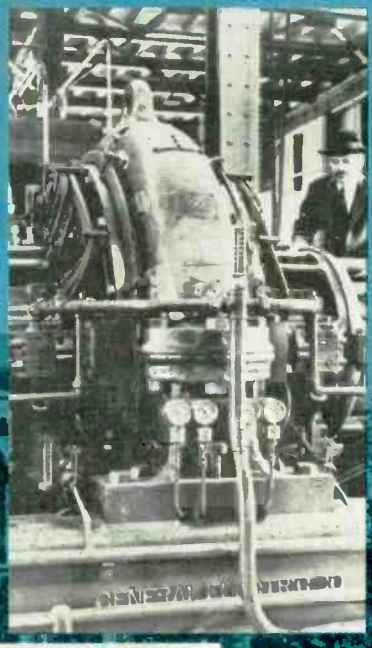
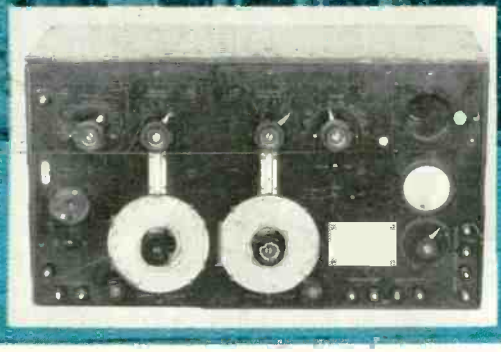
The Smithsonian Institution—Historian of American Progress

SEE COVER EXPLANATION, PAGE 3





TECHNICIAN ENGINEER

AUGUST/SEPTEMBER, 1965

Published for the Employees of the Broadcasting, Recording and Related Industries

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS — AFL-CIO

LANDMARKS OF LABOR NO. 72

Effective Operation of UNITED LABOR POLICY COMMITTEE

1951

In September, 1950, Congress passed the Defense Production Act granting the President power to make allocations and priorities and to make wide changes in credit. An Economic Stabilization Agency was set up under the Act.

Labor thought the Act too inadequate to meet the threat of rising prices and economic changes. The inadequacy of the law led labor — the American Federation of Labor and the Congress of Industrial Organizations — to establish the United Labor Policy Committee. This committee's aim was to assure the Government of the full participation of labor in the war effort at all levels and also to develop a common approach to problems flowing from the mobilization and stabilization programs.

When the Defense Mobilizer issued orders which labor thought grossly unfair, the labor representatives resigned from the stabilization agency and a huge grass-roots meeting was called in Washington. Labor protests led to the formation by President Harry S. Truman of a new National Advisory Board and a reconstitution of the Wage Stabilization Board.

Thus labor, through united action, was able to win strong points in a serious economic crisis. The United Labor Policy Committee, a temporary body, achieved enough to warrant its work at a vital period being a landmark of labor.

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The INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
GORDON M. FREEMAN — International President
JOSEPH D. KEENAN — International Secretary
JEREMIAH P. SULLIVAN — International Treasurer
ALBERT O. HARDY — Editor, Technician-Engineer

TECHNICIAN ENGINEER

VOL. 14, NO. 8

in this issue

the cover

The Smithsonian Institution, which celebrated the 200th anniversary of founder James Smithson's birth in September, continually adds to its rich collection. In the Electrical Division, many of the landmark electronic technical achievements are preserved and studied. On the cover, counterclockwise, from top left are: exact replicas of the 1920 radio equipment which first broadcast news of a presidential election, at Westinghouse's KDKA Pittsburgh; A loose coupler, about 1915; a Navy communications receiver, type SE-1420-B, about 1920, and an Alexanderson alternator, used to provide broadcast power in 1922.

index

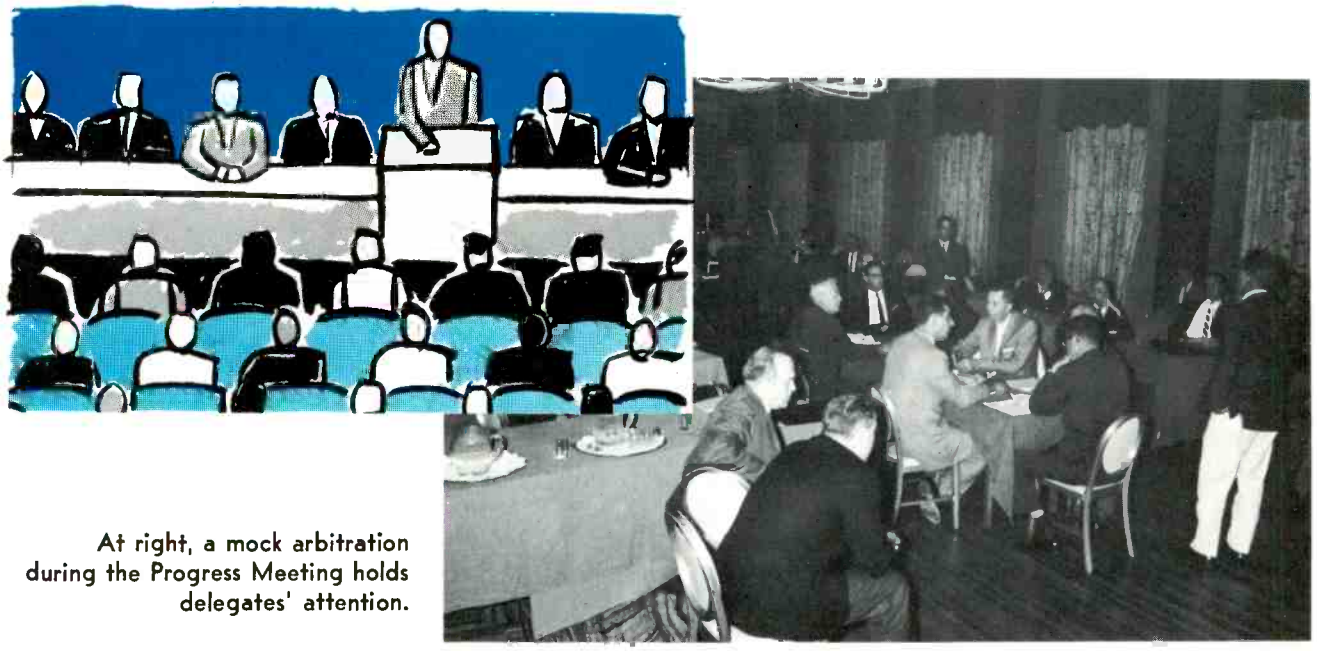
For the benefit of local unions needing such information in negotiations and planning, here are the latest figures for the cost-of-living index, compared with 1964: June, 1965—110.1; June, 1964—108.0: July, 1965—110.2; July, 1964—108.3.

commentary

AS IS OUR CUSTOM, this issue combines those for August and September, and features a report of our Annual Progress Meeting. Unlike our custom, however, the Progress Meeting Report this year is much more extensive and detailed than usual. This created the problem of time, and a much-delayed publication date, since the addresses of the speakers had to be transcribed, and carefully edited. We trust our readers will have found this delay to be worthwhile and that some contribution to their knowledge will have been made, in each of the fields covered by the speakers. Next month we will print the remaining texts—the addresses by Mr. Milton J. Shapp, Chairman of the Board of the Jerrold Corporation, on the subject of CATV, and the one delivered by Mr. Harold Kassens of the Broadcast Bureau of the FCC.

Published monthly by the International Brotherhood of Electrical Workers, AFL-CIO, 1200 Fifteenth St., N.W., Washington, D. C. 20005, for the employees of the broadcasting, recording, and related industries. Second class postage paid at Washington, D. C. Subscription: $2 per year.

14th ANNUAL PROGRESS MEETING: *THE STATE OF THE INDUSTRY TODAY*



At right, a mock arbitration during the Progress Meeting holds delegates' attention.

THE 14th Annual Progress Meeting of the Radio, TV and Recording Division convened at the Hotel Belmont Plaza in New York on August 24, 1965.

At the start of the program, Representative Hardy introduced Business Manager Harry Van Arsdale of Local Union 3. Brother Van Arsdale spoke both as the Business Manager of his Local Union and as the President of the New York City Central Labor Council and the greater part of his address was directed to the latter position. After welcoming the delegates to New York City, he held their close attention by what he said regarding union organization and union activity in the area, and an expression of his personal philosophy in the field of social relationships, the responsibility of union members to each other, and the responsibility of labor unions to their communities.

In turn, Brother Van Arsdale introduced Brother Michael Sampson, Vice President of the Council, who offered a word of greeting and expanded upon the relationships of the unions in the New York area.

President Pat Finn of Local Union No. 1212 next assumed the speakers' stand and, following his personal and official greetings, requested that the delegates stand to observe a minute of prayerful silence. Brother Finn well-expressed the feeling of sorrowful loss when he said that those present would remember and long miss Business Manager O. H. "Doc" Graham of Local Union 253, Birmingham, Alabama, who passed away since the last meeting was held.

International Treasurer Jere P. Sullivan then reviewed some history of organization in the radio field with which he was personally involved, adding some observations of a much more recent date.

He touched upon pending labor legislation, and particularly Section 14b, the difficulties encountered by the IBEW in Mississippi, and the inroads made by automation. He also pointed out (since many of those present were financial secretaries of their local unions) that the International Office is becoming increasingly concerned about not being able to find the proper beneficiaries of the death benefits of deceased members. He said that because of negligence in changing beneficiaries by notice to the EWBA, there are some 130 policies which cannot currently be disposed of, worth a total of $130,000. He said it is such a simple process, which should be repeatedly called to EWBA members' attention, that the members should be sure that the status of their beneficiaries should be reviewed, from time to time, so that the proper payment can be made promptly—and at the time it may be most needed.

The afternoon session began with an address by John Serrao, a Vice President of the Kaiser Broadcasting Corporation, who spoke on the subject of "UHF Television —Its Problems and Its Future." (*See excerpted report, this issue.*) Mr. Serrao answered questions, following

The August meeting in New York gave local delegates a chance to review the status of radio, TV and recording industry labor developments, and hear a number of top-level industry speakers discuss their views on progress in the industry and in labor/management relations

his address, and made a substantial contribution to the knowledge of his questioners and the audience.

Following a short break, Business Manager Leonard Bader of Local Union 1212 described the background of reasoning which had led the local union to prepare and film a membership indoctrination moving picture. Then the film was presented, following which questions and criticisms were solicited. After the general discussion was concluded, the meeting was recessed until the following day, to afford the delegates, their wives and families an opportunity to board chartered buses to the World's Fair.

Local Union 3 arranged for buses from the hotel to the fair grounds, and admission to the Fair. Then, by careful prearrangement, the group met at the Better Living Pavilion for a dinner hosted by Local 3, and a phenomenal view of the nightly fireworks from the penthouse of the Pavilion. Enough cannot be said of the hospitality lavished by the officers and members of Local 3, and a day which almost defies description.

Wednesday's session began with an address by Louis P. Gratz, Director of Labor Relations of Time, Inc. (*See excerpts this issue.*) He was introduced by Business Representative Robert Van Cleave of Local Union No. 292, and Van Cleave was able to speak from personal experience when he described Mr. Gratz as a "tough" negotiator, an honorable gentleman and a reasonable, warm human being.

After a question and answer session, Robert F. Hurleigh, President of the Mutual Broadcasting System spoke to the delegates, on the subject of "Radio and Network Radio." (*See condensed report, this issue.*)

The afternoon session started with a detailed report by International Representative Kenneth D. Cox, who summarized some of the past years' activities of the International Office, and explained and commented upon the various printed data distributed to the delegates at registration time. This was a closed, off-the-record session.

The remainder of the afternoon session consisted of a mock arbitration, with a number of delegates acting as participants—witnesses, grievant, attorneys, etc.—in an arbitration of a grievance arising from a company's refusal to pay for certain work time claimed.

The evening of Wednesday was a gala affair sponsored by Local Union No. 1212, at the Hotel Piccadilly. From the cocktail hour, through the smorgasbord-style dinner and dancing, good fellowship and great hospitality were evident until a rather late hour. During the course of the evening there was a pause in the social activity to afford Business Manager Bader the opportunity to make a scholarship award to Robert Chinn, Jr., a son of a 1212 member. Congratulations were thus made possible by a great many people from all over the country, to the recipient and to his mother and father, who were present.

Thursday morning was marked by the formal address by Harold Kassens, Assistant Chief of the Broadcast Facilities Division, Broadcast Bureau, Federal Communications Commission. As could be expected, Mr. Kassens was not only listened to with great interest, but extensively questioned. He declined to answer two questions, on the basis of his desiring to be fully sure of exactly-correct answers. Hence, he has since advised the I.O., and requested the answers be passed on. The first was, "In keeping a program log, is it essentially necessary that product identification be noted, when the program is taken from a network?" (*Ed. Note:* This particularly refers to the sponsorship of segments of network programs). The answer is, "No. Such identification is supplied by the network logs."

The second question was the result of a local union report that a notice of citation was issued by a Commission Inspector, who indicated to the (licensed) operator that he—the operator—should sign the notice. Mr. Kassens advises that when a notice is issued to the station licensee, as such, the operator is not required to sign it.

Milton J. Shapp, Chairman of the Board, The Jerrold Corporation, addressed the meeting on the subject of CATV. As were all the speakers, Mr. Shapp was asked many questions and he contributed substantial information to all those present.

The final remarks on Thursday afternoon were delivered by the General Counsel of the IBEW, Louis Sherman, and quite a session it was—replete with questions and answers. (*Part of Mr. Sherman's remarks are reported in this issue.*)

The meeting closed with appropriate remarks and informal resolutions expressing the thanks of those attending to Local Union 3, Local Union 1212, and to all those who participated in the arrangements, planning and presentation of the 1965 program. They included Representative Taylor Blair; Bob Van Cleave, Local Union 292; Bill Burtt, Local Union 1225; and Frank Green, Local Union 1200, the members of the 1965 Agenda Committee, and the many officers and members of Local Union 1212 who were always ready to be helpful to the delegates and their families. Very special thanks to Harry Van Arsdale and Al Mackie, of Local Union 3—and on and on. It was a greatly successful meeting, thanks to a great number of people—who can really never be properly thanked. If your local union wasn't represented by a delegate, *it should have been.*

The next meeting will be in St. Louis, Missouri, on September 17 and 18, 1966. This, as is the usual custom, just prior to the International Convention which begins on September 19th, and which marks the 75th anniversary of the founding of the IBEW—in 1891, in St. Louis.

A YEAR OF LABOR LAW

Louis Sherman
General Counsel
IBEW

"you have to take the law into account in almost every one of your moves"

I have had the privilege of being at these meetings over the years, starting with the meeting in Memphis, Tennessee. It is always a pleasure to have the chance to talk to you about the developments in the law during the preceding year.

I would like to make a few general comments about the law and about how our legal problems are handled from the International point of view. It should be obvious to anybody who works in this field, and you—even though you are not, technically, lawyers—have to take the law into account in almost everyone of your moves. The labor law is a field that is surrounded with volume and has a great deal of uncertainty. Even when a decision is made by the National Labor Relations Board, you don't know what the Circuit Court of Appeals is going to do with it, you don't know what the Supreme Court is going to do with it, and after the Supreme Court has decided, you don't know what they will do in the next case.

I don't say that for the purpose of being amusing. The point is that you have to operate and act notwithstanding all the risks and hazards. One thing we have learned is that it is a great deal better to know what you are dealing with even though you can't be certain, than to proceed in a state of blissful ignorance. I think we have also learned the general lesson that it is better to deal with a problem in such a way that the law is with you rather than against you.

I am reminded every time I get into this of the early discussions when Taft-Hartley was adopted. I still remember one conversation I had with a gentleman whose view was that the way to take care of the law was to have a one-day strike, nationwide. In other words, an attitude of opposition to law, as such. A good many people had the idea that labor, which had been generally exempt from regulation during the preceding decades, should not have the problem of dealing with law. Some of us took a different position which was, historically, that as government proceeds it does extend regulation and you must deal with the trend as it emerges, rather than wishfully thinking you could do something else about it. And so we found that after Taft-Hartley got on the books and wasn't repealed, as a matter of fact there was further and more extensive Federal regulation. I refer to the Landrum-Griffin Act, the Pension, Welfare and Disclosure Act and now the Equal Employment Opportunity Act.

I think the IBEW has been one of the organizations that hasn't wasted too much time in empty denunciation. It has tried very hard to find out what it was dealing with, to work out plans and programs for handling these problems; not just accepting what was being thrust upon it by government administrators, but challenging interpretations, taking test cases to the courts and participating most actively in the legislative process for the purpose of seeing that the law was formulated in such a way that it would be more for it than against it.

That has been quite a task and I have had an opportunity to observe the process. I came to the IBEW as General Council in 1947, just shortly after Taft-Hartley was enacted. During that period there has been an effort, with the limited facilities available, to develop an understanding of what is involved, pick out from all the thousands upon thousands of decisions rendered each year those that are most important, and always to try to develop recommendations to handle problems that were thrust upon the organization by the law. That sounds pretty easy—rather academic, but it isn't. It is rather difficult, if you are not faced with such problems, to realize what a burden is placed upon the head of your organization. And as I have seen over a good many years now, he has been willing to really try to master this subject in its detail and understand it, and then to take positions which plain and simply require the exercise of courage. I'll give you a couple of illustrations. The most recent one was in connection with the Equal Employment Opportunity Act. The IBEW, along with other organizations participated in trying to develop a balanced set of regulations by the Secretary of Labor that were applicable to all industry dealing with apprenticeship. Once that was accomplished (and quite a bit was done) there came the question of what to do in terms of informing the locals. I think President Freeman was the only one who was willing to step forward at that time and recommend a detailed program, not generalities and empty words, but a detailed program with detailed steps of what had to be done to come into compliance. The program was recommended not only with respect to the then applicable law but what he saw as the emerging shape of things to come in terms of additional legislation. That was about two years ago. As time has gone on, it has become increasingly evident that it is very nice when the pressures arise to have specifically worked-out program to put into effect. As a matter of fact, at the time he did it, it was thought to be a tremendous advance and now we are having trouble with the industrial commissioner of New York, he doesn't think it is good enough. We are trying to discuss that with him in a good tempered way.

Then there was the problem of the exclusive referral system. The IBEW was the first to come out with the recommendation on the establishment of exclusive referral systems. I think some of you have them. At the time it was done, there was substantial amount of distress and uncertainty. Some of your brother organizations had great doubts as to the legality of such systems and expressed these doubts publicly. The IBEW system went into effect—and served as a tremendous balancing factor for the industries that are concerned. It has proved to be entirely legal. But it is a lot easier talking about it eight years afterward; at the time it was done risks had to be taken and courage had to be displayed. I have been most fortunate in having as a client a man who both understands and has the courage to act when there are risks involved. I suppose some people think that the International is far away. But if they review the basis upon which they operate, in terms of contract clauses and procedures, I think they will find that a good part of their local operations are based upon the thinking, the effort and the ability of the International President and his associates in the International Office.

Now, I would like to discuss the questions of legislation, National Labor Relations Board rulings, recent decisions by the Supreme Court, and then the digests of opinions that have been given to you in connection with this meeting.

Section 14(b) is the big thing, and I think you know what is involved and you have heard the arguments both ways. You know that the House has adopted it, by a narrow vote, but nevertheless it has done so, and in doing so it defied the opinion of a good many pessimists who believed that nothing at all could be done. The Bill is before the Senate Labor Committee. The sub-committee of the Senate Labor Committee recommended favorably with one amendment to take care of

the so-called religious issue problem. The matter is now before the full Committee. I just checked a short while ago to find out what they have been doing about it and they are busily engaged in discussing different amendments. They have not acted as yet but I do have it on fairly reliable authority that the Bill will come up for debate on the floor in the next few weeks. The paper carries the story that a filibuster is envisioned and that although we may have a majority in favor of repeal, that we don't have two-thirds. So, if there is a filibuster and no one can control when it will start, the question will be the relative resolution of both sides as to who is going to wear who out. I am no predictor of what is going to happen in the Senate, but I think it is important that we know there is going to be a fight in the Senate. When there is a fight in the Senate, (and I have been through some of them) it isn't going on only in the Senate, it's going on throughout the whole country. Your national group is meeting in New York but you represent locals from all over the country and you are associated with people from all over the country and I think you ought to be aware of what is going to happen. I'm often reminded when I think back to the days of Landrum-Griffin when the issues became quite sharp, that as people discussed the matters in the corridors and rooms of the Senate wing at the Capitol, it was only a reflection of the division of opinion in various localities in the United States. The question of whether a man went one way or another depended on the flow of opinion from his own state. I want you to realize the relationship between what you and your associates do and say with what is going on in one building in Washington, D.C. I don't want to sound dramatic but I often think that when I went to college and was in the Freshman year, we had a tug of war with the Freshman on one end of the rope and the Sophomores on the other. At first it was sort of desultory, but after a while, everybody was really pulling and the question of which side would bring the other over the line to defeat was based upon the strength that was put out by each individual set of hands on that rope. I don't have to tell you that it is not an abstract discussion, it is not something that is going on somewhere else among a group of people called Senators, but something that affects all who are either in or of the labor movement. There is one point I want to bring out—regardless of what you are told, that everything is all fixed, it's a question of political position, and that sort of thing, I think the merits of the issue do have a substantial effect on the result. They can't just get up and say, "I'm for 'A' or 'B'" and see who can scream louder; each side must present reasoned arguments. Of course, some people you will never persuade, but the argument is addressed to the people in the middle. There is going to be first class battle in the Senate. Anyone can sit passively by and ask, "How do you think it is going to come out?" The discussion of 14(b) by those who are supporting its retention is in terms of the general idea that nobody in the United States likes to be forced to do anything. I think it is a mistake to make believe that there is no merit in the stated argument of the other side. I think the important thing is that they are arguing the wrong question. I refer in this connection to a public opinion poll that is relied upon heavily by the supporters of the retention of 14(b). This poll is put out by an outfit called "The Opinion Research Corporation", of Princeton, New Jersey. They made a study in 1964 that was intended to show that most people are opposed to so-called compulsory unionism. The questions used by the corporation for the polling purposes are as follows:

1. A man can hold a job whether or not he belongs to a union.
2. A man can get a job if he doesn't already belong, but has to join after he is hired.
3. A man can get a job only if he belongs to a union.

Those are the only three questions they asked and the question is whether they were fair questions, in terms of the real provisions of the law. So we have to look at that not only to persuade ourselves but also to help assist others, particularly those outside the labor movement, to understand what is involved. I will just put it to you this way. Even if 14(b) is repealed, there will be no legal authorization for the union shop as it is known by labor people. My statement may sound a little shocking because everbody talks about Section 8 (a) (3) and Section 8 (b) (2) of Taft-Hartley as validating the union shop. I would suggest the phrase "Taft-Hartley union shop" is a euphemism, it is not an accurate portrayal of the situation at all. The language of the Taft-Hartley Act makes it entirely clear that the only valid cause for discharge under a union shop clause where membership has been denied or terminated is for failure to pay dues and fees. In other words, the fact is that Congress authorized as the Federal rule in non-right-to-work states only the requirement that employees under a "union shop" would have to pay or tender uniform dues and fees. As long ago as 1951, in the Union Starch and Refining Company case, which was decided by the Circuit Court of Appeals for the Seventh Circuit and in which certiorari was denied by the Supreme Court of the United States, the Court held that under the present language of the Federal law in non-right-to-work states an individual employee can refuse to apply for membership in the union, can refuse to attend meetings, can refuse to sign an oath of obligation, and in fact, refuse to accept any incident of membership other than tendering payment of money. The court held the Board's interpretation, which was along these lines, "was in harmony with the purpose of Congress to prevent utilization of union security agreements except to compel payment of dues and initiation fees." That is the law. I'm not talking about its merit or its demerits. The point that I am trying to make clear is that if 14(b) is repealed, that will not repeal the provisions of the Taft-Hartley Act regulating union security. That is the Federal rule today and the effect of a repeal of 14(b) is to restore the Federal rule in the right-to-work states. I think this makes it clear that in discussion repeal of 14(b) we are not talking about the emotional issues of whether a man can be forced to associate with a group he does not wish to join, all we are talking about is the quite pedestrian issue of whether a union security arrangement can be written legally in all the states whereby the individual employee is required to pay for the services he receives from the union.

This brings us to the so-called free-rider question. It has been said that if a man does not want the services why should he pay. The answer is to be found in the actualities of the law. A union which has the majority of the employees in a unit does not represent only its members. It becomes the representative of everybody in that unit and when it does so it acquires obligations of the non-members as well as the members. The simplest illustration of this can be stated as follows: if the union bargains for a 25c an hour wage increase and finally succeeds in securing a 10c per hour increase, it cannot arrange with the employer that the 10c per hour increase should go only to those who pay dues to the union. The 10c raise goes into effect for all employees in the unit.

The non-member is not only the beneficiary of general improvements in working conditions, he is also entitled to specific individual services by the union. There is a serious legal obligation on the union to provide services for the individual employee in the matter of grievances, whether or not he is a member of the union. I think from our point of view, which is not just to delight ourselves with our emotional arguments, but to win the fight, that we have got to get the support of moderate opinion. You will notice that in the vote in the House we did get the support of enough Republicans to gain the day and if they had not voted for us we would not have had a majority. In my personal opinion, this point that I am making is vital in securing the support of moderate opinion, whether it be in the House or the Senate. An ad was put out by some group to preserve America, headed by Congressman Fred A. Hartley, and in this ad they talked about protecting American rights. "Be against repeal of 14(b)!" Well, you know, after 18 years people forget; before Taft-Hartley we had a genuine union shop, that meant that anybody who went to work in the plant, or another enterprise, had to join the union, not just tender dues and fees. If he didn't behave himself according to union rules and regulations, and he was subjected to union disciplinary measures and lost his union membership, he was out of a job. That was the rule before Taft-Hartley! Senator Taft and Mr. Hartley got together and wrote a Federal rule, and under that Federal rule they knocked the

union shop all to pieces and all they left us with was that you could require the man to tender his dues and fees. If he tendered his dues and fees that was the end of any power you had over his job.

Now, if 14(b), which authorizes states to write more restrictive legislation is repealed, then what goes into effect? Not our idea of the union shop, not the traditional idea at all but the provision that Mr. Hartley and Mr. Taft wrote. So it seems to me, it is the height of asininity for Mr. Hartley, who wrote the Federal rule, to say that extending the Federal rule from the 31 states that don't have right-to-work laws to the 19 states which do have the right-to-work laws will destroy American freedom because he wrote that provision himself. Now you may have the feeling that this waters down a beautiful idea, but this is the truth, this is exactly what is going to happen and I see no point in defending a false issue, particularly if advancing our position on the merits will help carry the day. I think a great deal of the concern about this issue arises not so much because of its direct effect but because of its implication. I don't think I have to elaborate the obvious, but I will put it to you this way—under certain circumstances, the question of whether you can develop a majority for a particular group around the addition or a subtraction of a comma in legislation will evoke just as much excitement as over something very serious. You are all familiar with conventions and you know what a key vote is, it may come up over a small issue, but everyone sitting there who is awake and alive knows what it means.

I think, just speaking for myself, there is a little bit of that in this particular controversy. I think it behooves all of us to take it into account as the facts and events roll along, because it seems to me that if we win this it will be better for us than if we lose, and that I am sure is quite obvious.

Now, I would like to spend a little time talking about the National Labor Relations Board. We'll just take a brief look at the personnel, procedures and the provisions of the law. What I am going to say is not altogether unrelated to what I have said about the importance of a favorable vote on repeal of 14(b). I want to tell you about a case that the IBEW is involved in. It doesn't have a thing to do with the Radio and Television industry, and members of the radio and television industry may say, why bother us with that, its in electrical manufacturing. This is the case of the Unversal Manufacturing Company in Mississippi which actually is a company right across the river here in New Jersey. They moved down there for the purpose of getting a low wage and the IBEW sent organizers in to organize the establishment. They manufacture products which are used on construction jobs. The organizers went in and did their usual bit, set up shop in a motel in the area of Magee and Mendenhall, Mississippi and they had a little visit from twelve people who said to them, "we think it would be better for you to leave this community within twelve hours or you will be killed." Well, they didn't know what to make of that, so they called the Sheriff, but they couldn't get the Sheriff. So they called an FBI man and when he came out these twelve people who were sitting in cars right near the motel scooted away. So the boys told the FBI man the story, and were told he couldn't protect them, which was true. The FBI spokesman said he had been there a long time, and that he didn't think the visitors were fooling and he felt that caution was the better part of valor and they had best go back to Jackson. After a while they got hold of the Sheriff, who said, "I can't offer you any protection but if anything happens to you let me know and I'll come to investigate." So they got a order from Washington to retire to Jackson. There was a big organizing drive and the I. O. found out they couldn't handbill because of local harassment so they handbilled by helicopter. We filed a Civil Rights suit and got a lot of evidence; we found evidence of the existence of a group involved in trying to suppress the civil rights of the organizers and the people in the plant. The IBEW got an election ordered which was bitterly fought and it lost by 15 votes; there 272 for IBEW and 287 for the other side, which means that only 8 votes would have made the difference. We filed substantial objections to the election. They spread some of the most awful stories that you could imagine; they gave the impression that if the IBEW were elected, they would have to fire 50% of the white people, and hire 50% negroes. You know that is ridiculous, but you also know that in that part of the world, statements like that are not viewed as funny statements at all. Strangely enough, the Regional Director of the National Labor Relations Board came to a conclusion which was amazing—that everything was fine, it was very nice. We have responded—I think I had better use the exact language so I won't be misquoted, it's very gentle language. "It is respectfully submitted that although these conclusory paragraphs of the Regional Director's report were apparently drafted in appropriate legalistic form, they have no rational connection with the substantial facts and realities of the instant case." We didn't use any bad language but I think you can see we are taking a rather strong position on it. One thing we are learning from this case and that is that maybe there is an answer to a question which has been raised by certain officials of the Board. They say it is a very strange thing that after this law has been effective for 30 years, they still have as their single biggest source of unfair labor practice charges complaints, the simple act of an employer firing a man because he is supporting the union. This is a moral question, but I think it is also an enforcement question.

We had a case in the railway industry recently that some of you may have heard about. The railway board that was set up by the President finally came out with the conclusion that what was going on was a kabuki style play. This is a Japanese term that applies to a form of dance that has been going on, I suppose, for a thousand years and they go through sort of meaningless gestures and steps. These people who were on the Railway Mediation Emergency Board came to the conclusion that everybody involved in the act was going through a kabuki style play—it had no meaning. And I'm beginning to wonder whether that same phraseology isn't applicable to some of the cases before the National Labor Relations Board. They go through all the steps and all the maneuvers, and what comes out at the end is a little fizz of seltzer water.

"They go through all the steps and what comes out is a fizz of seltzer water"

I rather think this presents a question which should be reviewed by an appropriate Congressional Committee which could ascertain, (a) whether the regional officers of the Board are administering the unfair labor practice provisions of the National Labor Relations Act insofar as employers are concerned, with due diligence, and (b) whether further amendments are required.

Now, I would like to spend a few minutes on recent decisions of the Supreme Court of the United States. Up to the time that the Supreme Court of the United States speaks, a lawyer's opinion may be as good as that of an administrative agency because most opinions of the agency are not final. Nothing in this area is final until the Supreme Court speaks, with the exception that in the field of elections, the National Labor Relations Board's decisions can't be reviewed by the courts, so they are final. When the Supreme Court speaks, that is law. That is something you know is not going to be changed until the next case comes along, which may not be for 5, 10 years, or some time off in the far distant future.

So let's take a look at some of these cases beginning with the *Pennington* case. The Pennington case presents an issue arising under the antitrust laws involving the Mine Workers and is of importance to everybody in the labor movement. In Pennington, Mr. Justice White handed down a majority decision which has been interpreted to mean with respect to multi-employer collective bargaining that if the union and a number of employers agree upon a stated wage rate and also agree that the union will impose that rate on other employers in the area who are not part of this multi-employer unit, knowing that the imposition of the higher rate will hurt them in some way, there is a violation of the antitrust law. I'm putting it that way because I'm making it clear that I am not associating myself

with that interpretation. We had a dissenting opinion from Mr. Justice Goldberg before he left the Court in which he made some very telling points and, in particular, pointed out that the Court had placed all of these collective bargaining negotiations in jeopardy because the issue is not like looking on a blackboard that says A, B, C and B is in the middle and you draw a line. It's question of fact, it's a question of intent, it's a question of motive, ant it's really a question of what is the tribunal which is going to decide the question. If you have ten men looking at the same set of facts, you may get a variety of opinions. The question is, which one of the ten has the power to decide? So, I share very deeply the concern of the minority as to the effects of the Pennington decision. Just like with Landrum-Griffin, just like everything else, we're going to comply with the law; but, we're going to rely upon our own interpretations unless and until the Supreme Court speaks I think I can tell you, that as between hasty dropping of procedures and practices on the one hand and careful and deliberate review, it's going to be very careful and very deliberate. Now, I want to discuss this general proposition in terms of a specific point and that's the "most favored nation" clause. The most favored nation clause is terminology derived from tariff law, which means that if you make an agreement with Argentina about tariffs, you agree with them that they will get the benefit of the treatment you give the most favored nation. For example, we have an arrangement between a group of employers and the union and we agree, let's say, on a wage rate of $5.00 an hour for this man for this occupation. Now, the employer wants to know (he has four or five competitors who are not part of the multi-employer unit) and he says now wait a minute, suppose you give them a better deal, suppose you agree to $4.00 an hour, how am I going to compete? So, you say we're not going to agree with you that we are going to have to pay him $5.00 an hour, but we will agree with you that if we give him anything better than we are giving you, we have to give it to the multi-employer unit. It has been very regrettable, to my way of thinking, that some people have jumped to some hasty conclusions, as to the legality of the clause, etc. Well, we're not ready to come to any adverse conclusion as yet and I don't believe the International President is ready to recommend that this be torn out of the agreements or that any of the other careful structures that have been worked out should be abandoned. I'm not telling you this with the idea in mind that you should overlook the problem. There are no easy answers, there are just approaches. You ought to know about Pennington and keep it in mind and I hope over a period to time we're going to try to come out with some advice as to what must be done, if anything has to be done. I will say one thing, that contrary to all the alarmists, the first decision out of the Federal District Court since Pennington went exactly the way it would have gone if there had been no Pennington decision. We've been through this before. When the panic and the alarm starts it is necessary to review the matter deliberately and to make independent decisions not affected by the generally emotional atmosphere.

The next cases you should know about are American Shipbuilding and the Brown case. The Supreme Court of the United States has ruled in American Shipbuilding that the employer has the right to use the lockout as a weapon. Now there are a lot of if's, and's, but's, and maybe's about it; the employer can't use it to destroy the union. In this particular case it was used only after there was an impasse. In the Brown case, the union used a whipsaw tactic, it struck one of a group and the others shut down, which they had a right to do under previous decisions, like *Buffalo Linen*. Then the struck shop and the non-struck shops, all of whom were in league as part of the unit and had locked out the employees, hired temporary replacements. These decisions were not rendered by the conservative element of the Court. They were rendered by judges considered to be quite moderate. And I think you have to recognize and accept it, that as the labor union has come up in strength the Courts are saying, "you're big boys now and what's sauce for the goose is sauce for the gander. If you want the employer to recognize your right to strike, you have to recognize his right to lockout." I'm putting it out generally because time doesn't permit description of all the qualifications on the rule, but I think you should know that this is in the wind. When you enter into a bargaining negotiation, I think you'll find as time goes on, employers may use this tactic, and you should be aware that they may do so. Obviously, the more economic strength you have, the better you will be able to face this legal problem.

Then, as a matter of more direct interest to you, is the *Fibreboard* decision. This Supreme Court decision, upheld the NLRB's rule that the employer has a duty to bargain over sub-contracting. In other words, before the employer sub-contracts he must bargain with the union. If you hear the words that way, you can get a very erroneous impression although that is the language the Board used. I'm telling you about the case so you will know you *may* have a legal right to do something about it when the employer subcontracts work you don't want him to subcontract. Your case will be strong if you have had that work traditionally in the past, and the act of subcontracting may tend to adversely affect your conditions. But, if, as does happen, the employer tries to subcontract the work of the bargaining unit, you may have an excellent case for the National Labor Relations Board. At any rate, from your point of view I think the important thing is that if you get into subcontracting problems, you should know about Fibreboard and get advice as to whether there is anything you can do about it. Then, there is the Darlington case which involved the question of plant shutdowns. The Supreme Court ruled on the philosophic question as to whether an employer who hates the union, and shuts down the plant because of that hate, is violating the Act. The answer is no, he can hate as much as he wants and shut the plant down as much as he wants. But the facts of life in the Darlington case were different; in Darlington there were seventeen mills of one employer, and when they shut down one plant because they hated the union, they did it for a very good anti-union purpose, which was, as the court said, to chill unionism in the

At a recent meeting of the labor-management relations section of the American Bar Association, IBEW General Counsel Louis Sherman (center), with NLRB Chairman Frank W. McCulloch (right), applauds remarks by U.S. Labor Secretary Willard Wirtz.

other sixteen plants. That was an unfair labor practice. The Supreme Court ruled against the company and for the National Labor Relations Board.

There is another important decision, under Landrum-Griffin on internal union affairs, known as *Calhoun* v. *Harvey*. I'll try to explain it to you in this way. There is Title I which provides for equal rights and nominations and other things. Title IV provides procedures for adjudicating the validity of elections but with a different system. Title I involves a private suit by the individual; Title IV, dealing with elections, involves procedures of first exhausting administrative remedies in the union, then going to the Secretary of Labor who files a suit for the purpose of getting a ruling to set aside the election. *Calhoun v. Harvey* holds that if the rules on nominations are not discriminatory, in other words don't deprive anyone of equal rights, that the individual complainant cannot use Title I to restrain an election. Now you might say, "What difference does it make?" To understand the difference you have to take into account the factor of time. If a man can file a suit in the Federal court to restrain an election, that may be very important in terms of the outcome of that election; but if he is remitted to the remedies under Title IV, which involves waiting after the election, four months for the exhaustion of administrative remedies, then

a couple of months before the Secretary of Labor (that's six months) then going to Federal District courts which are very busy—the relationship of that suit to the election is less direct.

We have two other Supreme Court decisions that you should know about. *Republic Steel* v. *Maddox* raises the question of whether an individual employee can sue for severance pay without going through the grievance procedure. I think you can see the importance of it. If the employees have to go through the procedures of the grievance with the union, the union has a place in the act. If they can go to court and sue under the contract, the union might or might not have a place. The Supreme Court recognized the value of the union. The State court allowed the suit and the Supreme Court reversed and threw the suit out. The point is that your individual members should go through the grievance procedure, rather than going directly to the court.

Then we have a case which is right on home base. Radio and Television Local 1264 had a case before the Supreme Court on the question of Federal and State jurisdiction, which has been litigated now for many years. The court reaffirmed its doctrine that where the national government has jurisdiction, the state does not. In this particular case, they relied on the rules of the Board with respect to taking into account the volume of business of group ownership rather than the volume of each individual station.

Now I would like to take a few minutes for a few brief comments on the specific cases that you have. I have been over the Digests which have been prepared by Al Hardy's staff. They are excellent cases to bring to your attention and the digests are accurate.

We have encouraged people throughout the country and in the International Office to speak for themselves as much as possible. The more you learn about the law the better it is for everybody concerned. Of course, when you have to take action on a crucial matter where there is risk, don't try to do it yourself, get legal advice. But there is a big area here where if you inform yourself and educate yourself, you are in a better position to recognize a serious question and in a better position to take advantage of events. A legal point that you may learn may be of untold value to the Local Union and the membership.

* * *

Mr. Sherman went into some details about the cases listed for discussion at the Meeting, ABC-NBC, Tawas Tube, Gilmore, United Nuclear, American Dredging, Chemrock Corp., and others. Following a short break, he answered questions from the floor; among them, compulsory overtime, maintenance of membership clauses, personal contracts, Section 14(b), and other questions relating to specific local unions' problems. He expressed his appreciation of the opportunity to greet old friends and to meet new ones and received a long round of applause at the conclusion.

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RADIO AND NETWORK RADIO

Robert F. Hurleigh
President, Mutual
Broadcasting System

I am delighted to be here with all of you. I feel that I am more a colleague than anything else. I think, too, that I should point out that I am contemporary with most of you.

This morning you were very fortunate to have heard from an individual who, for some time now, has been in charge of labor relations for a very wonderful outfit and a very large organization. You now have the privilege of listening to someone who has a very small organization: Mutual. There is, of course, a great deal of difference between Mutual and the other three radio networks. We have no television; if you separate the television from the radio, we hold up our end of it quite well.

Back in the early 50's, as so many of you know, many great men made the comment, "Radio is dead." This seems to have caused a good many entrepreneurs who were in radio to lose faith and to begin to get rid of their properties at distress prices at that time. * * * *

In 1957, I was in Chicago and working in television as director of news for both radio and television. I chose to keep my hand in radio. I believed in it and still do, greatly. Sometimes I wonder if I made a mistake since there is so much money in television but, be that as it may, I certainly could not have had the fun, and the wonderful experiences that I have had, had I chosen to go another route. But I felt at that time and I said it publicly to a group of men, and I will say it to this group of men, that America is not a nation of "sitters" and this is what you have to have if you're going to have us deeply imbedded in the thought that we must watch television. Unfortunately, too many of us didn't realize how long it was going to be before there would be a static situation in television. I think we are approaching that now, and I would certainly be very willing to opine that by 1970 the American people are going to be extremely selective in what they take from television. Radio, if it doesn't proliferate itself into nothingness again will, I believe, continue to come back, and as it comes back, and as the monies are coming into radio, salaries and incomes of the radio people will increase and that is something that all of you are interested in—I even more than you, because I am only in radio. We have found since 1957 that we have been able to do many things that we were not able to do before. We were a very tired and almost worn-out outfit because we did not have our own seven o-and-o stations. When it was sold from the RKO chain, we only had two contracts that ran to 1959, for affiliation with the RKO stations. After that, we had to go out and pitch for the major markets that we would lose when those contracts terminated with the RKO stations.

I saw that to mold network service into local radio stations, that we had only one thing that was really valuable to them, and that was news, special events, sports and public affairs. But we developed a way of swapping with our stations, the five minutes of news on the half-hour which they would give to us for sale. By selling this to advertisers, we would have our total income from these five-minute programs on the half-hour. At that time, our thought was that on-the-hour news is more important to the radio stations, so on-the-hour news could be theirs and we would deliver it to be sold locally, as a cooperative, so to speak, with no money to be returned to Mutual. For all of the 55 minutes, other than that 5 on the half hour, and including the 5-minute news that we would give them on the hour, we would program for them, programming in such a way that they would find usable all of this material, if they wanted it. We now have 507 stations (at that time we were 336) of these at our last count in June, we had 49 stations that stayed with us for all of our programming, which is rather remarkable.

It's a good service for them and saves them from having to keep records, have programs and recordings of their own. Now, when you get into stations in major markets, they are able, through the incomes they have, to develop their own programs and particularly their disc jockeys. Such stations find it difficult, at times, to fulfill their contract by giving us that 5 minutes of news on the half-hour. But let there be an assassination of

the President of the United States and you find out that these stations want it and need it and must have it. But there is a deep selfishness on the part of a lot of people and they aren't at all anxious to realize that they have, in my estimation, a deep and abiding responsibility to the American people and to the public to service with news constantly.

I believe we are not doing what we should in radio broadcasting, in that we are assuming to inform the public in five-minute news broadcasts, which as you all know, is 4 and one-half minutes, and of the 4½ minutes we have 1½ minutes for commercials. So you may have 3 minutes rehashed all day long, relatively, because you can't ignore the top stories. If you put the top stories on at 12:30 today in that 3 minutes, at 1:30 you've got to go back and in some way which touch upon these again. So you're only titillating the public, you're only giving them a brush. Sure, you'll know where the Gemini astronauts are, you'll know that this is the 62nd orbit, you'll know that they are probably going to go 8 days on a day-by-day basis, this you get, but you do not get in-depth reporting. And I suggest that if we're going to serve the American people, we're going to have to get back to the 15-minute news broadcasts at least once, and preferably two and three times a day. I think that stations should realize that this has an importance beyond the commercial impact, and be willing to perhaps lose a bit of the audience (if that's what they are afraid of) for the time being. Certainly, they are not going to lose money, because they are going to have the commercials in there, but they will be able to tell you more about what is really happening in Viet Nam, they will be able to give you a better understanding of some of the bills before Congress, and so on. You can't do it adequately in a 5-minute broadcast. * * * *

Returning to what I said a few minutes ago about the five-minute broadcast which was, if anything, a shoehorn to try to get network radio and particularly Mutual back into more markets. We convinced our Mutual affiliates Advisory Committee; they thought it was a great idea, this was an immediate killing of our half-hour programs, and all the rest of it and going just for the news, sports, public affairs. In doing this, we found we could get back into stations where we had been out for quite a long time and this was the essence of the resurgence of Mutual. It came at just the right time, because in 1959 we went into bankruptcy. I took it through Chapter Eleven proceedings as the "Debtor in Possession" and we came out and hold the record in the state of New York for the shortest time in bankruptcy. We went in on June 11 and we came out on the 6th of December of the same year. We were bought the following April by the Minnesota Mining and Manufacturing Company. Since that time, we have developed a certain amount of security that we didn't have during the years we were struggling to hold our heads above water.

To turn to the labor relations policies of Mutual, I can only say that it is based, largely, upon an understanding of the problems of Mutual and what I hope is a complete, sympathetic understanding, on my part, of the problems of Technicians and Engineers who have a job to do and should be paid and paid well for doing it. I have a rather emotional and sympathetic position; you've got to remember that these are the guys that I worked with for some years. I became President in 1959, but up until that time I was an active broadcaster and every one of our Engineers is a friend of mine. I know their problems, personal and otherwise. I must say that, in the last six years, obviously I have not gotten to know some of our Engineers as well as I do those who used to meet every morning for coffee with me and discuss whether we were going to stay in business today. Some of these guys could have left Mutual and could have landed other jobs. Both here in New York and in Washington some of our Engineers could have done so; but they didn't. They had faith in Mutual and, unfortunately for me, they had faith in me. Which means that today I have the problem of understanding them. Sometimes I wish I were the Vice President of Industrial Relations who can have an introspective sort of way of looking at such things and not be involved in it. I still hold my card in AFTRA and am rather proud of it. It allowed me to start making money. I discovered that the hard way; I had worked in Washington non-AFTRA. I thought I was going to be a great executive so I went to a small-market station to be a program director and found that that meant working the board as well as announcing about 18 hours a day. Between breaks when they brought on other people, I would do my little bit of programming. Finally, I got to Baltimore, where I began to get my feet on the ground. Baltimore was not an AFTRA city. As a matter of fact, it took a lot of doing to get them to be an AFTRA city. I left broadcasting in 1940 for a period of two years and went with the Associated Press. We were just starting then, that is AP news for radio. I went to Chicago as their Central Division Manager in 1942 and found out they were making good money doing what I had been doing for $50 and $60 a week in Baltimore. They were paying $200 a week for the same thing in Chicago. So I made another move and I went with CBS and thence to WGN and I learned what the union could do for me and what it has done for IBEW Engineers.

"everybody is in there pulling the load"

I believe that Mutual is level with any of the other networks in the contract that we have for our Engineers. I think it should be that way. Truman said, "Stay out of the kitchen, if you can't stand the heat." Don't go into business, if you aren't going to pay honorable wages to people and this goes for the hotdog stand or anything else. If you are going to enter into anything, when you start your pencil moving, you've got to figure your rent and your cost of doing business. Don't go back to your personnel and ask them to reduce their income any more than you would want to reduce yours. The man who sells the meat is not going to reduce his price to you unless you want to start giving him a piece of the business. If you went to enter into a cooperative sort of arrangement, that is something else again, but don't cry crocodile tears ten years later if it's a success and you only own 30% of the company. You can't have it both ways. We are very fortunate in being small; we know what our people do, we know the limits of their ability. I am not in the kind of position that can give you the kind of counsel that might be wanted in a seminar of this sort, coming from a large organization where you have policies, etc. We have no policies, our policies are pretty much made from day to day. We've got a contract and we live up to it, but it still works that our Engineers, if you want me to speak primarily to them, and it goes throughout our shop. Our Engineers don't just look at the contract—they do things they shouldn't do; they don't take coffee breaks when they should and they often don't go to lunch when they should or in the way they should. You need somebody at the White House and this fellow was going off, there's no messing around, everybody is in there pulling the load. We're very fortunate in being small enough so that there is a rapport between all of us. It's a great situation and while I know that it gets terribly difficult and sticky in a big company where you have thousands of employees and things of that sort, there are many many people that have an appreciation of this kind of rapport. * * * *

Allow me to divert to a different philosophical subject. Something I would like to propose here, is that those of you who have a voice in the affairs of your community begin to ask this question. Why not dropouts? As astonishing as that may appear, and it's sometimes frightening, certainly I don't mean dropouts in the sense of the highly-publicized ones, but I know that we are not getting the technicians, we are not getting the mechanics and artisans today that we should have to continue to have a great country. This idea of a college education for everybody is just not necessarily so. Believe me, the more you look at it, the more you will see that there are many, many young men who when they graduate from high school have no desire to go to college, can't really make it in college and when they don't make it there is a stigma attached that they couldn't. There is another kind of stigma attached to the fact that they didn't go to college. This might have been a financial situation and yet there is a stigmatation to this that will continue more than before. When I was growing up this was not necessarily true and today I have been told

that if you go through the "Who's Who" and see the Presidents of corporations and companies you will find that fully 70% of them did not go to college, or if they did, they did not graduate from college. Now today, there is a tremendous pressure for a college education so much so that when a man fails in college, can't make it, or comes out even with a diploma he isn't quite as willing to get into the trades as he should be, in my estimation. I am fearful that this terrible stigma that they are putting on not having a college education is going to affect us even more. I am very happy to find many responsible people agree with me; they're trying to find a way that this can be said so that it isn't self-seeking on their parts but they agree with the premise. What are we going to do for the people who want to fool around with engines and to be artisans? You can't get a good mechanic anymore. And yet, a young man, if he is as sincere, beginning to apprentice himself in mechanical work could, with the will to succeed, by the end of 20 years and about the time he is around 40, own a garage, or more. And the chap who was his associate who went on to college may get out and wind up as an accountant somewhere for a shoe store that sells $500 worth a year. These are facts and it is a shame that you can put a person in a position where he, his wife, and even his family suffer from this stigmatization derived from the fact that he did not have a college education. I hope something will come of this. And I hope you will think it worthwhile that I've brought this subject to oyur attention. Thank you very much. Now, I believe we are ready for a question and answer period.

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UHF Television, Problems and Future

John Serrao
Vice President
Kaiser Broadcasting Corp.

Gentlemen, I will try to keep this very short and then open it for questions, if you should have any.

I suppose there aren't many companies that have sunk $5 million into two companies, but we have already. The growth dream for Kaiser Broadcasting is not really new. Henry Kaiser has always been interested in broadcast and, as you know, is the sponsor of many network programs, the most famous of which is Maverick. We have always wanted to grow and our interest is growth industry. Certainly, television is one of those if you look at the FCC Reports on income, in fact it is almost embarrassing in some markets.

I went to Hawaii in 1960 from Los Angeles and, at that time, the intention was that we would try to build a broadcast division for Kaiser with no assurance that it would go. In 1961, we looked at a great many VHF properties on the Mainland, through our own sources and through brokers, principally in major markets. Our company's philosophy was that we should get into major market television, in the markets one through ten, concentrate in the mid-West and the East coast. Primarily because from the West coast to Chicago most people know that Kaiser makes the Jeep, aluminum foil to wrap sandwiches in, and they know there are hospitals in the San Francisco, Oakland and the Los Angeles area; they know Kaiser is in the steel business in the West and they know that Kaiser is in aerospace and electronics, builds highways, etc. From Chicago east, what you will usually find if you mention the word Kaiser, is that people think you are talking about World War II.

In Hawaii, KHVH-TV made money for Kaiser—substantial profits. It also did a fine job in the community for the Kaiser company. Now, if that philosophy could be carried forward into major markets, it would be beneficial. So there is a good rub-off in community relations.

In 1961, when we looked at five major markets, principally, Philadelphia, Detroit, Los Angeles, San Francisco; we were talking about an immense amount of money; to buy these around 150 million dollars. We didn't have 150 million dollars, we didn't have One Dollar. So, in 1961 we heard the rumbles of the All-Channel law, we talked with people at the Commission and they seemed to feel that that law could be passed in 1962. On the strength of that plus some more investigative efforts we filed for part of the last remaining UHF channels in Philadelphia, Chicago, Detroit, Los Angeles and San Francisco. That now seems a long time ago. About a year later, the law passed and about six months later we got notification that we had Los Angeles, San Francisco and Detroit. I remember when my boss called and told me; all of a sudden, we had three major markets.

We picked Detroit for many reasons. One, it's nice flat terrain. Two, it meant that we had a lot of opportunity, also a lot of product acceptance. We looked around for programming and there wasn't very much in the way of film. Rather than put film on and maybe become a non-entity in the market, we wanted to give the viewers a reason to watch us. So, we decided to go into sports. Because of the demographics, Detroit is probably the hottest sports town in the United States; I don't think there is another one that can compare with it. They don't have the multiple interests that you do in your communities and because of that, sports becomes the common denominator. So we pushed sports. We took off January 10 to build a 15,000 square foot plant where we installed brand new, all new, RCA equipment and a 1050-foot stick in the antenna farm area of the Northwest section of Detroit. We got on the air and, in a couple of months, we had some ratings, both in the American Research Bureau and Neilson. The station in the summer has taken a slight bath because we didn't have the sports, we didn't buy a lot of film; but now with Fall we're ready to roll again, with more sports and an awful lot of good film that we couldn't have bought before. So Detroit has become something of a success story in the industry. It's proved our best hopes. Our signal is consistent between 50 and 70 miles outside of Detroit, within 20 to 30 miles we provide good reception on indoor antennas on the all-channel new sets.

Now the All-Channel law was the motivating point of our "go." I spent 18 months in Detroit and a lot of company's money to find some of the answers. If we found some we would go, if we didn't we wouldn't, and we would take those CP's back to Washington and hand them in. But it turned out that we found some answers. You might like to know that they sell an average of 1700 new all-channel sets every day in the Detroit area.

The All-Channel law is the key; it has nothing to do with obsolescence. When you dealt with converters only, that's what most people think of UHF; CBS failed in Milwaukee, and Hartford; NBC bowed in Buffalo. Now, if they can't make it with their networks, we couldn't do it; so as long it was converters, we wouldn't go near it. It's the-all channel set, the second set; fragmentation—it's really begun in Detroit. So now the ARB people give us a penetration figure this September 1st of 624,000 homes that receive us; that's more than Miami, more than Rochester, more than Dayton. What would it cost to buy a VHF station in those markets? And now you can begin to see reason for what we did. In other words, for a capital investment of something like 6 or 7 million dollars we can go into four major markets that would have cost something like 150 million dollars by VHF standards. That's the Kaiser plan. It's really very simple, there is no trick to it. What we had to do was put on significant stations, technically competitive to the V's—without that we're in trouble. Second get good programs and promote them and we're not different from any other station. But with the growth of the All-Channel law, that's the turning point.

One of the keys of talking to agencies is to get them to under-

stand what the All-Channel law means. The growth is really phenomenal. In the New York signal area, about 3300 sets will be sold today, brand new, all-channel. There are all kinds of cobwebs in people's minds. They will say that color is the greatest thing that ever happened to TV. Color is fine but 85% of the sets sold today in this city are colorless, the second set, the minimal screen size; sixteen inches down; that's the majority of the sets that are being sold now. They aren't being purchased in Detroit, per se, because we are going to show a Michigan football game or a Michigan State game. A lot of people are buying for that reason. But most of them are buying them because the housewife wants to watch Peyton Place and the kids can watch the cartoons in the next room, or the old man can go watch the hockey game.: The point is it's no different than two telephones in a house. That's what's going on. In about a year, it's going to explode and suddenly we're going to be faced with many changes. A lot of people have said you're blue-skying, you're Buck Rogering; all I can say is that in 1940, there were 900 radio stations in this country, there are now 5500. No room for growth?

We've had people say, "Why do you want to be the 12th station in Los Angeles, an independent in UHF. Are you out of your minds?"

Our answer is, "How would you like to be the 12th radio signal in Los Angeles, where there are 63 in that city?" The point is, it's just a matter of time. It isn't like AM, you don't search out a frequency and apply. There are only 12 V channels and that's all there will ever be in the next ten thousand years or this earth's existence. I think you can see how massive a revolution is already under way. The only difference is, it is going to take the right people to come in and program a station. In Los Angeles there are over a million homes, able to receive all-channel. It's only a matter of time where the major groups have to go. If they want to continue to grow, they must go UHF. They can't buy any more V's, the Commission has pretty well tightened that up. I don't even know if they can buy any more U's, but if they are going to go any place, that's where they are going to have to go because it is the only place left to go at a reasonable dollar. Then to move in with good, efficient, smart people, who know how to program. They know how to promote, and certainly they know that the antenna should be in an antenna farm and that it should be competitive in all ways to the other stations.

There is a market in the mid-West where a station salesman once mentioned that his national sales representative has a lot of problems and doesn't know what the trouble is. "What do you think it is?" I said, "I don't know." So we got out Standard Rate and Data and in there we see their antenna height 381 feet. The VHF stations average 1035. There is nothing more to discuss. What I am trying to say is that when you look at Peoria, Ft. Wayne, etc.; these markets have all been UHF since the early 1950's. Today they are able to get good markets, good ratings. they are making good money, comparable with any other market, and nobody says they can't see them 50 miles away. That's been UHF, technically, for a long time. So the answer is that when you get parity or more sets in these other markets and your programming is good, you're going to get numbers, too. It's changed, it isn't conversion, it has nothing to do with it. Today, its basically the all-channel law.

We moved early to take advantage of it. Even now, group representation, group operations is being limited by the Commission. So maybe we're blessed to have four. It's the future, it's a growth industry; much, much opportunity and we look forward to that opportunity, working to bring these U's along and, in time, I don't think they will be called U's. A new generation is being born; a lot of youngsters, ages one-up. In a few years, they won't remember that television stopped at 13. As a matter of fact, they may be complaining that there are only 12 channels in Los Angeles, only 12 in New York; not enough choice. And I imagine that whoever the future Commissioners are, they will be screaming about the fact that there isn't enough opportunity with only 12 channels. We know that we are in the middle of this revolution now, we're one of the first people ashore. How far we get inland, I don't know. The word around Oakland is, well, if we are wrong, we won't be just a little bit wrong.

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LABOR RELATIONS

Conflict or Compromise

Louis P. Gratz
Director of Labor Relations
Time, Inc.

Gentlemen, I understand that in your annual meetings, you like to compare notes on the progress made during the year and obtain information and advice from industry. I propose to confine myself to comparing notes, and sharing experiences and, hopefully, to pass along some information. Giving advice to you who know more about the broadcasting industry than I, because you live with it from day to day, would, I believe, be presumptuous.

I am not a part of Time-Life Broadcast, as Bob said, but as Director of Labor Relations for Time, Inc. I work with their broadcast stations on union contracts. Occasionally, I do participate in the negotiations themselves, but only at the request of the station manager. Our basic policy is that labor relations should be handled locally by the station managers who must live with and administer the contract. There is no doubt though that we try to get our philosophy and policies throughout the whole system.

Our first venture in station ownership and management was in 1952 when we formed a partnership with the late Wayne Coy to buy KOB in Albuquerque, but our interest went far beyond that. The interest began in 1924, one year after Time, the weekly news magazine, was founded, when the late Victor Hadden, its Editor and co-founder, along with Harry Luce, and the then-circulation manager, Roy Larson, appeared on New York's WJZ and played the pop-question game. Obviously, the question could be answered from the current issue of Time.

The next step was the weekly script called "Newscasts," where the intriguing stories of the week were acted out and recorded. The recording was then mailed to stations who would play them and give Time magazine credit. In the late 40's, one of our next ventures was the March of Time produced for television, "Crusade in Europe" and subsequently more film. Also in the 40's we had a minority interest in the American Broadcasting Company and were part owners of WQXR. We later sold these interests.

Today Time-Life Broadcast, and I may be repeating something here that you know, has five stations in the United States. WFBM, Indianapolis; WOOD, Grand Rapids; KLZ, Denver; KOGO, San Diego and KERO, Bakersfield.

But our activities are not confined to the U. S. alone. Since 1962 Time-Life Broadcast has had broadcast interests abroad; in Latin-American, Germany, Sweden and England.

We are associated with others in various ventures—in Argentina, a television production company which supplies programs for Channel 13 in Buenos Aires. In Venezuela, a production center which was established to serve a network of five stations from Caracas to Maracaibo. In Brazil we provide technical assistance with studio properties for radio and television in Rio de Janeiro, Sao Paulo and others cities. In Germany, a television and film production company which produces both live and film programs for several government supported stations, as well as others. In England, pay television. And at one time we

were in Beirut, but we sold out that interest, and there are others coming along.

Of stations that we now own in this country, all but one have union contracts which we assumed when we bought the stations. Those contracts were sent to my office for thorough study and analysis of the provisions. All these inherited contracts contained certain clauses and provisions that we wanted to rewrite, modify or delete.

This was not out of capriciousness nor pride of authorship but because those clauses did not conform to our operating philosophy and policies, or, in many cases, were ambigious. In a few instances we learned that actual operating practice, accepted by both sides, did not conform to language of the contract. Those of you who have negotiated with us know that one of the first items on the agenda has been to clean up the contract as much as possible without creating too much friction or commotion.

With each negotiation of a first contract, or even a renegotiation, we found that when you or your members became better acquainted with our philosophy, our operating policies, and realized that we were not out to take an unfair advantage, progress could be made without tensions. Actually, in one of our recent negotiations with AFTRA, after a number of years, the negotiators suggested that the whole contract be rewritten. We did it jointly, to our mutual satisfaction.

"the gripes should be resolved"

The reason I put so much stress on the importance of the contract itself is that, of necessity, it must be a legal document, subject to interpretation by judges, lawyers, or arbitrators if serious disagreement arises. Much more importantly, it must be a living document which accurately reflects the real working relationship between labor and management and which is capable of being responsive to the changing needs of both parties, as they arise. The process of cleaning up the contract, either by revising language or by revolving practice or, both, is a task that could and should, I believe, be done between contract reopening so that negotiations need only be concerned with basic economic issues. If done outside of negotiations, there is every chance of having more light and less heat. In the process we both learn something and, what is more important, a day to day working relationship will be established.

Communications is a business of Time, Inc. That's the reason we are in all these ventures. In a very real sense, however, it is also your business and mine. Too often gripes are allowed to remain until they grow into grievances or major issues and, possibly, a strike threat. If that happens, reason is impossible and emotion rules. Ideally, the gripes of both labor and management should be resolved before they become major issues.

In one of our stations, your local asked for weekly meetings to iron out problems. Although we didn't think there would be need for a meeting every week we agreed and we're glad we did. Many times there is nothing on the agenda but the meetings are held anyway. These meetings provide what I would like to call "a hot line" for continuing communications. Since they have been instituted, the relationship in this station, in my opinion, has improved.

The term "human relations committee" so popular today was not in use at that time but maybe that's what that committee should be called. The formality or informality of this arrangement is not the important thing. What is really important is that the station management and representatives of the union are able to discuss problems in a relatively emotionless atmosphere.

My 25-odd years of experience in labor relations has led me to the conclusion that if lines of communications are kept open between labor and management, they are not faced with a choice between continuing conflict over opposing needs or desires, or compromise solutions intended to bring these ends a little bit closer together. Rather, they will be able to build a valuable continuing relationship, based on cooperation of each of those, which is mutually beneficial to both parties.

The basic issue dividing labor and management today is the general area of job security, especially as it relates to the continuing promise of technological improvements requiring flexibility and in many cases greater and greater skills on the part of the employees. Even here the roles of labor and management should not be far apart.

An honest attempt at cooperation should permit both parties to achieve their own desired ends. Let me illustrate. The work and jurisdiction clause in your contract, at least the ones I know anything about, was designed to protect jobs. A good case can be made that, in certain circumstances, the opposite may be true. This clause operates to restrict innovations or changes and techniques which are designed to improve broadcasting to meet competitive conditions. It could create job insecurity. We have learned from experience that communications are extremely important when innovations or changes are to be made.

One aspect of the issue of job security relates to automation and the introduction of new equipment. This issue has created great conflict in the newspaper business in New York. The newspaper business wants to introduce computers. One printing union has, for all practical purposes, made use of the computer impracticable. We, on the other hand, have on order from IBM a system 360 computer which will be used to translate copy for all the magazines. This will not arrive until about a year from now. When we made an announcement last Fall about the purchase of this computer, our highly skilled teletype setters—there were about 25 or 26 of them—felt their jobs were going to be in danger. We are keeping the employees and the Guild that represents them, continually informed concerning the introduction of the equipment in an effort to eliminate those fears.

We have set up a training program. We first have to train programmers, a higher-rated job than that which the men already now have. We will later train console operators, with the full expectation that every man in the department who is willing and able to learn the new techniques will still be working for the company after the computer is installed. The training program started off with a test of skills which was followed by a home study course which was available to everyone in the department. I think I am correct in saying that not only did all 26 sign up, but so did practically everybody else in the department.

We are now well into the training program and are training the programmers. That is the first step. Of the first group of seven selected to take the course in programming, four did extremely well. Now understand—this is translating one skill into another; two of them wrote a perfect exam, two more had 98; three didn't make the grade, they were down in the 80's and when we told them they didn't make the grade it was no problem. The top three, however, will be prime candidates for this new job of console operator. By further study on their own or by seeing the application of what they have studied when the machine is installed and actually there operating, the three who did not qualify may still end up as programmers.

Within the past week, we have started another course because we will need between 6 and 8 well qualified men to do that programming. The current problem, and this is always true, is training the men. We can't do it fast enough. Our goal, however, still remains the same. No one should lose his job because of the installation of this new equipment. It's being done in cooperation with the Newspaper Guild of New York and it is further proof that if labor and management can get together and work out the problem, the problem may disappear. There were times when I was working on this problem that I thought it would be easier to learn to be a programmer myself and I almost took the course.

As I see it, one of the toughest problems facing broadcast engineers today is the rapid strides technology is making or could make in the equipment they use. I am now making the assumption that you have heard from Bill Burtt and Joe Taylor about our program. We are cooperating in starting a pilot program in skill improvement in Indianapolis. I won't get into the details because you all have them and I see no need for me to get into them now. I will leave that to the experts. But I would like to tell you what this means to us. We consider this program to be essential and expect it to be mutually productive.

The beginning was made over a lunch table in Washington two or three years ago, between Al Hardy, Ken Cox, Bill Schroeder, the Vice President and General Manager of WOOD and myself. We had subsequent meetings with your people and

after meeting Joe Taylor and hearing what the IBEW was doing in training programs in the other segments of the industry, it was obvious to us that we needed his knowledge and experience.

When we reported all this to our Chief Engineers—that we could possibly have a program—they were impatient to start immediately. But something so important cannot be and should not be developed overnight.

Our Chief Engineers at other stations are jealous of the pilot program in Indianapolis and they are champing at the bit to get started on similar programs to fit them specifically in their stations. But mindful once again of Joe Taylor's advice we have asked them to be patient until the pilot program is under way and working before extending it to their stations. My hope is that we won't have to wait too long.

Our expectation is that the Engineers will accept this skill improvement program in the spirit in which it is being offered. It is not compulsory. Obviously, from a selfish point of view, we would like every man to avail himself of it. No man's job will be in jeopardy because he doesn't sign up. Selfishly, we want this program to succeed and our hope is that it will be so designed that it may be a big contribution to the Engineers themselves as well as to the industry.

Educating staff members has gone way back in Time, Inc. We already have an educational benefit plan in Time-Life Broadcast which is similar to the one we have in Time, Inc. This is one of the ways that we extend our policies and philosophies in the broadcast business. Under this plan, a staff member may sign up for approved courses of study and we pay half the cost. I am told that one of our Engineers at the age of 60, is taking a course in public speaking under this program. Today in Time-Life, and I'm sorry I don't have the figures in the broadcast business, over 400 staff members are currently taking advantage of that plan. Basketry weaving, art—we even have one girl taking lessons in flying a helicopter. Some of it is job-oriented and that's good.

When it was launched in 1953, our personnel director made the following statement which will give you an idea of why we are so interested in the skill improvement program: "More than any other company, Time, Inc. is dependent upon the breadth and degree of education of its staff members. We believe it will be helpful both to individuals and the company if the education benefit plan encourages staff members to broaden their interests and education." As the skill improvement program takes hold and we add to it, it may solve some of our other problems.

As I told you earlier, we are constantly comparing contracts. Now let me stick my neck out, because I am going to be critical of one clause in yours just as an example. Ever since I have worked with your contracts and similar ones which contain a wage clause, which I term a wage scale, I cannot help but be disturbed by the difference between that concept and what we have in the Guild contract. In our Guild contract, we have minima with experience stepups which continue for two or three years. They are minima and minima only.

The original definition of these minima was that they would apply to the least competent person doing the least exacting job. After a staff member reaches the top experience level, he does not necessarily stay at that salary rate. He is awarded merit increases for his contribution to the magazine on the basis of his ability and performance. Then with periodic salary reviews, we make sure that he is being paid fairly in relation to other staff members and their contributions. In your contracts, the top level —by tradition and I don't know how it developed—has become a scale. I am sure some of the broadcasters would say the scale is too high.

"we are moving toward cooperation"

The substance is that each Engineer is the same as every other Engineer and that can't be true. Superior performance under your contract can be rewarded by promotion into a Supervisor's job, especially for one who has the ability to be a Supervisor. There are only so many supervisor's jobs. So, in my terminology, maybe a station should have all chiefs and no indians, but then I come up with the problem of who would do the work.

There is always the consideration that if such a merit procedure were instituted, and by that I mean paying some above scale and others not, it would create unrest and make future negotiations that much more difficult. Is this a problem that could or should be resolved? If so, should it be done outside of negotiations? Will skill improvement programs suggest a possible solution? I hope so. Or should we just forget it and just roll it under the rug so it will come back to haunt us five or ten years from now and especially in this new technological era?

On that note may I say it has been a pleasure being with you today. In our relationship of Time-Life Broadcast and the IBEW, as you can see from what I have had to say here today, we are moving toward substituting cooperation for conflict and compromise. Let's continue it.

Incidentally, there are other areas in which cooperation with the IBEW has proved profitable to Time-Life Broadcast and I can think of two. When we were negotiating in Minneapolis and settled, and the unit ratified the contract, I think it was 10:00 o'clock one morning when Al Hardy, after the ratification, came up to my office, and told me that two of your men would like to talk with me about the pension plan. I was delighted. In one particular case, the individual was then 60, hoped to retire at 62, but because our plan had not been in operation long enough for him to be vested at 62, his big question was would he be able to get anything out of the plan. My answer was no, he couldn't; he would have to stay to 65 because of the vesting period.

Well, in hearing his own personal problem and why he would like to retire at 62, it started needling the wheels. In that particular case, I worked out a formula, because you know pensions cost money and if you take the years off a pension program it just means more money has to go in. Before I got back to New York, in working with the contract, I developed a concept that at 62, which was two years from then, we could retain that man on the payroll at 25% of salary for three years, using him for vacation replacements, maintenance, so that he would feel he was earning that 25%, then at 65 his pension would take over.

Now, the extraordinary thing is that because of the escalator clause in your contract, we could have hired a new younger man in the basic rate, the beginning rate, and we would have had that man coming along for those three years. The total cost to Time-Life Broadcast at the end of the years would have been a saving of $1,000 in salary expense. When I got into New York I sat down with our Vice President and Treasurer.

The Exec. Vice President said, "Why don't you go ahead and do it." Well, unfortunately, we sold the station before the man reached 62. But, when we sold the station, mindful of his own problem, we bought him a paid up annuity at 62 and it started immediately when the station was sold. My point is, Al Hardy put me into communication with this fellow. We had been trying over the years to develop an optional early retirement plan. This contributed to a plan that we have just established this year, where at both the company's and the staff member's option, he can retire at 60 with 30% of salary for the next five years and do anything he pleases.

There is another place where I would like to compliment the IBEW and if you think this is a love feast, it isn't—tomorrow I may be fighting you. WFBM had a chance to televise the Indianapolis 500. We needed many more engineers than were on the staff of the station. The IBEW's cooperation, both local and international, made it possible. We simply couldn't have been in business, without your men from many surrounding communities coming in to work on the project. We also faced the concurrent problem that the contract with the IBEW was to expire on May fourteenth, raising the question of whether the race would or would not be televised if we were in conflict. As a result of conversations with the Local, we were assured that regardless of the status of negotiations on Memorial Day, the race would be taken care of.

As things turned out, we had no problem, but if we had had a problem at the station, it would not have affected the race pickup. I wanted to throw these two in and to tell you gentlemen that, while we fight with you and sometimes put certain issues right up to a strike deadline, we would much rather cooperate than fight. We think there is no substitute for good-faith collective bargaining and sensible compromise.

STATION BREAKS

NETWORK SATELLITES?

Did you read our feature in the June issue of TECHNICIAN-ENGINEER entitled, "Space-to-Home TV"? In that article we speculated on the future uses of communications satellites in simple, direct relay to viewers.

ABC, in September, asked the FCC to let it feed its programs to its TV affiliates from a five-channel communications satellite high above the equator.

The satellite would be fed from two ground stations, one in New York and the other in Los Angeles. Affiliates would receive any one of four 25 mc channels directly by means of 30-foot parabolic dish antennas. The fifth channel would be given free to National Educational Television.

WWDC TO CROSLEY

Station WWDC, which employs members of Local Union 1200, recently joined the Crosley Broadcasting Corporation, a chain staffed by Brotherhood technicians in other cities. WWDC President Ben Strouse became a Crosley vice president in the consolidation.

DIRECTORY ERROR

The recently printed directory of IBEW Local Unions in Radio, TV, and Recording, which was distributed at the progress meeting in New York City, contains an error which should be corrected by those who received the booklets. The correct telephone number for Local Union 202, San Francisco, is Area Code 415, 621-7786.

KNX TOWER TOPPLING

One of the hazards of unattended transmitters is the chance of vandals breaking in or otherwsie causing damage. KNX, Los Angeles, went off the air suddenly on September 15, when its tower collapsed as a retaining cable gave way. Engineers, who reached the site quickly, expressed the belief that someone had tampered with lines supporting the structure. Since the station is one of those making up the Emergency Broadcasting System (successor to CONELRAD), the FBI entered the case and is now investigating.

JOINT TESTIMONY

The July issue of TECHNICIAN-ENGINEER, Page 9, published the text of testimony on CATV legislation, presented to the FCC by labor organizations affiliated with the AFL-CIO. Though the text was correct, our printers erroneously headed the report as "IBEW Testimony." Actually, the testimony was a collaboration of the IBEW, the American Federation of Musicians, the International Alliance of Theatrical Stage Employes, and the American Federation of Radio and Television Artists.

FIRST NOTICE

It's not too early to start planning to attend the 1966 Progress Meeting of the Radio, TV, and Recording Division (August 17 and 18) or the historic 75th Anniversary Convention of the IBEW (August 19-23)—both in St. Louis, where the Brotherhood began. Several members have already asked for the dates to prepare for the big year ahead.

LAST LAUGH

"Yeah, my wife handles the money, too. The only thing I get to spend is my noon hour."