convert them into household sets, selling them for as much as \$165.

X X X X X X X X

::: \_\_\_\_\_ :::  
 ::: TRADE NOTES :::  
 ::: \_\_\_\_\_ :::

Lewis Allen Weiss, Vice-President and General Manager of Don Lee Broadcasting System, introduced Louis B. Mayer, head of M-G-M when the latter spoke on a Mutual stations closed circuit address to exhibitors recently. Mr. Mayer endorsed theatre use of radio as an advertising medium.

-----

Palmer Hoyt, formerly of the Office of War Information, publisher of the Portland Oregonian, operator of Station KGW, has been re-elected President of the Oregon Newspaper Publishers' Assn.

-----

Half the fund has been collected for a two-year \$1,000,000 candy industry advertising campaign to be put on by the National Confectioners' Association. It will begin July 8th.

-----

One million "Type X" crystals - for installation in Army Signal Corps equipment - have been completed in record time by employees of RCA Victor's crystal manufacturing department at Camden, N.J. The accomplishment was celebrated in a ceremony carried over the plant's internal broadcasting system when the millionth crystal, in a gold-plated container, was presented to Col. Eugene V. Elder, Commanding officer of the Philadelphia Signal Corps Procurement District.

To meet the tremendous commitments to both the Army and the Navy for radio crystals, RCA's crystal manufacturing department stepped up production 2000 percent since Pearl Harbor.

-----

Lucy Monroe, radio and famous singer of the "Star Spangled Banner", has been appointed Director of Civic Affairs of the Blue Network. Miss Monroe will act as ambassadress of good-will for the Blue, representing the network at meetings, rallies and other events in which radio is playing a vital part.

-----

Frank E. Mullen, Vice-President and General Manager of the National Broadcasting Company, will be among those to lecture in the New York University Summer Radio Workshop which begins July 8th.

-----

Certificates of Appreciation for outstanding contributions to the war effort were presented 4 P.M. Friday, June 23, to Mackay Radio and Telegraph Company, Inc. and The Commercial Cable Company, affiliates of the International Telephone and Telegraph Corporation, by Maj. Gen. Harry C. Ingles, Chief Signal Officer of the United States Army Signal Corps, at the System Headquarters, 67 Broad Street.

The awards were accepted by Haraden Pratt, Vice President and Chief Engineer of Mackay Radio and Telegraph Company, Inc., and Forest L. Henderson, Vice President of The Commercial Cable Company.

-----

Addressing the Capital Negro Press Club of Washington, D.C., Marshall Field said: "Who is covering the negro side of the invasion? There are a good many well established negro magazines. Radio programs directed primarily to negro audiences have mainly a religious and musical content. The shortage of Negro news on the radio is not made up in Negro programs."

