

# HEINL COMMUNICATIONS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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NO. 1400

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February 3, 1942.

## RADIO MANUFACTURERS WAR PROGRAM NOW CLEARLY SEEN

The Government program for the Radio Industry -- rapid increase in military production, decreasing civilian production, with provision for replacement parts, and price controls -- has now assumed a definite outline.

The War Production Board's "limitation" order reducing civilian set production by about 40 percent during the next few months, has been followed by an order from Leon Henderson, Federal Price Administrator, "freezing" prices for non-commercial radio and television sets, phonographs and radio tubes after February 9.

Rapid conversion of the radio industry, at least the larger units, into military radio production, also is being pressed, the Radio Manufacturers Association states, both by the reorganized War Production Board and the Army and Navy organizations. The two billion dollar military radio program for 1942-3, officially announced by the War Production Board, is predicted to spread war contracts immediately and widely during the next few months, with current allocations during January and February reported to amount to over \$400,000,000.

The price schedule provides that no new models can be marketed after February 9, 1942, unless the offering price is first approved by the OPA.

In the case of replacement models, which may not be sold at a higher price than the original model, the schedule requires the filing of an application for OPA approval, but permits the manufacturer to offer the set for sale ten days after mailing in his application, if OPA has not rejected the application in the meanwhile.

Mr. Henderson said that these restrictions affecting new and replacement models are primarily intended to protect the public from any cheapening in quality that would have the effect of a price increase. He pointed out that the restrictions will expire on December 31, 1942.

All manufacturers of sets and parts must submit to OPA by March 15 lists of their maximum prices as determined by applying the provisions of the approval schedule.

Set and phonograph manufacturers are also required to report substitution of component parts; changes in cabinet finish, models discontinued, and monthly production. Parts producers must report on any new parts they plan to make after February 9 and furnish the proposed prices. However, they are free to make sales at these proposed prices unless objection is made by OPA.

In addition to the civilian set production "limitation" order, a new restriction on civilian radio was the subsequent order announced last Friday, virtually reserving all aluminum, other than that specially allocated, for military use. The order restricts use of aluminum in the radio industry, except for

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the special allocations arranged previously by the RMA Priorities Committee, to aluminum for replacement fixed, electrolytic and paper condensers. Aluminum for new set production after March 31 was barred. For the current three-months' set production permitted under the WPB "limitation" order, in addition to the special aluminum allocations, the Priorities Committee has already arranged for special allocations of supplementary copper and plastics.

In aluminum, nickel and also copper the supply situation for military purposes have greatly increased shortages of materials possible for civilian use. Particularly acute are the nickel and aluminum situations. Nickel has not been made available for several months for initial tube equipment of receiving sets, although there have been special allocations of nickel for replacement tubes for January and promised in February, but with the March allocations uncertain.

The special aluminum allocations, previously arranged by the RMA Priorities Committee for January, February and March receiving set production, will be provided through March by the War Production Board, but after March 31, according to the present WPB orders, there will be no aluminum available except for replacement parts for sets now in public use. Further production of tubes for new set production also is largely dependent on the inventories of tube manufacturers, in view of the stringent nickel shortage of the war program.

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#### PRESIDENT WELCOMES PATRIOTIC NETWORK SERIES OFFER

President Roosevelt has "gratefully" accepted, the White House announces, a plan of the four major radio networks for a series of factual programs designed to dramatize and interpret the wartime resources and activities of the nation to the American people and the world.

"This is welcome evidence," the official White House announcement said, "of the desire of one of this nation's great industries working in complete cooperation with the Government, to render useful and constructive service."

The responsibility and operating expenses for the series, which is expected to start some time in February, will be borne by the networks, the Blue Network Company, the Columbia Broadcasting System, the Mutual Broadcasting System and the National Broadcasting Company.

The companies will have the cooperation of the Office of Facts and Figures, which will work with the production staff in obtaining and correlating information. Distinguished authors and radio and screen stars are expected to contribute their services. The programs will be directed by Norman Corwin, and H. L. McClinton will head the production unit.

It is expected that 500 American stations will carry the series, which also will be short-waved to Latin America under arrangements with Nelson Rockefeller, coordinator of inter-American affairs, and to the rest of the world in cooperation with William J. Donovan, coordinator of information.

The programs will be thirty minutes long and will be heard on Saturday evenings from 7 o'clock and will be rebroadcast at 12:45.

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ROCKEFELLER DOUBLES LATIN - AMERICAN PROGRAM HOURS

Nelson Rockefeller, Coordinator of Inter-American Affairs, is vastly increasing and improving our short-wave broadcast service to South America. This was made known in an address Don Francisco, Director of the Rockefeller Communications, made to the Institute of Radio Engineers in New York stating:

1. U. S. shortwavers a year ago were on the air a total of 79 hours daily. Now they are on 132 hours daily - in 19 languages.
2. Total number of newscasts a year ago was 72 a day. Now there are 209.
3. Year ago total time consumed by newscasts was 18 hours a day. News is aired now 52 hours a day.
4. Year ago DXers were operating on from 10 to 65 kws. Now all are on at least 50 kws. and one is as high as 100 kws.
5. If the power of all transmitters were averaged it would show an increase from 21 to 52 kilowatts.
6. Stations have greatly increased personnel. One shortwaver has a budget four times that of last year; another has trebled its staff; a third has doubled its staff.
7. To other American Republics alone, there are a combined total of 54 hours of broadcasts a day. Of these, 15 hours are news. Total number of new programs to South and Central America has been increased from 39 to 63 daily.

Broadcasting is an arm of national defense, Francisco declared. But he added: "We need even more hours of shortwave broadcasting...even stronger power... better equipment...more programs in foreign languages...more and more programs that promote understanding and friendship...less expensive receiving sets...bigger and bigger audiences."

Because most people in Latin America, just as in the United States, listen to local stations much more frequently than shortwave, international network broadcasting must be further developed, Francisco declared. He pointed out that three shortwave licenses have already created South American networks for retransmission by local stations of broadcasts from the United States.

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TRAMMEL REPORT ON THE MEND

Reports from New York are that Niles Trammel, President of the National Broadcasting Company, is on the mend. Mr. Trammel was operated on last week for appendicitis.

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NEW BROADCAST STATION CONSTRUCTION HALTED

A crimp will be put into future construction of broadcasting stations in areas already well served by an order issued by the FCC last Saturday, soon to be followed by further instructions from Donald M. Nelson, War Production Board. The FCC order read:

"At the request of the Defense Communications Board, pending the adoption of a specific policy by that Board and the War Production Board with respect to curtailing standard broadcast construction to meet material requirements by the military, the FCC will make no further grants for the construction of new standard broadcast stations or authorize changes in existing standard broadcast transmitting facilities where all or a substantial part of the primary area in either category already receives good primary coverage from one or more other stations.

"In general the FCC's standards of good engineering practice will be used as a guide in the determination of good primary service. National defense requires that there be adequate broadcast facilities, but this does not alter the fact that every economy in the use of critical materials for securing and maintaining these facilities must be practiced to the end that there will be the greatest possible saving in materials.

"This announcement concerns standard broadcast facilities only. It is understood that the DCB is proceeding with studies looking toward the conservation of materials in all other radio services and will submit recommendations at the earliest practicable date."

It is believed that the 150 broadcast construction permits for projects now under way will mostly be allowed to be completed. There are now on file 160 applications for standard broadcast stations and 50 for FM.

An announcement was made by the Federal Power Commission that radio transmitters and sets would receive priority in power. FPC officials stated that radio transmitters have been placed in the same category with other essential utilities and that there will definitely be no shut-down of power to transmitters. It was also said that home power consumption would not be shut off in any case except in the most extreme emergency.

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COMMANDER McDONALD HAS SON

Commander E. F. McDonald, Jr., of Chicago, President of the Zenith Radio Corporation, is in Florida, where Mrs. McDonald is in St. Francis Hospital at Miami Beach, where a seven and a half pound son was born to them last Wednesday morning. Word has been received that Mrs. McDonald and the baby are getting along fine.

The McDonald's little daughter, Marianne Jean, is now five years old. Mrs. McDonald is an accomplished pianist and composer. Two of her compositions "Cancion" and "Romance" were broadcast on the Firestone Hour last season by Alfred Wallenstein's Orchestra.

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PRESSING FCC INVESTIGATION COX AGAIN LAMBASTS FLY

Following his announcement last week that he would do so, Representative E. E. Cox (D) of Georgia on Monday introduced a resolution in the House (H.R.426) authorizing an investigation of the organization, personnel, and activities of the Federal Communications Commission. It was referred to the Rules Committee, of which Representative A. J. Sabath of Illinois is Chairman.

In introducing the resolution Mr. Cox, who last week charged Chairman Fly with maintaining an "active and ambitious Gestapo in the FCC", saying that he was "rapidly becoming the most dangerous man in the Government", again attacked the FCC Chairman saying:

"Last week I made the statement on the floor that I proposed offering a resolution for a House investigation of the Federal Communications Commission. The report of the statement reaching Mr. Fly provoked great laughter. Mr. Fly, as you know, has a monumental contempt for this body and its Members, but later, upon conferring with one or two members of the Commission, he took a most serious attitude toward the suggestion. Agents of the Commission have been assigned the duty of contacting Members.

"Mr. Fly would tell you there is nothing wrong with the Commission and that he has no fear of an investigation, yet he would leave no stone unturned to prevent it. If you have not heard from members of the Commission or their agents you will be hearing.

"There is nothing personal in this suggestion on my part, I have nobody to punish. If I were disposed to do so I could fill the Record with pertinent and authenticated material that would give Mr. Fly something to think about. All I am interested in is guarding the public against the maladministration of a fine law."

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NEWSPAPERMEN WALK OUT ON MR. FLY'S PRESS CONFERENCE

Irrked by the fact that James Lawrence Fly, Chairman of the Federal Communications Commission, kept them waiting a half an hour for the weekly press conference last Monday morning the newspapermen walked out in a body.

It was their contention that Mr. Fly had repeatedly kept them waiting, that this was bad enough in peace time, but that in war time they had more important things to do than cool their heels waiting for, as one correspondent described him, "a despotic little bureaucrat with a badly swelled head." Further more it was maintained his keeping 15 or 20 newspapermen waiting in his outer office was but another evidence of his contempt for the press, said to be so clearly indicated in his putting the newspaper owned radio stations on the grill.

Although Mr. Fly has one of the best publicity men in the business, Mr. George O. Gillingham, his press conferences have never been a success, due either to the Chairman's lack of knowledge of news or a disposition not to tell what he knows. Many of the conferences are newsless. Mr. Fly is quite a wisecracker, apparently trying to follow the style of President Roosevelt, but evidently cannot get away with it. He has never been very popular with the press.

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CAPITAL OFFICE FOR BUSINESS INFORMATION OPENED

President Roosevelt has asked Lowell Mellett, Director of the Office of Government Reports, to expand the facilities of the United States information services to provide Washington visitors with a central source where they may obtain direction to the proper Government officials to handle their problems.

In a memorandum to Mellett, the President said many of the persons coming to the Capital were businessmen seeking advice on wartime problems. It was becoming more and more difficult for them to locate the proper officials, he added, and a central office was needed to coordinate some of the work of information divisions of various Federal agencies and departments.

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MARSHALL FIELD TO BUCK WGN

The war between Marshall Field, New Deal Publisher of the Chicago Sun, and Col. Robert R. McCormick, skipper of the Chicago Tribune, has been extended to the radio field with Mr. Field buying a 45% interest in Station WHIP at Hammond, Ind. As is well known Col. McCormick owns WGN. Hammond is just across the state line and a suburb of Chicago. It is believed the next move of Mr. Field will be to establish studios of the station in his Chicago newspaper office.

Mr. Field actually purchased a 30% interest in the Hammond station, but another 15% was acquired by a friend of his, John W. Clarke, a Chicago investment broker.

Since control is not involved, the FCC is not required to approve the transaction, though a report must be filed of the change in ownership interest. The contract signed by Mr. Field, it is understood, includes purchase of two hours of time daily on the station for the Chicago Sun, new morning daily which he financed. Dr. George F. Courrier, Elgin, Ill., Methodist Episcopal pastor, it is reported, will remain as President with Doris Keane, General Manager, continuing as Vice President and Secretary. Mr. Clarke becomes Vice President and Treasurer.

WHIP now operates daylight only on 1520 kc., with 5,000 watts. It will go on a 22-hour schedule March 29 and is completing construction of a five-tower directional array outside Chicago to give it intensified coverage of the area.

According to Dr. Courrier the power of the new field will be increased to 50,000 watts, but it was said at the Commission that no such application had yet been received, but that a request had been made for limited time. It is possible the new war order which may prevent power increases might prove a barrier, but the opinion at the FCC appeared to be that Mr. Field, being such a good New Dealer, would probably have no difficulty getting 50,000 watts for his new station if he wanted it.

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Sterling Fisher, eminent educator, noted for outstanding achievements in the promotion of culture and understanding through radio between the Americas, has been appointed Assistant to Dr. James Rowland Angell, Public Service Counselor for the National Broadcasting Company and former President of Yale University, according to an announcement made by Dr. Angell.

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### HENDERSON FIXES MAXIMUM PRICES

Effective February 9, Leon Henderson announced, the maximum price that a manufacturer may charge for any current model, or for tubes, or other parts will be the highest net price received on October 15 or in the three-month period prior thereto.

Prices for any models offered for the first time after October 15 and before February 9, 1942, must be filed for approval by the OPA, but, in the meantime, a manufacturer may continue to sell these new models "for not more than the highest net price received or quoted between October 15, 1941 and February 9, 1942."

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### JAPS FORCE NAVY'S HAND BY TRANSCRIPTION

Recently the Japanese revealed the names of Marine Corps officers and civilians taken at Wake. They broadcast what they claimed was an electrical transcription of a statement by Commander Winfield Scott Cunningham, in charge of naval operations at Wake. Commander Cunningham's name had not appeared in the Navy's official account of the action at Wake; yet soon after the Japanese broadcast the Navy acknowledged that he was indeed the Wake commander.

"Obviously such tactics on the part of the Japanese place the Navy in a difficult position", the Washington Post commented. "As an antidote, a more relaxed policy governing the release of prisoners' names might seem to be called for - though relaxation of official policy is exactly what the Japanese are fishing for. Not to make any change, however, is to permit the psychological initiative to remain with the Japanese. If, as is undoubtedly the case, the Japanese are aware of the considerable feeling here against the withholding of lists of casualties and missing persons, they may be depended on to continue exploiting the situation for their own purposes."

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### SHORT-WAVE AS WAR INSTRUMENT

After outbreak of war the most crucial problem to be solved by the National Broadcasting Company's International Division was that of meeting the censorship code regarding the broadcasting of news as laid down by the Government, without radically changing any of the broadcasting standards which had been adhered to for many years, an NBC bulletin states.

A central rewrite section was created for this purpose. Operating on a twenty-four hour basis and using press association reports and Coordinator of Information material as a basis, this department turned out a complete 15 minute "news budget". It is prepared and ready for broadcast at 8 A. M. daily, and is continuously revised throughout the day. Copies are handed over to the nine language sections as they flow from the typewriters of the rewrite desk.

This new centralization makes it possible to turn out the news budget without deviating from the censorship code. Thus the short-wave division becomes an instrument of war.

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NAVY "E" PENNANT TO RCA MANUFACTURING COMPANY

Citing "outstanding results in the production of Navy material vital to our war effort," the United States Navy has awarded to RCA Manufacturing Company the coveted Navy "E" pennant.

Secretary of the Navy Frank Knox sent the following congratulatory telegram to George K. Throckmorton, President of RCA Manufacturing Company:

"THE SPLENDID ACHIEVEMENT OF THE RADIO CORPORATION OF AMERICA MANUFACTURING COMPANY OF CAMDEN, NEW JERSEY, ITS MANAGEMENT AND ITS EMPLOYEES IN PRODUCING AN EVER GROWING OUTPUT OF MATERIAL FOR THE UNITED STATES NAVY IS CHARACTERISTIC OF THE VIGOR INTELLIGENCE AND PATRIOTISM WHICH HAVE MADE AMERICA GREAT AND WHICH HAVE KEPT HER FREE. ON THIS OCCASION OF PUBLIC RECOGNITION OF YOUR ACCOMPLISHMENT, PLEASE ACCEPT MY CONGRATULATIONS."

FRANK KNOX                      SECRETARY OF THE NAVY

"Your company will be privileged to fly this emblem as public evidence of your outstanding achievement," stated Under Secretary of the Navy, James V. Forrestal, in a letter of notification to Mr. Throckmorton. "In addition, your employees will be entitled to wear a special lapel decoration bearing the insignia of the Navy Department and the Navy "E", which, as you doubtless know, is a traditional Navy award for excellence. In Navy parlance it means "Well done" - the highest praise the Navy can bestow."

RCA Manufacturing Company, with headquarters at Camden, N. J., also operates plants in Harrison, N. J., Indianapolis and Bloomington, Ind., and Hollywood, Cal. For more than a year past the company has been manufacturing, on an increasing scale, radio equipment essential to the navigation and communication of ships and planes. The many thousands of RCA employees engaged in this work have signed a pledge to "Beat the Promise" in the fulfillment of all war orders, by delivering apparatus in advance of contract schedules.

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KNOWLSON SAYS WPB CAN DO JOB

James S. Knowlson, of Chicago, former Radio Manufacturers Association President, is played up in an article by William Pinkerton of the Wide World News Service, who writes:

"A businessman from Chicago - a good La Salle Street type; heavy-set, well dressed, graying, affable - called in his assistants the other day for a conference.

"He had heard some talk, he said, about the goals set by President Roosevelt for American war production in 1942 - the 60,000 planes, 45,000 tanks, 20,000 antiaircraft guns, eight million tons of merchant ships. He had heard some talk that it couldn't be done. The smiling face turned tough;

"Anyone who thinks we can't make those goals," he said, "can turn in his time check and go home."

"The speaker was J. S. Knowlson, President of the Stewart-Warner Corporation, who came to Washington some months ago to help his old friend, Donald Nelson, with the defense job.

"It might have been any of the seven men whom Nelson has hand-picked to carry the ball for the War Production Board. There's a do-or-die spirit in the slogan-studded halls of the Social Security Building where war production head up. The quiet-spoken Nelson, the mail-order executive who finds himself at 53 saddled with terrifying responsibility for America's victory effort, himself has set the pace. In a meeting of all executives of his new agency, he announced that he intended to resign if he could not do his job. He added that he expected all others to do likewise.

"Nelson's Chicago friend, Jim Knowlson, the radio-maker, will work closely with William H. Harrison, in charge of production. Knowlson's own job is "to get a smooth, working relationship with the industries as such." He will have charge of priorities, as well as the industry 'Czars' being assigned to the task of changing peace time industries (automobiles) in war time industries (tanks, airplanes). The changeover of perhaps 50 or 60 industries will be his big job for the present. Knowlson also will be charged with filling in the chinks in the wall of machines. If a shortage of parts develops, he must find a factory that can end the shortage."

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#### MUSIC CRITIC EXPRESSES HIMSELF ON COMMERCIALS

Apropos of an exchange between listeners and program managers of Washington stations, Ray C. B. Brown, Music Critic of the Washington Post, wrote the following letter to Mr. Coe, Radio Editor of the Post:

"A writhing victim of radio commercials, I have read with care the statements of the resident program directors. It seems to me that the letter of Mr. Carlton D. Smith, of NBC, is the most logical in emphasizing the strategic position that the radio, like the newspaper, tries to please the widest variety of interests consistent with good taste. His kindly reference to my music column offers me just the angle from which to enfilade his position, for it is not with the commercials themselves that I always quarrel, but with the way they are infiltrated through the programs in which I am interested.

"In the newspaper, advertisements are unmistakably presented as what they are. No editor would be so rash as to order his reporters to mingle advertising with their factual writing of news.

"Suppose that I were to please Washington Post advertisers by writing a review of a recital containing sentences like these:

"Llewellyn Poundergood gave an admirable piano recital last evening in Lyric Hall (conveniently located at First and Main Streets; special rental rate for musicians). His technical skill was but one asset in an artistic equipment fully displayed through the medium of a beautifully toned Dinkelpiel (when you are next shopping along Main Street, drop in at Sherman's and see their complete line of these magnificent pianos). His reading of Beethoven's C sharp minor sonata showed

that he had penetrated its meaning with the eye of intuition (for the improvement of your vision use invisible bifocal glasses fitted by Bellona, 2249 Sutter Street) A contagious rhythmic vitality animated the march from Prokofiev's 'The Love of Three Oranges' (for long walks Hiker shoes are best; exclusive agency at the Booterie). His power of poetic evocation was disclosed in his imaginative fantasia on 'O Have You Seen But a White Lily Grow' (ladies, have you tried Blank's vanishing cream stocked by the Emporium? It will give your skin the candid purity of the lily).

"The advertisers would be delighted, but the readers who now honor me by attention to my comments would read them no more. They would be quite justified in resenting the interruptions in an analysis of ability and the intrusion of extra-musical matters into a discussion of music."

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### BROADCASTERS VICTORY COUNCIL LOSES NO TIME

The new Broadcasters Victory Council, inspired by George B. Storer, President of the Fort Industry, and headed by John Shepard, 3rd, of the Yankee Network, which will be a super-body representing the broadcasters in their dealings with the Government during the War, got down to business in a hurry.

The members of the Council besides Mr. Shepard, who has opened headquarters in the Capitol, and Mr. Storer, President of NIB, are James D. Shouse, Vice President of WLM-WSAI, designated for the Clear Channel Broadcasting Service in lieu of Edwin W. Craig, WSM, Nashville, its Chairman; John E. Fetzer, WKZO, Kalamazoo, owner and NAB Director, who was named in lieu of NAB President Neville Miller, and Eugene C. Pullman, President of WIRE, Indianapolis, and President of Network Affiliates, Inc. Mr. Fetzer's designation came as a result of the Council's conclusion that practical broadcasters should be named.

A legal committee consists of Louis G. Caldwell, William J. Dempsey, Phillip J. Hennessey, Philip G. Loucks, Paul M. Segal, and Paul D. P. Spearman, Chairman.

Whether the Victory Council will function as a permanent body is problematical, Broadcasting Magazine states and continues:

"It will continue, however, until such time as a 'sufficiently formidable' trade association is on the scene, persona grata with the regulatory authorities.

"The Council organization augurs for a reorganization of the NAB, or in lieu of that, possible creation of a new trade association. This is expected to crystallize at the NAB Convention in Cleveland May 11-14, when moves will be made to dis-enfranchise the major networks in industry affairs, affording them only associate memberships, similar to those held by other industry groups not actually licensed stations.

The future status of NAB President Miller, who has been under fire because of the NAB position on regulatory matters, unquestionably will be thrown into controversy by the Council development.

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::: TRADE NOTES :::

Frank M. Russell, Vice-President of the National Broadcasting Company in Washington, will give a party Wednesday afternoon at the Mayflower to meet Mark Woods, new President of the Blue Networks.

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Unprecedented collections last December of Federal radio excise taxes, amounting to the record-breaking figure for one month of \$2,348,801.79, brought the total 1941 radio tax totals to a new high of \$9,174,623.48. This was an increase of \$2,314,396.49 or 33.7% above the radio taxes collected in 1940 and, of course, was partially due to the radio tax rate increase, from 5½ to 10%, which became effective October 1 last.

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Little radio legislation is expected this year from the few state legislatures which are in annual session, the Radio Manufacturers Association reports. Only nine state legislatures are now holding sessions as compared with forty-four last year.

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War conditions have stopped publication of the monthly Department of Commerce reports regarding imports and exports, including radio.

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Made necessary by the threatened depletion of paper stock, the NBC and Blue Networks Press Departments have given notice of the discontinuance of their daily program services. The weekly advance program service, however, will be continued and supplemented by a daily mimeographed correction service.

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Radio export interests will be featured in a special NBC short wave broadcast on February 20, which has been arranged by the RMA Export Committee and the Export Managers Club of New York. The 15-minute broadcast will be presented at 7:45 P.M., Friday, February 20, over station WRCA, 9,670 kc, 31.02 meters, and the program will be repeated at 9:15 over station WBOS, 11,870 kc, 25.26 meters. Members are requested to advise their Latin American outlets of this special export program.

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The following executives will head NBC-Red Network operations from its headquarters in Hollywood: John W. Swallow, Program Manager; Sydney Dixon, Sales Manager; Frank Dellett, Auditor; A. H. Saxton, Chief Engineer; Harold J. Bock, Publicity Manager; Walter Bunker, Production Manager; Robert J. McAndrews, Sales Promotion Manager, and Lewis S. Frost, Assistant to the Vice President. Executive personnel at KPO, San Francisco, include: Al Nelson, Manager; Robert Seal, Program Manager; Kay Barr, Press Manager; A. C. Diederichs, Chief Auditor, and George Graves, Chief Engineer.

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Executive personnel of the Blue Network's Western Division are: Leo Tyson, Program Director; Sidney Derails, Chief Auditor; Milton Samuel, Publicity Manager; Robert Moss, Production Manager; David Lasley, Sales Promotion Manager. Tracy Moore was previously named Sales Manager for the new company on the coast. In San Francisco William B. Ryan is Manager of KGO; Robert Dwan, Program Manager; and Gilbert Paltridge, Sales Promotion Manager.

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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NO. 1401

February 6, 1942

DEFENDING MR. FLY CONGRESSMAN ATTACKS RADIO INTERESTS

Saying that he was sure his colleague Representative Cox (D) of Georgia had been misinformed in the latter's charges against James L. Fly, Chairman of the Federal Communications Commission, which resulted in Mr. Cox introducing a resolution to investigate the Commission, Representative Rankin, (D) of Mississippi, took up the cudgel for Mr. Fly and at the same time sideswiped the so-called "Radio Monopoly". Mr. Rankin said, in part:

"In my opinion, James Lawrence Fly is a most valuable public servant. I have known him for many years. I know there is a great deal of criticism now being inspired from the outside because of his opposition to the radio monopoly, because of his opposition to certain big interests monopolizing the radio business throughout the country; but I believe if Members of the House will investigate the record of Mr. Fly they will find that he is one of the most valuable servants of the American people at this time.

"Now, as my colleagues know, I have nothing against investigations. Frequently they are necessary, and often have salutary effects. Members of this body will recall that I proposed on this floor many years ago that we investigate and expose the Electric Power Trusts which have ruthlessly exploited the people of this country. Since Franklin D. Roosevelt became President, we have been able to get relief from those exploitations; and even though today its satellites occupy positions of influence in some Government circles, and are attempting to block our power program including rural electrification, I am confident that the Roosevelt administration has made clear to the people of the United States that monopolies and trusts are no longer running the Government.

"Imagine my surprise then, to find my friend from Georgia last week attacking the Federal Communications Commission, and yesterday criticizing it again, and introducing a resolution to investigate it. At least 90 percent of all the criticism hurled at Chairman Fly and the Federal Communications Commission has come straight from the powerful radio monopoly.

"That criticism has come because under Mr. Fly, for the first time in history, the Commission has regulated the industry instead of the industry regulating the Commission. For the first time in history, the Commission is being run in the interest of all the people of the United States instead of in the interest of the half dozen interlocking corporations best known as the Radio Trust.

"Calling these interests who dominate broadcasting all over this country the Radio Trust is not just my idea. In April 1940, the gentleman from Georgia himself took the floor and praised the Federal Communications Commission for its fearless administration of the law in the public interest, in spite of attacks from the trust. Let me remind my friend of his very forceful remarks then when he said: And I am quoting now the gentleman from Georgia (Mr. Cox) - 'an att

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is being made on the Federal Communications Commission on the ground that the Commission is retarding the growth of television. The investigation I have made discloses the fact that the reason for the attack is that the Commission will not permit the Broadcasters' Trust to exploit the public through the sale of near-obsolete television sets. What we probably need more than anything else is an investigation of the Broadcasters' Trust. It is time they were stopped from monopolizing the air.'

"That was the opinion of the gentleman from Georgia less than 2 years ago when somebody suggested an investigation of the Federal Communications Commission; in his usual keen and fearless fashion he hit the nail on the head.

"It is common knowledge that ever since the Federal Communications Commission, under the dauntless leadership of this rangy Texan, began to administer the law without fear or favor, the Radio Trust has sought to blitzkrieg him. Every attempt has backfired. Mr. Fly has gone his way undisturbed, confident that honest administration of the law will bring better radio service to the public, and will eventually end the unholy dominance of the industry by two New York corporations.

"Nobody can persuade me that a Wall Street hireling or a Philadelphia cigarmaker should have the right to dictate what radio programs the people of Mississippi, Iowa, Texas, or Georgia ought to hear. On that subject, I much prefer to trust the judgment of my friend, the gentleman from Georgia (Mr. Cox).

"I am sure the worthy gentleman introduced his resolution from the very highest motives, but the ones who will now try to use it may not be similarly motivated. No doubt before the ink was dry on the bill, the walking delegates of the Radio Trust were packing their bags and catching the express for Washington.

"I deplore any effort to hamstring an agency which is doing an honest job of administration; particularly do I deplore this proposal for a congressional investigation at a moment when the Federal courts are in process of deciding a major case brought against the Commission by the Broadcasting Trust; and most important of all, I deplore this threat to investigate an agency which is bending its energies not only to aid the war effort in so many important ways but also to give all the American people the benefits of radio without favor or discrimination.

"I hope the gentleman from Georgia will not press his resolution."

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LABELS DOUGLAS KPAS SPONSOR LEFT WINGER

Charging that he bought time to broadcast Harry Bridges' side of his own story and that he is one of the sponsors of Station KPAS in Pasadena, Representative Carl Hinshaw of California (R) took Melvyn Douglas, moving picture actor for a very rough ride. Mr. Douglas was recently appointed Publicity Chief in the Office of Civilian Defense, of which Mrs. Roosevelt is the Assistant Director, and is said to be a friend of the latter. Rep. Hinshaw said:

"It would seem to me that screen actors can do more for their country

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in these difficult times, by carrying on in their accustomed ways than they can by coming to Washington, even for the purpose of adding glamour to the Office of Civilian Defense. The people of the United States do not need the inspiration of glamour to realize the seriousness of the situation we all face. Glamour is not needed to inspire our people to rally to the defense of our country even through the Office of Civilian Defense. It seems to me a farce - yes, even a tragedy - to make of the Office of Civilian Defense a pink-tea party, where well-known faces of social life and on the screen can obtain added publicity.

"I do not say that Melvyn Douglas is or ever has been a Communist, but he has been associated with organizations and movements which, according to the records of the Dies Committee on Un-American Activities, are Communist sponsored or led and are generally considered to be Communist-front organizations.

"He was one of those who welcomed Tom Mooney when the latter was released from prison in California, and it is well known that Tom Mooney was both identified with disloyal groups in the last war, and is now national chairman of the Citizens Committee to Free Earl Browder.

"In the records of the Federal Communications Commission Melvyn Douglas is listed in an application made for a permit to build and operate a 10,000 watt radio station in Pasadena, Calif., as one of the sponsors and subscribers, with the intention of becoming one of the directors. In that application it stated as follows:

"Another one of the subscribers to take stock in KFVD (now KPAS), and who will be one of the directors, is peculiarly fitted to aid in making a broadcasting station a success, both from an entertainment point of view and of service along civic lines. This man is Melvyn Douglas, the actor. Mr. Douglas not only stands high in his profession but his study and interest in civic affairs makes him of great value.

"Mr. Douglas expects to devote considerable attention to this new broadcasting station appearing on it professionally, and also speaking over it as a citizen interested in civic affairs. In fact, he has agreed to go on each week with a commercial program under a sponsor, taking no money therefor for himself but granting the station the profits from his part in such effort to be used to put other civic programs that might be of value to the hearers, and yet such that might not be sponsored by any commercial advertiser.

"Radio station KPAS made its initial bow to the public on February 5th.

"As I stated in the beginning of my remarks, I do not know that Melvyn Douglas is a Communist or a fellow traveler of the Communist Party, nor am I willing to believe that he is either of these or that he is even a sympathizer of the Communist principles. Until such fact, if true, is amply demonstrated, if he is not any of these things - and I am willing to believe that he is not - then the least that can be said is that he has amply demonstrated his very left-wing tendencies."

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Japanese Army headquarters at Manila has banned wireless, telegraph and telephone communications from occupied areas of the Philippines except by Army permission.



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## FM KEEPS CLEVELAND TRANSIT SYSTEM ON ITS TOES

A new two-way frequency modulation radio system is keeping the Cleveland Railway Company's transit system working at highest efficiency. The equipment consists of a 250-watt dispatcher transmitter and ten 25-watt mobile units. The headquarters transmitting antenna is mounted 270 feet above street level. All equipment was supplied by the General Electric Company.

Since the installation of this new FM emergency communication system, delays in car service have been shortened and in some cases entirely eliminated by the ability of zone supervisors to reach a congested area quickly and to restore the flow of vehicles or direct the replacement or repairs of damaged equipment.

The headquarters station, with call letters WDCZ, is located at East Ninth Street and Carnegie Avenue in Cleveland. The ten zone cars are operated throughout the city, patrolling the lines of the company. The two-way feature of the communication equipment permits the supervisors to report to headquarters on traffic conditions, to learn immediately of traffic complications resulting from fires or other causes, and to reroute the company's vehicles as conditions require.

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## CODE COMMITTEE TO DISCUSS NEWS "COMMERCIALS"

Further improvement of radio advertising in connection with war broadcasts will be discussed by the Code Compliance Committee of the National Association of Broadcasters at a special meeting in Washington today, February 6th.

The NAB already has made several suggestions to the industry for the improvement of war news commercials, from the viewpoint of both listener and advertiser.

In its Wartime Guide for broadcasters, the NAB said that news should never be used as a "springboard" for commercials.

"Such practices as starting commercials with 'now for some good news' etc. should never be permitted," the guide said. "Also it is important that such news-phrases as 'bulletin', 'flash', 'news' and the like should be used only in their legitimate functions."

A survey shows that news broadcasts, as a group, are radio's most popular programs. Among all listeners, 78.5 per cent like them better than any other type of program.

The Code Committee includes: Earl J. Glade, KSL, Salt Lake City, Chairman; Edgar L. Bill, WMBD, Peoria; Gilson Gray, Columbia Broadcasting System, New York; Hugh A. L. Halff, WOAI, San Antonio; Henry P. Johnston, WSGN, Birmingham; Janet MacRorie, National Broadcasting Company, New York; William B. Quarton, WMT, Cedar Rapids; Edney Ridge, WEIG, Greensboro, and Calvin J. Smith, KFAC, Los Angeles.

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PROPOSED DENIAL OF WCSC TRANSFER

Public interest would not be served by transfer, as proposed, of The South Carolina Broadcasting Co., Inc., licensee of broadcast station WCSC, Charleston, S. C., from The Liberty Life Insurance Co. to John M. Rivers, according to proposed findings of the Federal Communications Commission. It concludes:

"Under the terms of the contract entered into between the applicants, the proposed transferor retains substantial financial control of the licensee corporation and the proposed transferee assumes no personal financial obligation. There has been no showing that the proposed transferee contemplates the investment of his personal funds toward payment of the purchase price. Nor has it been shown that the Board of Directors of the licensee corporation, in the event of approval of this application, will not be associated with the proposed transferor. With control so divided, only a partial transfer would be effected, and neither the transferor nor the transferee would have the control over the licensee requisite for the operation of Station WCSC in the public interest.

"The performance of the contract upon which the instant application is based would impose a constant charge upon the gross revenues and resources of the licensee and thus would tend to impair its ability to operate Station WCSC in the public interest."  
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TOP FLIGHT PUBLICISTS ATTEND WOODS PARTY

There was a notable turnout in the Capital last Wednesday afternoon for the party given in honor of Mark Woods, President of the new Blue Network by Frank M. Russell, Washington Vice President of NBC. Among those present were Byron Price, Director of Censorship, J. Harold Ryan, Assistant Director in charge of Radio, Brig. Gen. A. D. Surles, Press Relations War Department, Frank Mason, Assistant Public Relations Advisor to the Secretary of the Navy, Capt. Leland P. Lovette, U. S. N., just back from Pearl Harbor, who it is reported may succeed Admiral Hepburn as head of Naval Public Relations, and Douglas Meservey, of the office of Facts and Figures.

Also present was Kenneth Berkeley, Manager of stations WRC and WMAL. Ordinarily the presence of Mr. Berkeley at these pleasant NBC functions is taken for granted, but last Wednesday it was different. And thereby hangs quite a tale. Thought to have been brought on by overwork, a chronic ailment from which the Washington station manager suffered was brought to a climax with the crucial duties of the outbreak of the war. The result was that Mr. Berkeley landed in the hospital. Fortunately the ailment was not serious but it did require a slight operation and a good rest.

Being very popular with his employees they immediately began taking up a collection for flowers to send to the hospital. One of those solicited was the Superintendent of the Trans-Lux Building, in which NBC and RCA are housed. He somehow got the idea that it was for a funeral and meeting Roland Robbins, Manager of the Trans-Lux Theatre, told him about it. "That's terrible!" Mr. Robbins exclaimed. Being on his way to a meeting of the Washington Rotary Club he passed the word along with the result that the supposed bad news about Mr. Berkeley was announced to those gathered at the luncheon with the usual ceremony of such an occasion.

In the audience and one of the most astonished persons to hear this was F. P. Guthrie, District Manager of RCA Communications, Inc., neighbor and

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lifelong friend of Mr. Berkeley. Word got back to NBC where Mr. Russell quickly punctured the rumor. He also tried to keep it from getting to Berkeley. Later Mr. Russell laughingly told him the Rotarians had sent along the comforting word: "Wait... till Berkeley hears the cheering at the next meeting when they announce that the rumor was not true." To this Mr. Berkeley, who this writer believes hasn't an enemy in the world, replied: "There will be two or three so and sos there who will be badly disappointed."

As yet Berkeley hasn't faced the music at the Rotary Club, but he did receive an ovation at the Woods luncheon and he never looked better in his life.

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#### BROADCASTING NEWS HASN'T CUT CIRCULATION FCC TOLD

Dr. Herman S. Hettinger, Professor in the Wharton School of Finance, University of Pennsylvania, testifying before the FCC which is investigating radio-newspaper relationships, said newspaper circulation had kept pace with the increase in population and that this demonstrated that the public has confidence in the press.

During the period 1920-40, Mr. Hettinger said, newspaper circulation in the United States increased 24.1 per cent, while the population increased 24.5 percent.

He told the Commission that while newspapers and radio were competitors, the principal competition was for national advertising. Newspapers, he said, receive a major part of their advertising revenues from local advertising, while radio's major part comes from national advertising.

In most cases, Mr. Hettinger testified, he regarded it as a "matter of small consequence" to a newspaper's financial stability whether it operated a broadcast station at present. He added, however, that he could not predict what result the development of television and fac-simile might have.

Another witness, Ernest Angell, New York lawyer and President of the Council for Democracy, said he felt prohibitions against operation of broadcast stations by newspapers would be "fraught with a great deal of danger to the democratic process."

Mr. Angell told the Commission the Council was organized after the fall of France when "a wave of defeatism and an apparent loss of faith in democracy" swept this country. Its purpose, he explained, is "to help the American people rebuild their faith in democracy." The Council's activities include broadcast to Germany "to explain what the American war effort is and why."

Calling maintenance of freedom of speech and freedom of the press "important to democracy," Mr. Angell expressed a fear that prohibitions against newspapers might eventually lead to prohibitions against radio station operation by other classifications such as employers, labor unions or church groups.

Donald Harris, an FCC attorney, asked Mr. Angell whether he would oppose action by Congress to establish some system of apportioning stations among various groups, the witness described that as "completely unworkable."

Roscoe Pound, Dean Emeritus of the Harvard Law School was to testify today

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NILES TRAMMEL ON THE MEND

Reports from New York are that Niles Trammel, President of the National Broadcasting Company, who was operated on for appendicitis last week, is improving right along.

Mr. Trammel's duties are being carried on by Frank Mullen, Vice President and General Manager.

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CALIFORNIA STATION WOULD JUMP FROM 100 WATTS TO 10 KW

KROY of Sacramento have applied for a construction permit for change in frequency from 1240 to 1030 kilocycles, increase in power from 100 watts to 10 kilowatts.

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CBS BEGINS SHORTWAVE BROADCASTS VIA THREE NEW TRANSMITTERS

The Columbia Broadcasting System has revised its shortwave schedule to coincide with commencement of full scale operations over its three new powerful transmitters - - WCRC and WCBX, 50,000 watts each, and WCDA, 10,000 watts - - beginning Lincoln's Birthday, Thursday, February 12.

From early morning to late afternoon, the CBS transmitters are to be beamed on Europe and thenceforth, until 11 PM, Eastern War Time, directed toward South America.

This provides at least a fortnight's testing period for the transmitters serving Columbia's new Latin American network before it gets under way early in March. Combined with augmented CBS technical facilities, altering shortwave broadcast frequencies, based on ionospheric studies, is held certain to result in better reception for foreign radio audiences.

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Hay McClinton, Vice President in charge of radio of N. W. Ayer & Son, Inc., has taken a leave of absence to supervise "This is War," a series of radio programs which will be produced in cooperation with the Office of Facts and Figures over four nation-wide networks on Saturday evenings starting Feb. 14. The program will dramatize and interpret the Government's wartime activities.

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Four stations have been added to NBC's Pan American Network, which now totals 124, and has representation in every one of the 20 Latin American Republics. The latest additions are all in Mexico, and increase that nation's NBC affiliates to 31 stations. They are located in Guzman, (XEBA), Sabinas, (XEBX), Saltillo, (XEDE), and Los Mochis, (XEDF).

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Tom Harris, former law clerk to Chief Justice Stone, has been appointed Assistant General Counsel of the Federal Communications Commission.

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## RIO CONFERENCE WAS BIG COMMUNICATIONS TASK

The Conference of American Foreign Ministers which ended last week in Rio de Janeiro entailed the largest communications job ever handled in Latin America, it is indicated from preliminary reports from its operating subsidiaries received by International Telephone and Telegraph Corporation.

Never before has there been such intense interest in any Western Hemisphere event, it is indicated, and the international telephone, cable and radiotelegraph services and broadcasting channels were employed almost to capacity throughout the conference. An International Telephone and Telegraph Corporation bulletin says:

"Approximately 220 telephone calls aggregating thirty-four solid hours of talking time were made over the radiotelephone from Rio to the United States, while 192 calls involving twenty hours were made to Argentina and fifty-seven were handled with other countries in the New World. These calls were transmitted through I.T.&T.'s radio station in Rio over the commercial radiotelephone channels connecting with stations of the American Telephone and Telegraph Company in New Jersey. From there they passed to the long distance network of the Bell System.

"The opening and closing ceremonies and other high lights of the conference were broadcast throughout the Americas, and several programs were relayed by way of the United States to England. The I.T.&T. station alone transmitted thirty special programs over the telephone circuit for re-broadcast in the United States and seven for re-broadcast in Argentina in addition to transmitting over three short-wave channels the opening and closing sessions.

"The All America Cables system and its associated radiotelegraph service, which operates with the Mackay Radio and Telegraph Company - all companies in the I.T.&T. group - handled a considerable volume of news and many diplomatic messages in addition to the normal volume of commercial business from Rio de Janeiro.

"Advance figures indicate that in spite of the large volume of news of the conference used throughout the United States, only about 40 per cent of the material for the press telegraphed from Rio was for the United States, Canada and Europe, with 60 per cent being taken by Latin-American newspapers.

"A survey of the Western Hemisphere communications map shows that the same telegraph and telephone coverage would have been available in almost any other Latin American city. All the countries are interconnected by telegraph and all but Ecuador are interconnected by telephone. The telegraph service goes back to the early 1880's when, after 20 years of indifferent service by way of Europe, the original company of the All America Cables system established direct service between the United States and Central and South America. This service has reached out into every country, equipped its 8,000 mile main line with three parallel cables and added radiotelegraph."

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### WJSV IN "BOMBER FOR MacARTHUR" DRIVE

Station WJSV in the Capitol, under the direction of Harry C. Butcher, CBS Vice-President, is cooperating with the WASHINGTON POST in a new wrinkle to stimulate the sale of Defense Bonds.

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"Here is your chance to help Gen. Douglas MacArthur and his valiant men", says the POST announcing the plan.

"A 'Bomber for MacArthur' campaign to send a \$200,000 war-plane from Washington to the gallant defenders of the Philippines is begun today by The Washington Post, Radio Station WJSV and the Junior Board of Commerce. The campaign has the approval of the Army Air Forces.

"The bomber will be christened 'The City of Washington'. It will go to the Pacific theater of war, there to aid MacArthur's forces in the fight for our way of life.

"You may do your part by buying United States Defense Savings Bonds on a special 'Bomber for MacArthur' form.

"Here's how you do it: Go to one of the following places and ask for a 'Bomber for MacArthur' form - the front counter of The Post, 1337 E Street Northwest; the WJSV-Junior Board of Commerce booth at the corner of Thirteenth and E Streets Northwest, or to any bank or building and loan association.

"This form is similar to the regular Defense Bond except for a picture of a plane and the words 'Bomber for MacArthur' surprinted across it. Fill it out for a bond of your choosing. Most popular are the Series E bonds, whose denominations of \$25, \$50, \$100, \$500 and \$1000 sell respectively for \$18.75, \$37.50, \$75, \$375 and \$750 and mature in ten years.

"The 'Bomber for MacArthur' bonds you buy will go toward the purchase of a \$200,000 Martin B-26. This is the deadly medium bomber the British have dubbed 'The Marauder'. It is the fastest bomber of its class in the world.

"If you can't buy bonds to help purchase the plane, you can buy stamps. If you buy them at The Post's counter or at the WJSV-Junior Board of Commerce booth, the total purchase will go to help pay for the bomber."

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#### ASCAP COMPLETES REORGANIZATION

The American Society of Composers, Authors and Publishers has completed reorganization of its branch office set-up so that all ASCAP branch offices are now directly managed by the home office under John G. Paine, General Manager of the Society.

The Society now has twenty branch offices in the United States. These offices are divided into four geographical divisions with a supervisor in charge of each division. In eliminating the last of the remaining lawyer-representative offices, ASCAP made a number of promotions and transfers of personnel. Some of the territories were reallocated in the reorganization. The new set-up is as follows:

1. Western District - Supervisor Robert J. Powers, who supervises four branch offices as follows: DENVER, covers Colorado, New Mexico, Utah and Wyoming. PORTLAND, covers Oregon, Washington, Idaho and Montana. SAN FRANCISCO, covers northern part of California and the state of Nevada. HOLLYWOOD, covers southern part of California and the state of Arizona.

2. Mid-Western District - Supervisor R. W. Rome, who supervises six branch offices as follows: MINNEAPOLIS, Minnesota & South Dakota. DETROIT, Michigan. ST. LOUIS, southern Illinois and Missouri. CHICAGO, northern Illinois, northern Indiana and Wisconsin. CLEVELAND, northern part of Ohio. DESMOINES, Iowa.
3. Southern District - Supervisor I. T. Cohen, who supervises four branch offices as follows: DALLAS, Arkansas, Oklahoma and Texas. NEW ORLEANS, Louisiana and Mississippi. CINCINNATI, southern Ohio, southern Indiana and Kentucky. ATLANTA, Alabama, Georgia, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.
4. Eastern District - Supervisor F. C. Erdman, who supervises six branch offices as follows: BOSTON, Massachusetts, Maine, New Hampshire, Vermont and Rhode Island. PHILADELPHIA, eastern Pennsylvania, southern New Jersey and Delaware. NEW YORK CITY, Connecticut, the district surrounding New York City and northern New Jersey. PITTSBURGH, western part of Pennsylvania. BALTIMORE, Maryland & the District of Columbia. ROCHESTER, northern part of New York State.

The following changes have been made:

The territory of the Cincinnati office was increased by all of Kentucky and the southern part of Indiana.

Frank H. Hemby, formerly Manager of Dallas office, now in charge of St. Louis office.

Samuel Berkett, promoted to managership of the New England District with office located at Boston, replacing Mr. Rome, who was made Supervisor of the Mid-Western District.

Edward A. Sherwood, transferred from Baltimore to Cleveland, Ohio.

Philip O. Alexander, formerly of Atlanta office, promoted to managership of the Dallas office.

Stanley Shepard, formerly manager for the district of Puerto Rico, promoted to the managership of the New Orleans office covering Louisiana & Mississippi.

Territory covered by the Philadelphia office, increased by the southern part of New Jersey and Delaware.

Arthur L. Rothkranz, promoted to managership of the Baltimore office covering Maryland and the District of Columbia.

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#### NBC TELLS THE TRUTH TO DENMARK AND CAUSES A RIOT

When Hitler expanded the anti-comintern pact recently, Denmark's foreign minister was one of the signatories. Goebbels and his censors knew that this news must not leak out, because it would cause widespread unrest, so he clamped down and the Danish press carried no mention of the minister's signature. However, NBC's short-wave stations WRCA and WJBI broadcast the news to the Danes. The reaction was quick and definite. A large group of loyal Danish citizens marched to the King's palace, acclaimed their ruler, sang "Tipperary" and hanged the foreign minister in effigy. Then they proceeded to the German barracks and demonstrated until the Nazis had to call out the riot squad.

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Thomas E. Harris, Assistant General Counsel of the Federal Communications Commission since last May has resigned to become an Assistant General Counsel in the Office of Price Administration.

Farnsworth Television and Radio Corporation - Six months to Oct. 31: Net profit, \$205,944, contrasted with \$94,592 loss for comparable period of previous year. Unfilled orders on Jan. 31 were in excess of \$16,000,000, E. A. Nicholas, President, reported. On Oct. 31, 1941, unfilled orders totaled more than \$7,000,000.

The Bamberger Broadcasting Service of New York has applied for a construction permit for a new commercial television broadcast station to be operated on Channel # 6, 96000-102000 kilocycles (Formerly W2XBB); Power Aural: Max. 2 kilowatts; Visual: Max. 4 kilowatts.

Permits have been asked for new stations by J. C. Horton of Santa Ana, Calif., to be operated on 830 kilocycles, 10 kilowatts, limited time; and B. Loring Schmidt, Salem, Ore., to be operated on 1490 kilocycles, 250 watts, unlimited hours.

Station KDB Thomas S. Lee & R. D. Merrill, Executors of the estate of Don Lee, deceased (Transferors) and the Don Lee Broadcasting System, (Transferee) Santa Barbara, Calif., have been granted consent by the FCC to transfer of control of Santa Barbara Broadcasters, Ltd., Station KDB, from Thomas S. Lee and R. D. Merrill, Executors of the estate of Don Lee, Deceased, to Don Lee Broadcasting System.

WNOE, New Orleans, seeks to increase its power from 250 to 50,000 watts and to use 1060 kc.

"Words That Shook the World," an album containing complete recordings of President Roosevelt's speech asking Congress for a declaration of war against Japan, and Churchill's historic address to the joint session of Congress, has been released for commercial sale by the WOR Recording Division on February 4. The Roosevelt and Churchill speeches were taken from WOR's collection of over 2000 off-the-air recordings of historic broadcasts of the past five years.

Production of radios in Canada in 1942 will be reduced to 50 percent of the monthly average number of units made in 1940. The new order revises the order under which production of radios in January was to be cut by 40 percent of the monthly average of 1940 and by 25 percent in February 1942 and each month thereafter.

Having what seems to be a good name for the job Harold P. Sec, NBC Engineer, has been appointed Senior Television Supervisor.



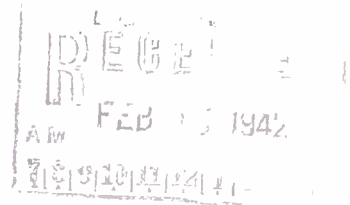
# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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February 10, 1942.

TO QUERY 50,000 LATIN AMERICANS ABOUT U.S. PROGRAMS

One of the most comprehensive efforts ever made to find out how the short-wave programs of the United States are getting through to Latin America is soon to be undertaken by Nelson Rockefeller, Coordinator of Inter-American Affairs. Fifty thousand questionnaires will be sent to listeners down there asking not only how our programs are coming in but how they compare in strength of reception and quality of entertainment value and popularity with the enemy countries. Also with the stations of our Allies.

The questionnaire will be printed in Spanish, Portuguese and English. It will be prefaced by the following request to Latin-American listeners:

"Will you please send us your criticisms and opinions of the short wave broadcasts from the United States, which you either hear or try to hear? The U.S. program schedules being sent you regularly list the programs on which criticism is desired. If you will return this report to the Coordinator of Inter-American Affairs, with as complete answers as possible, and as soon as possible, you will greatly help the broadcasters of the United States to improve their broadcasts to you.

"Most of the questions have been so arranged that they may be answered by making a mark showing the reply you wish to make.

"If you listen on a wave length, as shown on your radio dial, which is not shown under the station call letters, please write in the wave length heard.

"May we assure you that criticism to assist in making these broadcasts better will be appreciated even more than any complimentary statements which you may find it appropriate to make."

The listener may omit his name if he desires but will be asked to give the city and country where heard and the make and model of his radio. Also to list in order, the type of four programs to which he prefers to listen, such as news, drama, opera, classical music, popular music, serials, language lessons, travelogues or others.

The broadcasting organizations on whose short-wave stations a report is to be asked are:

The Columbia Broadcasting System; General Electric Company; National Broadcasting Company; Crosley Corporation; Westinghouse Radio Stations, Inc.; World Wide Broadcasting Corporation; British Broadcasting Corporation; U. S. S. R. Radio Stations; German Radio Stations; Italian Broadcasting System and Japan Broadcasting Corp.

The questions will be:

"Mark the wave length heard best from each station; indicate local time each station is heard best; give date of report each station heard; heard direct by short wave or local rebroadcast, and indicate opinion of program subject matter."

Also, "how loud is the broadcast signal?; Is there much variation in the signal strength?; How is the musical tone quality?; Was much interference with the broadcast noted?; Indicate in the order of your preference (1, 2, 3, etc.) the stations whose programs you enjoy most; and Indicate the relative signal strength (1, 2, 3, etc.) of the stations to which you listen."

Just who compiled the Rockefeller questionnaire is not known but it is very much on the order of inquiries which used to be sent out by John H. Payne, former Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce, who is now Associate Director of the Radio Section of the Rockefeller organization.

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#### LABOR WILL BACK DCB IN WARTIME EFFORT

Full cooperation of industry and labor interests in the communications industry have been pledged to the Defense Communications Board, Chairman James L. Fly announced yesterday (Monday) in making public the following joint statement by the Labor and Industry Advisory Committees of the Board in connection with the victory drive:

"Recognizing the vital role of the Communications industry in winning the war, the Industry Advisory and Labor Advisory Committees of the Defense Communications Board, at a joint meeting on February 3, 1942, pledged the full cooperation of Industry and Labor in the communications field in advising and assisting the Board.

"The Industry and Labor representatives present recognize that wartime efficiency of communications requires the special contributions of each group and the closest cooperation with the Government.

"To this end, these committees will aid the Defense Communications Board in its important task by the consideration and study of communications problems on which the Board desires assistance."

Commenting upon the statement, Chairman Fly said:

"I had intended to add a note simply expressing my gratification for the constructive and cooperative attitude which was taken both by the management representatives and union representatives. All of them have been extremely cooperative and there has been a general tendency to forget differences and move together shoulder to shoulder and do a real job. And, needless to say, that's very heartening."

The Industry Advisory Committee comprises Walter S. Gifford and Keith S. McHugh, President and Vice President respectively of the American Telephone and Telegraph Co.; Jack Kaufman and F. C. Alexander, Executive Vice President and Vice President of Globe Wireless, Ltd.; Col. Sosthenes Behn, President of the International Telephone and Telegraph Corp.; Frank W. Phelan, President of All American Cables and Radio, Inc.; E. F. Chinlund and Ellery W. Stone, President and Executive Vice President of Postal Telegraph, Inc.; Joseph Pierson and Donald K. deNeuf, President and Superintendent of Operations of Press Wireless, Inc.; David Sarnoff, President, and his assistant, Dr. C. B. Jolliffe of the Radio Corporation of America; William E. Beakes and R. V. Howley, President and Vice President of Tropical Radio Telegraph Co.; R. A. Phillips and Louis Pitcher, President and Executive Vice President of the United States Independent Telephone Association; and A. N. Williams, and E. R. Shute, President and Vice President in Charge of Traffic of the Western Union Telegraph Company.

Representing labor interests interested in communications, the Labor Advisory Committee members are: Robert J. Watt, of the American Federation of Labor; Joseph P. Selly, of the American Communications Association, for the Congress of Industrial Organizations; and Paul E. Griffith, President of the National Federation of Telephone Workers.

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#### PACIFIC COAST JAP STATION REPORT SPIKED

There was no confirmation at the Federal Communications Commission that a Japanese spy radio station had been seized last week on the West Coast near the Burbank airport. A motorist was supposed to have been riding by with his radio on and to have traced the radio station to an abandoned water tower.

A member of the Commission after contacting the official in charge of keeping his ear on the ground for any spy stations reported:

"He says that is like the rumor about someone who was supposed to have been shot right at his transmitter in Honolulu. That had no foundation at all. He says he thinks this is probably the same kind of story because the only reports he has had are the rumors that have come through the press services rather than from official circles, so he will guess that it hasn't happened."

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ACCUSES FCC TRYING TO STAVE OFF SENATE INVESTIGATION

Expressing the hope that the House will report favorably on a resolution which will bring about an investigation of the Federal Communications Commission in the near future, especially of a disproportionate number of Senate appointees, Representative Richard B. Wigglesworth (R.), of Massachusetts again paid his respects to the Commission, saying:

"I suspect that the FCC has feared for some time an investigation by the Interstate Commerce Committee in the Senate. I call attention in this connection to a table inserted in the hearings from which the interesting fact appears that the Commission has seen fit to employ no less than seven persons who formerly were on the rolls of this Senate committee.

"The number includes a general counsel at \$9,000; an assistant general counsel at \$7,500; an assistant secretary at \$5,600; an attorney investigator at \$4,600; a social-science analyst - whatever that is - at \$3,800; and two secretaries, one at \$4,000 and one at \$2,100.

"Under leave to extend my remarks, I include a copy of the table at this point:

Statement Showing Present Employees of the Federal  
Communications Commission Who Have at Previous  
Times Served on Senate Committees.

(Name, title, salary, and service with Senate Committee)

Henry M. Barry, secretary to Commissioner, \$4,000; Clerk to various Senate standing committees.

Edward M. Brecher, secretary to Commissioner, \$4,000; Senate Committee on Interstate Commerce, editorial assistant.

Charles Eugene Clift, principal investigator, \$3,800; Senate Subcommittee on Education and Labor, investigation.

Allen W. Sayler, attorney-investigator, \$4,600; Senate subcommittee under Senate Resolution 266.

Edward Cooper, assistant secretary, \$5,600 (recently appointed by the Federal Communications Commission to the office of assistant secretary); Senate Committee on Interstate Commerce.

Mrs. Mary M. Donahue, secretary to General Counsel, \$2,100; Senate Committee on Interstate Commerce.

Miss Elsa Gullander, social-science analyst, \$3,800 (appointment approved by Federal Communications Commission, but not yet filling the position); Senate Committee on Interstate Commerce.

Lucien Hilmer, assistant general counsel, \$7,500; Senate Committee on Interstate Commerce.

Telford Taylor, general counsel, \$9,000; Senate Committee on Interstate Commerce.

"The Commission furnished, at my request, a list showing the name, position, grade, and salary of all those now employed in

its Foreign Broadcast Monitoring Service. The list indicates a personnel in Washington of 225 and in the field of 31, or a total of 256. It includes 2 assistant editors, 12 editorial assistants, numerous translators and analysts, and many other positions. I confess that without further explanation I do not know what the duties of many of those listed are. Your committee is advised that the needs of this unit under wartime conditions are now receiving careful study by the Bureau of the Budget. Further information in this connection will, no doubt, be available when the agency next appears before your committee.

"Because of charges similar to those made in respect to the O.C.D., the list of the foreign broadcast monitoring service was also referred to the Dies committee, with a request for similar comment in respect to those included in the rolls of this Division.

"Again, I do not know whether the Dies committee has done a complete job on the list or not; I have received, however, from the Dies Committee the names of a number of persons included in the list, who, according to the Dies committee, have had affiliations in the past with Communist front organizations.

"Again I am not going to take the time to go into detail. I may mention in passing, however, that included among the names of those received from the Dies committee is that of Goodwin Watson, chief analyst, at \$5,600, whom the House dealt with in connection with the Independent Offices Appropriation Bill and whose case is now being considered by the Senate Appropriations Committee, because, despite the record made by the able gentleman from Alabama (Mr. Starnes), there appear to be at least three members of the Federal Communications Commission who think he should be retained on its rolls. His record requires a page and a half of comment.

"There are also the names of Peter Rhodes, foreign editor, at \$4,600; William E. Dodd, Jr., editorial assistant, at \$2,600, whose record requires three full pages; Charles E. Gould, editorial assistant, at \$2,600; Mary Johnson, translator, at \$1,800; and a number of other persons in minor positions. Again, under leave to extend my remarks, I shall include at this point the comments of the Dies committee and allow them to speak for themselves."

The alleged communistic records of Messrs. Watson, Rhodes, Dodd, Jr., Gould and Mary Johnson, which Mr. Wigglesworth introduced at this point covered the better part of two pages of the Congressional Record (Pages 1136-37 - February 6).

Congressman Wigglesworth concluded:

"I may say incidentally that the Federal Communications Commission reports that five employees in this unit have had their appointments terminated since July 12 last for other reasons, as a result of findings by investigators of the Civil Service Commission."

Commenting upon the records of Dr. Goodwyn Watson and the others which Representative Wigglesworth set forth, someone remarked, "They should call it the Federal Communist Commission."

## PRESS HEARINGS ADJOURNED; STAHLMAN SCHEDULED LATER

The Federal Communications Commission hearings on whether or not newspaper-owned radio stations should be singled out for special treatment adjourned last Friday to an undetermined date at which time James G. Stahlman, publisher of the Nashville Banner, who the District of Columbia Appeals Court recently ruled must respond to the FCC's subpoena. The Court ruled that the Commission has the right to inquire into the newspaper issue "but cannot deny an application for broadcast facilities merely because the applicant publishes a newspaper."

Elisha Hanson, counsel for Mr. Stahlman, in appealing to the higher court, had characterized the FCC proceedings as a "fishing expedition" and the Court of Appeals backed him up in this saying:

". . . we do not mean to hold or to suggest that the Commission is authorized to require appellant or other witnesses whom it may summon to bare their records, relevant or irrelevant, in the hope that something will turn up, or to invade the privacy protected by the Fourth Amendment, but only that the Commission may, without interference, seek through an investigation of its own making information properly applicable to the legislative standards set up in the Act. We should not assume that the investigation will be conducted for any other purpose or in disregard of the constitutional limits which govern such procedure."

The last witness Friday was Dr. Roscoe Pound, Dean Emeritus of the Harvard University Law School. He told the FCC that it was his opinion that no "hard and fast" rules on newspaper acquisition of radios should be made.

Mr. Pound contended the Commission should consider all factors in each application because "a general rule cannot take care of exceptions and conditions".

"There is need for individualizing", he said. "There are more and more cases where you cannot apply a hard and fast rule."

Asked his opinion of so-called "one-one" cities, in which the only daily newspaper controls the only broadcast station, Mr. Pound replied that "theoretically it looks pretty bad, but I do not think it is an actuality."

"Is there any such thing as a person cut off from all but the local radio station?" he asked.

Chairman James L. Fly asked Mr. Pound his attitude in the case of rival applications, one by a newspaper and the other non-newspaper. Mr. Pound said he felt it proper for the Commission to "take account of" newspaper ownership in such cases, but that he did not feel this should be a controlling factor in itself.

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Mr. Pound said the promulgation of rules discriminating against any class, such as newspaper owners, or any church group, would be "infringing considerably" on the Bill of Rights.

"When you begin to encroach, the tendency is to extend control", he said. "The time to resist is in the beginning."

Donald Harris, an FCC attorney, remarked that some people felt "affirmative Government action" was necessary to safeguard freedom of speech and freedom of the press".

"That", Mr. Pound commented, "is arrant nonsense. The tendency of those who have power is to reach out for more power. Any Government control of the press is the beginning of autocracy."

Asked by Mr. Harris whether he felt the question "before the house" involved freedom of speech and freedom of press, Mr. Pound replied:

"It is distinctly a move in that direction."

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NO PRIORITY ORDER YET BUT FUTURE GRANTS

Asked if he had any idea when the priority order would be coming along for other than standard broadcast stations, James L. Fly, Chairman of the Federal Communications Commission, replied:

"No, I haven't. Of course the important thing was simply to bring into practical operation what has for some time appeared to be a fundamental policy on the part of the defense agencies. That is that there should not be future grants and we did what seemed to be the simplest thing to avoid trouble - that was to stop the grants in the standard field for the time being. Now I say for the time being - I have no doubt that the policy of not making standard broadcast grants where there is existing primary service - but in principle we suppose it is for the duration.

"As to how they will be defined into specific detail - in answer to 40 different questions that will arise in specific cases - procedural mechanism - That will all have to be worked out. As to what will be done with FM and television, that's another thing. That has not been considered. Of course we have always had it in mind but there has been no specific policy adopted in relation to it. That is one thing that we will have to take up in the very near future. That's unavoidable, of course."

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PROCEDURE AND PERSONNEL NOT AFFECTED IN NEW WPB SET-UP

Radio industry problems, procedure and official personnel generally are not affected by the new War Production Board organization, under Chairman Donald M. Nelson, according to a Radio Manufacturers' Association bulletin. Prominent in the new WPB is J. S. Knowlson, former President of RMA, who has been appointed Director of the Division of Industry Operations. This has charge of converting civilian industries to war production, also taking over priorities administration and requisitioning authority.

Jesse L. Maury and his staff continue unchanged in the radio interests and the WPB Electrical and Consumers Durable Goods Branch. This and other industrial branches, including the radio and other industry advisory committees, are directly under Philip D. Reed, Chairman of the General Electric Company. He has been appointed by Mr. Knowlson to head up the WPB Industrial Branches.

In the military radio production of WPB, Ray Ellis continues actively for the radio branch of the Division of Production, which is headed by W. H. Harrison.

Priorities administration, formerly of OPM and SPAB, now is under C. H. Matthiessen, Jr., former OPM Assistant Deputy Director, who has been appointed by Mr. Knowlson to have charge of WPB priorities matters.

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FCC HAS MORE OFFICE SPACE -- ON PAPER

It was said at the Federal Communications Commission yesterday (Monday) that the Commission at last had found more office space but as yet it was on paper. For additional room they had been promised the old Stillson-Hutchins Building at 10th and D Streets, N.W., the old home of the Washington Post. It is about three blocks from the Commission's present offices. Asked if they would get the whole building, Mr. Fly replied:

"Yes, we need more than that. I think there is 30 thousand square feet of office space there. We are terribly crowded. We have so many people - some on important work, particularly engineers, six, eight, ten in one office with lots of records. To have professional people working under those circumstances is not only uncomfortable to them but it might decrease the efficiency. You can't work efficiently under those circumstances. That situation must be relieved. Our staff has generally increased. The Monitoring Service has increased and in other branches there has been some increase, so we are in a critical situation quite apart from the addition of the defense mechanism and personnel."

"Then I take it you have not decided just who will be there?" the Chairman was asked.

"We are still studying that", he replied. "There will be considerable reshuffling. I haven't taken it up with the Commission, but I assume the people that are doing the work that is currently most significant and where they need to be in touch with the main office most continuous will be the people who will remain close to the Commission, and those whose contacts are required less often will be at a greater distance."

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 ::: TRADE NOTES :::  
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Extended service by two of New York's six active FM stations now makes FM listening possible in that area from 7:30 A.M. to 12 midnight. W47NY, operated by Muzak, has moved its sign-on time up to 7:30 A.M. daily. Sign-off is at 11 P.M. W2XQR, the experimental outlet of WQXR which previously went off the air nightly at 10 P.M., now transmits until midnight.

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 WOR is now broadcasting periodic announcements publicizing the free courses in "Fundamentals of Radio" that will be offered by local universities to meet the urgent need in both industry and the armed forces for trained radio technicians. Rutgers University has already begun its course of 16 weeks of radio technical instruction in Bayonne and Red Bank, and by the end of February will be operating in 30 different cities in New Jersey.

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 The Radio Recording Division of the National Broadcasting Company will begin immediately to release to its Thesaurus subscribers music controlled by several ASCAP publishers, C. Lloyd Egner, Vice-President in Charge of the Radio Recording Division has announced.

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 Larus & Brother Company, Inc., Richmond, Virginia, have resubmitted their application for a construction permit for new relay broadcast station, on 31620, 35260, 37340, 39620 kcs., 100 watts, A-3 emission,

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 The "electric eye", used for years to count traffic, open doors for busy waitresses, sort coffee beans according to color and do a dozen or more other jobs which previously had to be done by hand, has just come into a real wartime occupation, that of standing by as all-night guard for alert warnings of possible air raids. Focused on the street lights, which will be turned off the instant a warning is received in any city, the "electric eye" sounds an immediate warning and likewise turns off the lights in the home, store, display signs or wherever lights are to be extinguished to perfect a city blackout, a General Electric Bulletin states.

Don Lee Broadcasting System, (W6XDU), Portable-Mobile, Los Angeles and environs, modification of construction permit, which authorized addition of aural equipment using Special emission) for extension of commencement and completion dates only to 3/1/42 and 9/1/42 respectively.

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 Quarterly dividends on the outstanding shares of Radio Corporation of America \$3.50 First Preferred stock and outstanding shares of "B" Preferred stock, were declared for January to March. The dividend on the First Preferred stock is 87½ per share, and the dividend on the "B" Preferred stock is \$1.25 per share.

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 Beginning at 12:30 A.M. next Sunday, the New York Daily News will broadcast over WNEW, in New York City, a five-minute news period, hourly on the half hour twenty-four hours a day and seven days a week. It will be similar to the news broadcasts started recently by the New York Times.

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 Among the pictures of "Life Goes to A Party" (Life, February 9) of the brilliant reception given in Washington by Joseph E. Davies, former Ambassador to Russia, and Mrs. Davies, to Maxim Litvinoff, the Soviet Ambassador, are a couple of familiar faces. One of them is Harry C. Butcher, Vice-President of the Columbia Broadcasting System in Washington (Page 106), and nearby is Merle Thorpe, Editor of the Nation's Business. Life says: "With champagne, music and fanfare, it was the biggest blowout in Washington since the war began."

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 The Radio Age for January published by the Department of Information of the Radio Corporation of America, contains the following articles: Radio at the Ready: 1941-1942, by David Sarnoff; "Blue Network Company, Inc."; Pacific Link; Phonograph Comes Back by Frank B. Walker; Electron Microscope in New Fields by Dr. V. K. Zworykin; "Finest Programs Possible"; RCA Men Aid Government Groups by Dr. C.B. Jolliffe; Laboratories Cornerstone Laid; New Studios; RCAM Employees in New Victory Campaign; Tubes Rushed; RCA Sign Off.

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 Station WSAV, Savannah, Georgia, has asked the FCC for a construction permit to change frequency to 1370 kc. from 1340, increase power from 250 watts to 1 KW, install new transmitter and install directional antenna for night use.

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 For the second time in four years, WOR is one of the winners of the Annual Advertising Awards. In 1938, WOR became the first radio station ever to win one of the awards. At the annual Awards Dinner last Friday, Joseph Creamer, WOR's Director of Promotion and Research, was cited for "technical excellence of visual presentation, layout, art and typography."

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 "In honor of a man and an ideal . . ." - three talks on freedom by Archibald MacLeish, William S. Paley and Edward R. Murrow made at the dinner CBS gave to the last named in New York have been attractively reprinted in pamphlet form.

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~~CONFIDENTIAL~~

THROCKMORTON ELEVATED TO RCA MFG. CO. CHAIRMANSHIP

George K. Throckmorton, for the past five years President of the RCA Manufacturing Company, Inc., of Camden, N. J., has been elected Chairman of the Executive Committee of that company. Robert Shannon, former Executive Vice-President, was elected President.

In announcing these organization changes, David Sarnoff, President of the Radio Corporation of America said:

"The new President of the RCA Manufacturing Company is a man from the ranks. 'Bob' Shannon, as he is affectionately known by thousands of employees, started as a factory worker thirty years ago. He has occupied various executive positions in the R.C.A. organization during the past twelve years.

"The conversion of a substantial part of the facilities and personnel of RCA Manufacturing Company to specialized manufacture of radio and electronic products for the Army and Navy has greatly increased the load on the management in two important respects", Mr. Sarnoff stated. "First, the volume and variety of these products require increased study and effort which must be given to plans and their execution. Second, speed is of the essence. Nothing can be put off until tomorrow which it is humanly possible to do today.

"The Directors of RCA Manufacturing Company have therefore created an Executive Committee of the Board. This committee will act during the intervals between meetings of the full Board, so that decisions on all plans can immediately follow their formulation, thus effecting the greatest possible flexibility and speed of action. \* \* \*

"Under Mr. Throckmorton's able supervision the RCA Manufacturing Company, which employs more than 20,000 workers, prepared itself in advance to meet the demands now placed upon it by the war. Its plant facilities were enlarged in the interests of national defense. Its workers patriotically pledged themselves to 'Beat the Promise' by endeavoring to make deliveries on Government work in advance of contract dates.

"Last week the United States Navy awarded to RCA Manufacturing Company the coveted Navy 'E' pennant, in recognition of the company's 'outstanding results in the production of Navy material vital to our war effort'. In Navy parlance it means 'well done' - the highest praise the Navy can bestow. The winning of the Navy 'E' is an eloquent tribute to the leadership of Messrs. Throckmorton and Shannon."

Membership of the Executive Committee of RCA Manufacturing Company is composed of the following members of the company's Board of Directors: G. K. Throckmorton, Chairman, Gano Dunn, J. G. Harbord, DeWitt Millhauser, David Sarnoff, O. S. Schairer, and Robert Shannon.

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# HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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No. 1403

February 14, 1942.

DIES RINGS BELL WITH AXIS SHORT-WAVE PROPAGANDISTS

Confirming a story that has been going the rounds for some-time, Chairman James L. Fly of the Federal Communications Commission has advised Representative Dies, Chairman of the Committee Investigating Un-American Activities, that our listening posts have found that Mr. Dies has received as many favorable references in Axis propaganda broadcasts as any American. It was revealed in the following letter written by Mr. Fly to the Texas investigator:

"I have your telegram of yesterday (Feb. 10) advising me that you are informed that the publication News Week for January 5, 1942, contained the following statement: 'The FCC's short wave monitoring service has found that Representative Martin Dies is the American most frequently quoted by the Axis radio in programs beamed to the hemisphere'. I was not aware of the statement in question and have not seen the January 5 issue of News Week. You ask in your telegram to be advised whether this statement is correct, and if any report, official or otherwise, issued by this Commission was the basis for this statement in News Week.

"Before answering your inquiry, let me say that I have noted an account in the New York Times of today commenting on what appears to be a statement made by you on yesterday (Feb. 10) raising a question as to how the Commission comes into possession of 'inside information' on axis propaganda. I had assumed that the Congress long since had fully understood the work of our Foreign Broadcast Monitoring Service, which is devoted completely to the job of monitoring, recording, translating and analyzing radio propaganda aimed at the Western Hemisphere by any and all countries. In that way, we necessarily have more than the 'inside information' - we have all the information on incoming radio propaganda and much of the foreign domestic propaganda. This includes the propaganda from foreign countries not merely the foreign enemies. However, greater attention is given to the propaganda of our enemies, which is most carefully analyzed and reported to the several government departments and agencies to whom this information may be of value in the war effort.

"In October, 1941, the staff members of the Commission's Foreign Broadcast Monitoring Service, as part of their routine analytical functions, undertook a study of the use of American sources by Axis propagandists in their broadcasts beamed to this hemisphere during the months of August and September (October being later added as the study ran into November). The study was never completed and exists only in draft form. It was never presented to the Commission, officially or otherwise, and I therefore had not seen it until after receipt of your telegram.

"The draft study sets forth at the outset that, to gain support and confirmation for its propaganda to this country and to South America, the Axis radio draws heavily and purports to quote liberally from accounts of leading American news services, newspapers and magazines and from statements by American public figures. These American sources upon which the Axis draws may be arbitrarily classified as 'approved' by the Axis and 'unsympathetic' to the Axis, according to the respective roles they play in Axis propaganda. 'Approved' sources are rarely if ever criticized by the Axis, but are consistently quoted to support some political or ideological view. It seems apparent that Axis propagandists regard the statements and activities of certain American public figures and institutions, even though known to be anti-Axis, as more generally useful than otherwise to them in their propaganda warfare and they therefore are willing to ignore hostile sentiments and endeavor to build such figures and institutions into authoritative symbols. 'Unsympathetic' sources are most often criticized or ridiculed for statements the the Axis dislikes, but, on the other hand, are quoted frequently for confirmation of Axis claims, apparently in the thought that such Axis claims must necessarily be true since even 'unsympathetic' American sources admit them.

"At the outset the draft of the study stated: 'It must be continuously kept in mind that these alleged quotes and reports of American statements over the Axis radio are frequently distorted, even completely perverted, in order to achieve Axis propaganda aims'. A footnote at that point indicates several startling examples of the complete reversal of the position of American sources.

"In lieu of a summary, I think it better to quote the actual language of the draft respecting yourself:

'Representative Dies-- Representative Dies, ardent supporter of Americanism and opponent of subversive propaganda, received as many favorable references in Axis propaganda to this country as any living American public figure. His opinions were quoted by the Axis without criticism at any time. In several broadcasts, Rome reported that Dies had sent a letter to President Roosevelt demanding "the dismissal of the Federal Price-Controller, Henderson, and of four of his intimate collaborators", whom Dies accused of being Communists. Berlin quoted statements by Dies that there never had been religious freedom in the Soviet Union, and that: "Sending war materials to Soviet Russia is absolutely useless now because it will only fall into German hands". This latter statement soon afterwards became a common theme in German propaganda. The remarkable thing, however, is that Congressman Dies should be presented to Americans by Nazi and Fascist propagandists as an authority whose opinions should be heeded.'

"The study was, of course, not intended for publication, and I am unable to state how the periodical in question came into possession of its somewhat garbled version. However in view of the suggestion contained in the New York Times article that Dr. Goodwin Watson

may have had something to do with this study, I might add that the study was made before Dr. Watson joined the staff of this Commission, which was November 17, 1941. I am advising you completely of the facts insofar as you are concerned. I do not believe it would be appropriate to reveal other American sources quoted by Axis propaganda as determined by the study."

Introducing into the Congressional Record the letter Chairman Fly wrote to Congressman Dies, Representative Thomas H. Eliot, of Massachusetts, said:

"Under leave to extend my remarks, I include a letter, which has been made public, from the Chairman of the Federal Communications Commission to the Chairman of the so-called Dies Committee.

"The letter points out that in Axis propaganda broadcasts the utterances of the Chairman of the Dies Committee have been quoted with approval many times by the Nazis.

"It would be most unfortunate to have a committee supposed to uphold Americanism become instead, however inadvertently, a vehicle for the propagation of Nazi-ism."

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#### FCC PROPOSES TO DENY MORE TIME TO WNYC

Holding that the proposal is inconsistent with Commission's rules and, further, is contrary to equitable distribution of radio service, the Federal Communications Commission announced intended denial of the application by the City of New York Municipal Broadcasting System to increase the hours of operation of its station WNYC on the frequency 830 kilocycles with its present power of 1 kilowatt.

This licensee sought to operate from 6 A.M. to 11 P.M., Eastern Standard Time, using directional antenna, instead of daytime until sunset at Minneapolis, as at present.

The Commission is of the opinion that such a grant would not serve the public interest, convenience and necessity. The Commission's Rules Governing Standard Broadcast Stations provide that only one full time station may be assigned to the frequency in question (now used by Columbia Broadcasting System station WCCO at Minneapolis on an unlimited time basis) and that the power of such station shall not be less than 50 kilowatts (which is the power of WCCO). Simultaneous operation would result in interference detrimental to both stations. Also, grant of the application as proposed "would not tend toward an equitable distribution of radio service to the several states and communities" as contemplated by the provisions of the Communications Act.

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## ASSERTS MOST SOUTH AMERICANS LISTEN TO LOCAL STATIONS

Despite the improvement of short-wave broadcasting, Don Francisco, Director of Communications, in the Rockefeller office of Inter-American affairs, discussing the South American broadcasting situation, expresses the belief that in any country, including our own, most people listen to their local stations. An address on this subject by Mr. Francisco was reprinted in the Congressional Record by Senator Lister Hill of Alabama.

Mr. Francisco said further in connection with the Rockefeller problem of covering Latin-America:

"To reach the maximum audience we must develop network broadcasting on an international scale. Already three broadcasters have created inter-American networks through the retransmission by local stations of programs broadcast from the United States.

"To insure reception the most important programs, speeches, and events are also being transmitted by point-to-point communications to the other republics for rebroadcast by local stations. Recent speeches by President Roosevelt, transmitted in this way, have been rebroadcast by as many as 200 local stations in the southern countries.

"Through these networks we of the Americas can listen together to the tangoes of Argentina and the rumbas of Cuba, to educators in Lima and Montevideo, to the statesmen of Brazil and Mexico, to voices from Washington, Bogota, Santiago, and a hundred other places."

"The words of President Roosevelt reverberated around the world as have the words of no other man in all history. No man before him has ever commanded so great an audience.

"While the Chief Executive is speaking to the world, translations are beamed southward, to Brazil in Portuguese, to the other Americas in Spanish. In the short-wave broadcasting studios of America's great radio nerve centers, eager hands rip the speech, paragraph by paragraph, from chattering tickers. Heads bend low over typewriters, and soon the President's words appear in German, French, Italian, Swedish, Finnish, Turkish, and a dozen other languages, transposed by specialists who fashion their words to fit the language pattern of their foreign audience."

"With incredible speed, while the President is still speaking, in English, his words, in many languages are winging their way over directional radio beams to the far corners of the earth. Before the day is out his voice has rolled over the pampas of the Argentine and across the snowy peaks of the Andes. His words have left their impact in the Land of the Kangaroo and the so-called Rising Sun. From the Rio Grande to the Straits of Magellan, into the war-torn capitals of Europe, and down into the tiny settlements of the African jungle men and women have heard the President of the United States speak in accents they can understand.

"This was no one-time achievement. The international broadcasting of important speeches and events has now become routine."

"For more than a year we have been working closely with the radio industry."

"What has been accomplished? Let us first examine some figures on the short-wave broadcasting activities of our 11 United States international stations.

"On an average day a year ago our short-wave stations were on the air a combined total of 79 hours. Today their combined time averages 132 hours per day, in 19 languages.

"In the last year the total number of short-wave news broadcasts by all stations, on an average day, has increased from 72 to 209 per day. The time utilized by all stations for daily news broadcasts on average days has increased from 18 to 52 hours per day.

"Thus by better facilities, improved programs, advanced publicity, and perhaps by more receiving sets, our short-wave audience is being increased."

"Our office is producing 52 transcribed programs in Spanish and 52 in Portuguese. These programs range from informative material, such as Ripley's Believe It or Not in Spanish and Portuguese, to American folk songs and a dramatized series on national defense. It is expected that hundreds more will be made during the year. These will be sent to the other American republics for broadcasting over local stations.

"Special live-talent programs devoted to inter-American friendship and understanding are being sponsored by local organizations in several countries, and others will follow.

"One of the helpful activities of the United States advertisers in the southern republics has been the use of news of our great press associations as program material for their sponsored broadcasts. The best answer to Axis propaganda is a wider dissemination of the facts.

"We have knowledge of 132 stations carrying such programs, and doubtless there are many others that do not appear on our records."

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### WOW SUES ASCAP FOR ROYALTIES DAMAGES

The Woodman of the World Life Insurance Society, operators of radio station WOW, filed suit in District Court in Omaha Thursday against the American Society of Composers, Authors and Publishers, asking \$298,319 in triple damages alleged to have been suffered through payment of ASCAP royalties.

The petition was in behalf of "all others similarly situated" in Nebraska and lawyers said claims would total almost a million dollars.

A Nebraska law passed May 7, 1937, barring alleged monopolistic practices of ASCAP, was upheld by the United States Supreme Court in May. Payments during that period for songs and music originating in Station WOW to ASCAP under protest amounted to \$87,724, but under the statute ASCAP is liable to triple damages plus interest, the petition asserted.

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## BAN ON NEW RADIO STATION CONSTRUCTION

The Defense Communications Board has recommended to the War Production Board and the Federal Communications Commission that, effective immediately, all new construction for standard broadcast facilities be limited in accordance with the following:

- "1. No critical materials shall be allocated by the War Production Board or further authorizations issued by the Federal Communications Commission for the construction of any new standard broadcast station where all or a substantial part of the proposed primary service area is already provided with primary service from one or more standard broadcast stations.<sup>1</sup>
- "2. No critical materials shall be allocated by the War Production Board or further authorizations issued by the Federal Communications Commission for construction in order to change the transmitting facilities of any existing standard broadcast station unless the change will result in a substantial new primary service area no substantial part of which is already provided with primary service from one or more standard broadcast stations.<sup>1</sup>
- "3. No critical materials shall be allocated by the War Production Board for the construction, under outstanding authorizations of the Federal Communications Commission:
  - (a) Of any new standard broadcast station where all or a substantial part of the proposed primary service area is already provided with primary service from one or more standard broadcast stations; or
  - (b) In order to change the transmitting facilities of any existing standard broadcast station unless the change will result in a substantial new primary service area no substantial part of which is already provided with primary service from one or more standard broadcast stations."<sup>1</sup>

It is understood that this matter has already received consideration by the Federal Communications Commission, as evinced in that Commission's public statement of January 30, and by representatives of the War Production Board in conferences with the Priorities Liaison Committee of the Defense Communications Board.

1/ In general, the Federal Communications Commission's Standards of Good Engineering Practice will be used as a guide in the determination of primary service.

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## PAPERS FAIRER ON NEWS THAN RADIO, STAHLMAN CLAIMS

James G. Stahlman, publisher of the Nashville (Tenn.) Banner, told the Federal Communications Commission Thursday he believed that newspapers "in 999 cases out of 1,000" gave a fairer presentation of the news than radio broadcasts.

On the advice of Elisha Hanson, counsel for the American Newspaper Publishers' Association, Mr. Stahlman several months ago failed to answer a Commission subpoena. The United States Circuit Court of Appeals for the District of Columbia recently upheld the Commission's right to subpoena him but said the Commission had no power under the Communications Act to bar newspapers from owning or operating radio stations.

Before Mr. Stahlman took the stand, Mr. Hanson, who has contended the investigation is unlawful, called the Commission's attention to the Appeals Court decision and asked that it be made a part of the record.

Chairman James L. Fly did not allow it to go into the record, remarking that members of the Commission already had read it.

"I am glad that they did and I hope they understood it and enjoyed it as much as I did", Mr. Hanson commented.

Mr. Stahlman remarked that he always had opposed commercially sponsored news broadcasts and that he had not changed his opinion.

The publisher told of offering a resolution at the April, 1933, meeting of the Associated Press to permit newspaper members of the cooperative, non-profit organization to make available news reports to local stations, but not for chain broadcast. He said his motive in offering the resolution, which was adopted, was to make "legitimate news" available to radio stations.

Mr. Stahlman now is on active duty with the Navy as a Lieutenant Commander. He appeared in uniform yesterday, Mr. Hanson explaining that regulations required this. Mr. Hanson added, however, that Mr. Stahlman was testifying as an individual and "not as an officer of the Government".

After hearing Mr. Stahlman, the hearings recessed to an indefinite date. FCC attorneys predicted the hearings would be completed shortly.

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Looking to relieve the amount of paper work required for renewal of standard broadcast station licenses, the FCC approved a revised draft of Form 303, "Application for Renewal of Standard Broadcast Station Licenses". The form has been shortened from 10 pages to 5, and in other ways has been simplified to meet the cooperative suggestions made by various licensees.

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## RADIO SET OUTPUT TO BE CUT OFF WITHIN THREE MONTHS

The radio set manufacturing industry, whose civilian output has already been cut to 40% below last year's total, was told today (Friday) by the War Productions Board that it is next in line for conversion to the production of war material.

Speaking before a meeting of the representatives of fifty-five radio set manufacturers, R. R. Guthrie, Assistant Chief of the Bureau of Industry Branches, said the radio manufacturing plants will be converted as rapidly "as is technically possible".

While no dead line has been set, it is expected that the major part of the job will be done within three months. A program for conversion will be drawn up at conferences between the representatives of the industry and the Government.

"The problems of your industry in the war effort are at once difficult and pressing", Mr. Guthrie said. "The strategical objectives and the broad dimensions of the task before you are clear. It should be as gratifying to you as it is to me that these objectives and dimensions are no longer subject to change with the fortunes of war. We are, thank God, out of the period in which succeeding military reverses met a revision of our estimates of what we must do. We are demanding the utmost of your industry and every other industry now.

Mr. Guthrie said that the present output of radio manufacturers would be converted to the manufacturing for military purposes radio sets, signal corps detectors, and similar equipment needed in enormous volume.

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## WIRELESS OPERATORS GIVE MEDAL TO PRESIDENT

Chairman Fly of the Federal Communications Commission, at the invitation of the Veteran Wireless Operators' Association, presented a medal to President Roosevelt at the White House Thursday afternoon in recognition of the latter's outstanding contribution to the advancement of the wireless art in peace and war. The gold token of the Association's appreciation was presented in advance of the Association's annual dinner in New York on February 21st.

In conveying the message of the Veteran Wireless Operators, Mr. Fly said the medal was in commemoration of the President's sixtieth birthday and "in tribute to him grand use of wireless communications to the greatest advantage in peace and in war".

Life members of the VWOA in Washington were invited to attend the presentation. They were Neville Miller of the National Association of Broadcasters, George W. Bailey of the American Radio Relay League, Admirals S. C. Hooper and Leigh Noyes, FCC Assistant Chief Engineer E. M. Webster and William D. Terrell, Chief of the FCC's Field Division.

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## FCC WARTIME SURVEY OF FOREIGN LANGUAGE BROADCASTS

A Federal Communications Commission wartime survey reveals 200 standard radio stations in the United States broadcasting in 29 foreign languages for a total of 6,776 hours during the first 30 days after Japan began hostilities on December 7th last.

A pre-war survey, conducted by the Commission in 1940, showed 199 stations broadcasting in 31 foreign languages for a period of about 1330 hours a week. Previously an additional 57 stations had broadcast in foreign tongues. The current survey indicates a decrease of 67 hours as compared with foreign language broadcast time for the 30 days preceding the outbreak of war.

Italian, Polish, and Spanish still predominate the domestic foreign language broadcasts directed at local foreign-born populations. A comparison of foreign language broadcasts for the 30-day period before and following the Pearl Harbor attack shows from November 7 to December 6, 1941 - 6,843 broadcasts and from December 7, 1941 to January 5, 1942 - 6,776.

No domestic station broadcasts in foreign tongue exclusively. Only three stations broadcast 300 hours or more of foreign languages in the 30 days mentioned. Two stations broadcast 200 to 299 hours, 3 from 160 to 199 hours, 3 from 120 to 159 hours, 11 from 80 to 119 hours, 22 from 40 to 79 hours, 25 from 20 to 39 hours, 36 from 10 to 19 hours, and 95 for less than 10 hours.

Few high-power stations broadcast in foreign languages. Only one 50 kilowatt station does, and no 25 kilowatt station. Lesser power stations engaging in foreign language broadcasts include three 10 kilowatt stations, 38 of 5 kilowatts, 48 of 1 kilowatt, 8 of 500 watts, 94 of 250 watts, and 8 of 100 watts.

As in the case of foreign-language newspapers, most of these stations are in areas with considerable foreign-born populations. Since the outbreak of war, and under increased surveillance, the foreign-language stations have themselves jointly and individually acted to guard against subversive broadcasts. Many programs are being devoted to the United States war effort, and various Government agencies are utilizing this media to inform and enlist the support of our foreign-born in the battle for democracy. In particular, foreign-language stations have broadcast information about the alien registration and other matters pertaining to aliens within our borders.

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Radio's use in education, by adults as well as in the classroom, is to be demonstrated before more than 20,000 principals and other school executives by the CBS Department of Education at the annual meeting, February 21-26, of the American Association of School Administrators in San Francisco.

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## RCA OPENS DIRECT CIRCUIT TO IRAN

A new direct radiotelegraph circuit between New York and Teheran, Iran, was opened last Tuesday by R. C. A. Communications, Inc.

Until now, all radiotelegraphic traffic from the United States to Teheran had to be routed by way of London, where, under war conditions, there was a considerable time lapse before clearance. The new 6000-mile circuit will eliminate serious delays.

With the addition of Iran, R. C. A. Communications operates direct radiotelegraph circuits to four countries of the Near East. The other three link New York with Beyrouth, Svria; Istanbul, Turkey, and Cairo, Egypt. RCAC direct radio circuits connect the United States with a total of more than forty countries.

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## MILE O' DIMES STILL COMING IN

Contributions to the national fight against infantile paralysis continue to be received at Washington's NBC studios, despite official closing of the Mile O'Dimes campaign which netted approximately \$30,000 this year.

Part of the proceeds already have been delivered to the White House, where the money taken in through this part of the annual President's Birthday Celebration, was received on behalf of President Roosevelt by his Military Aide, Major General Edwin M. Watson, U. S. Army.

The Mile O' Dimes stand in front of the NBC studios was host from January 12-30 to Government officials, motion pictures stars, and thousands of Washingtonians and out-of-town visitors. Included among the notables were Jesse Jones, head of the R.F.C.; Paul McNutt, Federal Security Administrator, and Secretary of Agriculture, Claude Wickard.

Milk bottles on the Mile O' Dimes stand represented every State in the United States, and also about 12 foreign countries. Contributions credited to Uruguay totaled over \$51. Boy Scouts assisted by accenting contributions from passing motorists.

A minimum of two broadcasts were conducted from the Mile O' Dimes stand daily. Many citizens participated on special programs.

Bryson Rash was conductor of the Fifth Washington Mile O' Dimes campaign, assisted by NBC Staffmen Don Fischer and Dorian St. George, who was Eastern Regional Director.

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Marshall Orr, principal attorney and head of the Marine, Aeronautical and Emergency Section of the Law Department of the Federal Communications Commission, has been called to duty as a major in the Air Corps. Long a flyer, he was in the Navy air service during the World War.

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Thomas Rishworth, Director of the NBC Public Service Division, will be one of the principal speakers at the 72nd annual convention of the American Association of School Administrators, opening a six-day conclave in San Francisco on Saturday, February 21st. His subject will be "Radio and Recordings".

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The Commission denied a petition by Portsmouth Radio Co. requesting a grant without further hearing of its application for a new station in Portsmouth, Va., to operate on 1490 kilocycles with 250 watts power, unlimited time. The Commission directed that further hearings on the application be held in the light of the existing situation on the availability of materials.

At the same time, the Commission denied the application of R. N. Wallace and G. E. Schnibben, doing business as Norfolk County Broadcasting Co., for like facilities at Norfolk, Va.

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Sally's Furs, Inc., 17 West 44th St., New York City, in a complaint issued by the Federal Trade Commission, is charged with misrepresentation in the sale of ladies' fur coats, through advertisements in newspapers, business papers, the radio and other media.

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William J. Slocum, Jr., CBS Director of Special Events and Sports, has returned to New York after five weeks in San Francisco, where he supervised the setting up of a complete news bureau and shortwave listening post to handle the increasingly important news from the Far East.

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A new "Danish Hour" has been added to NBC's regular daily short-wave schedule. It will be beamed to Denmark from 12:30 to 1:00 P.M. EWT. Danish is the tenth language now included in NBC's daily language pattern.

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WCKY, L. B. Wilson, Inc., Cincinnati, Ohio, has been granted a license by the FCC to cover construction permit which authorized changes in directional antenna system, and use after sunset at Sacramento, Calif.

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K53LA, Standard Broadcasting Co., Los Angeles, Calif., has been granted extension of special temporary authority to operate commercially on 45300 kilocycles, 1 kilowatt to not later than March 9th.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1404

OK

February 17, 1942

COURT DECIDES RADIO TRANSMISSION KNOWS NO STATE BOUNDARIES

Judge Emmerich Freed of the United States District Court for the Northern District of Ohio, Eastern Division, in the case of United States of America v. Betteridge and Wolf, in an opinion dated February 6, 1942, stated that operation of any radio transmitter within the United States or certain of its territories or possessions must be licensed by the Federal Communications Commission and conducted by a licensed operator. The opinion points out:

"It is needless to go into a lengthy dissertation on the inherent natural characteristics of radio transmission to arrive at the inescapable conclusion that all transmission of energy, communications or signals by radio, either use an interstate or foreign channel of transmission or so affect interstate or foreign channels as to require the regulation of their use by licensing or otherwise if the announced purpose of this section; that is, the retention of control in the United States of all channels of interstate and foreign radio communication, is to be carried out effectively. The daily use of the radio, even to a lay mind unacquainted with the science of radio transmission or its engineering intricacies, has clearly demonstrated this conclusion.

"A careful analysis of the prohibited operation of a radio transmitting apparatus without a license discloses that the section is so all-inclusive that it would require great imaginative faculty to find an instance where the operation of a transmitting apparatus would not be embraced within the provisions of the Act. In fact, I am bound to come to the conclusion that all the operations of a radio transmitting apparatus fall into one or the other or several subsections of the statute and that under the Act none can operate without a license." (Emphasis supplied.)

This case involves the prosecution of two individuals who had operated an unlicensed transmitter at Thistledown Race Track, near Cleveland, Ohio, in August, 1941, in connection with a scheme to best the bookies by signalling "tips" while the races were being run. The defendants contended that the five-meter ultra-high frequency transmitter which they were using was incapable of sending signals beyond the boundaries of Ohio. Monitoring officers of the Commission offered no proof of actual interstate interception of the signals or interference with interstate communications, but evidence was submitted to the court to establish that these radio signals were capable of receipt at great distances from the point of origin, depending upon atmospheric and other conditions. In considering that point, the court said:

"There is evidence to the effect that such transmissions could not be controlled by the sender except as to volume and would transmit energy, signals, and communications in radiated directions and that such transmissions would interfere with any other radio transmissions using the same frequency at the same time either from outside the State of Ohio, to points within the State of Ohio, or from inside the State of Ohio to points outside the state."

The court pointed out that the intent of the defendants to transmit only within the state was immaterial; that all that is necessary to commit the offenses described in Sections 301 and 318 of the Communications Act of 1934, as amended, is to operate a transmitter without proper licenses.

One defendant was sentenced to a term of imprisonment of six months and another to three months.

The Commission warns against violation of the Communications Act by the unauthorized operation of a radio transmitter, regardless of the limitations which may exist with regard to the range of ground wave transmission. This warning is directed particularly to potential operators of 2½ and 5 meter ultrahigh frequency transmitters who have sometimes felt themselves to be beyond the jurisdiction of the Commission.

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#### U.S. MAY LEASE ALL SHORT-WAVE TIME

The Federal Government, acting through the Office of the Coordinator of Information, is preparing to lease all time on the Nation's 12 short-wave radio transmitters and provide many programs for foreign broadcasts, especially for enemy territory, according to the Washington Star.

Nelson P. Foynter, Associate Director of the Foreign Information Service in the O.C.I., is in New York making arrangements for the plan, it was understood. The plan, it was said, will include increasing the power of the stations from 550 kilowatts to approximately 2,500 kilowatts as well as erection of additional transmitters.

It was believed the mechanical operation of the transmitters would be kept under direction of the present licensees, but the Government will provide broadcasts for enemy territories, as well as to countries in the Western Hemisphere and other areas where it is desired to combat broadcasts by enemy countries.

The hours from 4 P.M. to midnight, it was said, would be allocated to the Office of the Coordinator of Inter-American Affairs for broadcasts in the Western Hemisphere, while the O.C.I. would direct broadcasts to all other parts of the world.

The Federal Communications Commission permits the international stations to have unlimited power, but has fixed a minimum of 50,000 watts. Some stations have less than the minimum. Under an order of the Commission, these were required to step up their power at least 50 kilowatts by last July 1, but owing to the shortage of critical materials needed in the manufacture of transmitting apparatus of such high power, the Commission postponed its minimum order indefinitely. However, it is expected that means will be found to provide the apparatus.

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ONLY QUESTION NOW HOW SOON SET-MAKING CAN BE STOPPED

The end is definitely in sight with regard to the manufacturing of household radio receivers until after the war. Confirming the preliminary announcement made last week, the War Production Board is expected within the next few days to issue an order to suspend all civilian production on April 22nd. The industry through the Radio Manufacturers' Association has been told emphatically by Government officials that all usable facilities must be converted to war to purposes with all possible speed.

The principal problem is of closing out all civilian production as orderly as possible, Jesse L. Maury of the War Production Board stated, detailing the various factors involved. He said flatly there were no prospects whatever of any further allocations of aluminum, nickel and other vital metals, except only for radio replacement parts, and that there were enough radio sets now in public use "for complete advice of the civilian population".

Appeals from the April 22 suspension order will be considered, Mr. Maury stated, only on a basis of expediting and facilitating war production, with inventories only a secondary factor. Mr. Maury indicated that the larger companies with large military contracts and with facilities especially needed for war production probably would be closed down on April 22 so far as civilian production is concerned, but that temporary exemptions based entirely on their prospective war work would be given limited extensions on civilian production. The question of the amount and condition of inventory will be a secondary major in the decisions. Possible transfer by manufacturers of their inventories of materials, including fabricated parts, to another set manufacturer was suggested by Mr. Maury.

On behalf of the Radio Manufacturers' Association and the industry, Fred D. Williams, Chairman of the Association's Priorities Committee urged an extension of the April 22 limitation order for a further period of sixty days. This recommendation, supported by Vice Chairman S. T. Thompson of Chicago and several other manufacturers, was not granted.

Mr. Williams and others urged the sixty-day extension because delayed military contracts are not yet available to manufacturers; also the extension requested would permit manufacturers to use up their inventories without any additional supplies of critical metals. Mr. Williams also stated that the WPB plan for individual company exceptions from the April 22 suspension would result in many inequities and discriminations between different manufacturers.

The disposition of more than a score of appeals from the present limitation order was not announced by Mr. Maury and are still under consideration. He stated that after the April 22 general suspension order was formally issued, manufacturers could appeal and that decisions would be made in such individual company cases solely on a basis of whether their continued operations would facilitate the war program.

Albert J. Browning of the Army Procurement Division likewise emphasized that the war effort was paramount; that no aluminum, nickel, or copper would be available for further radio production, and that manufacturers must realize that immediate war conversion is a vital necessity.

That many radio assembly plants of limited facilities for war production presented a "disappointing picture" was stated by Henry Ahlberg, engineer of the WPB Production Division's conversion unit. He analyzed twenty-three companies appealing from the limitation order and suggested pooling by manufacturers in the same locality of war contracts and their use on other than radio products also.

Lieut. E. H. Conklin of the Navy Procurement Division said that apparently the radio industry had secured aluminum when it could not be secured for naval purposes.

Details of present military radio production were given by Ray Ellis of the WPB communications branch, stating that conversion was a question of the individual plant and the product. He stated that some radio products might be ordered through non-radio plants which might have necessary facilities.

Many of the smaller radio manufacturers are without necessary machine equipment, Mr. Ellis said, for the special type of military radio apparatus involved.

Nominations have been received by Mr. Maury for his appointment of a small technical committee of three production executives to work on the conversion problems and distribution of war contracts.

Press reports quoted Robert Shannon of the RCA Manufacturing Company at Camden as saying that his concern for "a long time" had anticipated the need for conversion of plant, equipment and manpower from a commercial to a war basis. Such a program, he declared, was begun the day war was declared in Europe, and he added that the

process of conversion was still going on now on a greatly accelerated basis. Employment since 1939 had risen from 15,000 men and women to a peak now of almost 22,000.

"Every effort is being made to minimize any hardship to our employees and to get production ready to take on an even larger amount of war orders", he said, adding that orders still were not enough to keep all plants busy, but that it was expected that all regular workers, and more, too, would be needed. It is understood that all plants are now more than 80 per cent on war production.

The Philco Radio and Television Corporation was reported as in "complete accord with the government's war needs" with an annual all-out war production peak near the \$160,000,000 mark and conversion well under way. Word from the Stromberg-Carlson Telephone Manufacturing Company, at Rochester, said that a main plant and three other auxiliary factories were going "largely on war work, now many times its output of radios for civil use".

Divisions of General Electric at Bridgeport, Conn., and Westinghouse at East Pittsburgh, are at full output on various government radio orders and are at more than the half-way mark on other items. E. F. McDonald, President of Zenith Radio in Chicago, said that his plant was about changed over now for war orders.

C. H. Caldwell, editor of Radio Retailing, cautioned that some of the country's radio makers would have to tackle jobs other than the building of receivers because "it is unlikely that the war needs for radios will ever be great enough to keep the industry fully employed". He added that the public would continue to need many new radios and that some of the plants now producing them should be allowed to continue until such time as these facilities were actually required for other purposes. Especially was this true, he said, in the case of the smaller plants, where complete ending of all production would be a hardship.

Mr. Caldwell also stressed the fact that many competent radio servicemen would be needed throughout the country to keep the existing sets in operation while the industry was busy at other tasks.

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#### SOME SEIZED ALIEN RADIOS WILL BE GIVEN BACK

Cameras, radios and other articles received from enemy aliens by local Police Departments will be turned over to United States marshals for inventory and safekeeping, Attorney General Biddle said last week. Steps will be taken to return to their owners articles such as radios incapable of receiving short-wave signals, firearms considered more as museum pieces than as weapons and other items not required under the recent regulations.

In some instances the alien enemies voluntarily surrendered antiquated muskets, ceremonial swords and even spears.

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## ROCKEFELLER'S MILLION LATIN RADIOS AGAIN REPORTED

About every so often the story bobs up that things are all set for Nelson Rockefeller's dream to supply 1,000,000 short-wave radio sets to Latin-Americans at about \$15 apiece so that they can tune in on Mr. Rockefeller's good neighbor programs. Always the Rockefeller people have failed to confirm the report that the deal has been closed.

It is known, nevertheless, that numerous pow-wows have been held with radio manufacturers, John H. Payne, formerly of the Bureau of Foreign and Domestic Commerce, apparently representing Mr. Rockefeller in these conferences. Much mystery about the negotiations and considerable reticence in discussing them has seemed to prevail for the idea being, presumably, if we were going to do such a thing, we wouldn't want the Germans or the Japs to beat us to it.

However, the story of the possibility of manufacturing a million short-wave sets for Latin-American use again broke in the New York Times Tuesday, which said:

"The production of the sets, which are marked for Latin-American use, is another step in the government's campaign to put the South and Central American Republics in closer touch with the United States, it was explained.

"The Rockefeller Committee, the Board of Economic Warfare and the War Production Board are all reported backing the move on the ground that once the government has arranged short-wave broadcasts which hold Latin-American interest and completes plans for expanding the number of programs now directed to that audience, it must also make sure that an adequate audience hears the messages.

"The order, which government officials said would be prorated among all radio manufacturers, will be filled in the period between April 1, when production of radios for civilian use in this country is expected to cease, and August 1, when the industry is expected to be completely converted to wartime production.

"Because of its special status, the restrictions applying on civilian production will not apply to the Latin-American radios, which will have a position somewhere between a military purchase and an order as placed by a Federal Government bureau.

"All of the sets will be similar in construction, being built according to specifications drafted by Federal officials in consultation with representatives of the radio industry. They are expected to cost about \$10 to build and will be sold in Latin-America at prices ranging from \$15 to \$20. This level is far below those at which similar sets are available there now.

"Because money is plentiful in most of the Latin-American markets at present, it was said, there should be little difficulty in moving the sets through regular distributing channels there.

"There is some talk that the governments of the various countries will be asked to ration the sets made available to their nations and to establish strict supervision to insure that the sets go where they will be of the greatest service.

"WPB officials said that the production of the necessary sets for Latin America probably could be handled without interfering in the plan for converting the industry to full war production. By distributing the order among all producers, the volume handled by each will not be sufficiently large seriously to impede conversion plans in the plants."

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#### ARGUES THAT PAID WAR ADVERTISING IS NOT A SUBSIDY

Rejecting the idea that paid advertising by the Government is a subsidy to the press, and pointing out the difference between radio and newspaper advertising, the Editor & Publisher says:

"Some of our newspaper friends seem to fear that the argument for use of paid Government display space in publications has been prejudiced by the generous donations of time by the broadcasters for the promotion of the sale of Defense Stamps and Bonds. We do not agree with that pusillanimous attitude. The patriotism of the radio operators in offering their facilities gratis to the government is highly commendable, but, with that in mind, it is still possible to question their business judgment. Their production problem is not similar to that of the newspaper, for it does not involve the conversion of raw materials into useful form by the application of mechanical skills and complex tools.

"Publishers who look with suspicion on government advertising contend that the same results can be obtained by having the government's display appeals financed by private contributions. Without a doubt, that can be done. It has been done in many cities, in 1917-1918 and in the present era. Our complaint against that method is that it is not efficient. It is a hit-or-miss proposition, which cannot have the effect of a concerted, well-organized, and thoroughly planned advertising campaign. It depends far too heavily on the goodwill and available funds of an unknown number of individual patriots.

"The government can get its money's worth many times over by using advertising as it should be used for the many war purposes that the experiences of Great Britain and Canada have demonstrated. We'll take with an even temper Secretary Morgenthau's ironic remarks that only Editor & Publisher and the Chicago Tribune have objected to the Treasury's so-called advertising program. There is such a thing as being lonely - and being right."

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## HAMS URGED TO SELL SETS TO UNITED NATIONS

Radio hams are being asked to sell their transmitters and receivers for use by the armed forces of the United Nations, according to an announcement by the American Radio Relay League, which is centralizing information on available apparatus on behalf of the government agencies concerned.

Only commercially-manufactured communications-type receivers and transmitters for which standard instruction manuals are available are required at present. Such equipment is more readily used and understood by military operators than homemade units, even though the latter may be of comparable quality, it was explained.

Urgent shortages of communications equipment required for defense needs led to the call, manufacturers finding themselves unable to make deliveries sufficient to fill the intensified demand as the theatre of war expands in widening circles.

Amateurs willing to turn over their apparatus to their country are requested to advise the ARRL at West Hartford, Conn., giving model number, condition, and the price for which it can be delivered crated to a local transportation agency. Only standard manufactured equipment should be offered, it was reiterated, homemade or "composite" equipment not being required at present.

The biggest need is in transmitters, it was stated. According to League statistics, approximately two-thirds of the receivers found in amateur stations are factory-made but only 5% of amateur transmitters were purchased from manufacturers.

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## RAISE IN PAY FOR RADIO OPERATORS

Wage increases averaging \$26 a month have been obtained by 166 radio operators employed by fifteen steamship companies following protracted negotiations and the intervention of the United States Conciliation Service. Harry Morgan, Vice President of the American Communications Association said that Maxwell Copelof, arbitrator appointed by the Conciliation Service, had notified the union of the reward. Mr. Copelof was assigned in January after the negotiations had reached a deadlock following four months of discussion with representatives of the lines.

The wage increases are to be retroactive to Nov. 1, 1941. Radio operators on freighters will receive \$172.50 a month; those on Class B passenger ships will receive from \$168 to \$204, and those on Class C passenger vessels from \$165 to \$198. The overtime rate of pay will be \$1.15 per hour.

Mr. Morgan said the new rates gave East Coast operators parity with those on the West Coast lines and that they would stabilize "the relationship between the union and the steamship companies."

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## NELSON CALLED ONLY "PRETTY GOOD"

There is no enthusiasm for the work up to now for Donald Nelson in the latter's recently created job of Chief of the War Production Board on the part of Frank Kent of the Baltimore Sun, whose column is widely syndicated. Through James S. Knowlson, former President of the Radio Manufacturers' Association, Mr. Nelson's assistant, the future of the radio industry is in Mr. Nelson's hands.

Mr. Kent writes:

"The best judgment about Mr. Nelson is that he is 'pretty good'. He isn't another Baruch. And he isn't a human dynamo except in the press releases and his publicity-department written speeches. 'Pretty good' just about describes him. Nevertheless, 'pretty good' is above average here for key men and it isn't the fact that Mr. Nelson is no superman on which worry is based."

"Things are not going well in Washington and there is no use pretending they are.

"Complacency about the operations of the war organization is sheer stupidity. No informed man is complacent; every posted person is deeply concerned.

"That is an opinion widely held not only outside the administration but inside, where, however, it has to be voiced privately. When after 22 months Mr. Roosevelt finally yielded to pressure and delegated authority to Mr. Nelson, established the single-headed War Production Board which should have been named in the first place, there was a wave of optimism in the country. A feeling arose that at last confusion was to be ended and competency installed. That feeling has been only slightly justified.

"Industry, so far as it is not restricted by shortages of raw materials and labor troubles, is concededly doing a good job. In the matter of supplying, through priorities and development, the raw materials, which is Mr. Nelson's real job, he has performed no miracles - and will perform none."

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## LEE DE FOREST'S TELEVISION BOOK MAKES ITS BOW

DeForest's new book "Television Today and Tomorrow" is now available, an offering of the Dial Press, of New York, and the price is \$3.75. Just what the present state of television is, its scientific basis and its probable future development is fully covered. A number of its chapters are frankly technical but, writes the author, "in this forty-first year of the twentieth century, thanks largely to the interest in things scientific which radio has awakened in the American mind, the average intelligent citizen is able to understand, and should have an interest in understanding, such matters of science and technology as television is made of."

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::: TRADE NOTES :::  
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Radio was included in the coordination of the facilities of the entire advertising industry to help win the war in the completion of the organization of the Advertising Council in New York this week. Representing radio in the Council, sanctioned by the National Association of Broadcasters, are Paul Kesten, of N.Y., Vice-President of CBS and John Elmore of WCMB, Baltimore. The Council had already formed a radio committee working with W. B. Lewis, former Vice-President of CBS, now with the Office of Facts and Figures.

-----  
A fifty-foot display that tells the story of radio's role and the activities of the National Broadcasting Company in the various fields of education, will be exhibited jointly by NBC and the RCA Manufacturing Company during the 72nd annual convention of the American Association of School Administrators which opens at San Francisco on February 21st.

-----  
Columbia Broadcasting System, Inc., estimated consolidated net earnings for the fiscal year ended January 3 were \$4,800,000, equal to \$2.80 a share, as compared with \$5,006,600, or \$2.91 a share for the fiscal year ended December 28, 1940. The earnings were estimated for the combined class "A" and class "B" stock.

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Among those present at the White House when the Veteran Wireless Operators' Association presented a medal to President Roosevelt last Thursday afternoon, but whose names did not appear in the listing at that time, were Gen. Dawson Olmstead, Chief Signal Officer of the Army, F. P. Guthrie, District Manager of R. C. A. Communications, Inc., and E. H. Rietzki, President of the Capital Radio Institute.

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Paul Muni is heard as narrator on the second broadcast of "This Is War!" at 7 P.M., E.W.T., Saturday, February 21. Entitled "The White House and the War", the second chapter of the giant four-network series on behalf of the government is again broadcast over more than 600 U.S. stations and short-waved throughout the rest of the world in many languages.

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Programs of FM stations are now being heard over a number of collegiate "wired radio" stations. Since last year Station CURC, the Columbia University outlet of the Intercollegiate Broadcasting System, has rebroadcast programs of W2XFN and W71NY in New York.

Last week W65H, the FM outlet of WDRC in Hartford, announced that its program schedule had been made available to the radio systems of Yale, Wesleyan and Connecticut Universities.

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Howard Chinn, of the CBS General Engineering Department, talks before the Ohio State Broadcast Engineering Conference February 26 on "Recording and Reproducing Standards". Radio engineers from all over the country are to attend the conference in Columbus February 23-27.

The owner, manager, and seven employees of a small trading company in El Callao, Venezuela, have shown their faith in the United States and hemisphere solidarity by sending \$10 to Professor Vicente Tovar of WGEO, General Electric international broadcast station in Schenectady, and asking of him "the service of investing these dollars in 'Bonds of the Victory'."

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 "Burasi New York, Birlesik Amerika Devletrinde... Beynel-  
 milel WCBX istasyondur."

It's the microphone signature of Raif Erisken, Turkish announcer, who is the latest addition to Columbia Broadcasting System's international division, and means: "This is New York, United States of America... International Station WCBX". Turkish is the eleventh language on the roster of the CBS foreign transmission service.

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 With war upon us, the portable radio set should come into its own, O. H. Caldwell writes. "Business men need the little personal '3- to 4-pounders' to keep in hourly touch with the news - at their offices, in trains, at lunch, and in hotels.

"And the larger portables have their many uses - for families during blackouts and for travellers. With its alternate power supply from either electricity outlet or battery, the portable is the ideal set. During blackouts or air-raids, when electricity supply is cut off, the battery radio is essential."

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 A new symphony orchestra, led by Rosario Bourdon, a twenty-five piece string ensemble, conducted by Norman Cloutier, the Goldman Band with Dr. Edwin Franko Goldman, conducting, together with exclusive contracts with leaders in both swing and sweet music, will now become available for NBC Thesaurus subscribers.

With the agreement reached with ASCAP and certain music publishers, the works of such composers as George Gershwin, Victor Herbert, Jerome Kern, Sigmund Romberg and Rudolf Friml are again available to the NBC Record Recording Division. Certain ASCAP tunes are already being serviced to NBC Thesaurus subscribers, and more will be recorded at once.

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 Chronic sufferers from sinus disease who do not have pus in their nasal discharges can be benefited by treatment with short radio waves, according to a report in the current Journal of the American Medical Association.

The report was made by Dr. George R. Brighton, Dr. William Benham Snow and Dr. Herbert S. Friedman of Presbyterian Hospital, New York. They do not recommend the treatment for acute sinus disease or chronic sinusitis with pus discharge. The effects of the short-wave treatment are believed due to the heat produced in the tissues.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1405

RECEIVED  
FEBRUARY 21 1942  
30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

## HENDERSON BLASTS RADIO PRICE HIKES

Price Administrator Leon Henderson acted promptly and without hesitation in combatting alleged sharp practices on the part of jobbers and dealers by demanding immediate cancellation of recent "inflationary and unfair" price increases on radios and radio-phonographs.

He sent a caustically worded telegram to all wholesalers and retailers characterizing the price boosts as completely unjustified because a ceiling was imposed on manufacturers' prices February 9. He requested that prices be restored to the levels of February 10.

Retail price advances occurred on a nation-wide scale, Henderson said, immediately after the War Production Board announced last Thursday that the greater part of civilian radio production would be halted April 22 and the industry converted to war production.

Closely following the curtailment of radio set manufacturing the War Production Board ordered a drastic cut in the use of critical metals and plastics in musical instruments in order to save substantial quantities for weapons, planes and ships.

The cutting down of the 50 million dollar industry, which employs about 15,000 workers, covers the period from March 1 to June 1 after which it may be extended or made more drastic.

All musical instruments except radios, phonographs and radio phonographs - whose producers have been ordered to prepare for complete conversion to war work - are covered in the order, as well as such accessories as music stands, bows, picks and piano stools.

The order provides that in the three-month period manufacturers may use in total volume up to 75 percent of their average 1940 consumption for a similar period in instruments containing less than 10 percent of these materials by weight. In instruments containing 10 to 25 percent of the restricted materials, they may use up to 65 percent, and in instruments containing 25 percent or more of the materials, only up to 50 percent.

It is understood that a survey of stock, including tubes and spare parts now on hand in the radio manufacturing industry is at present under way by the Defense Communications Board. The main thing, the DCB is keeping its eye on is the supply of radio tubes. Just how many of these tubes and spare parts the jobbers and dealers will be allowed to keep without being charged with hoarding remains to be seen. The possibility of the confiscation of all radio supplies stored by wholesalers and retailers now looms.

An added wartime problem of the broadcasting industry is the virtual freezing of frequencies and the halting of station building and new construction.

This will cause a change in plans of somewhere around 30 station applicants. The Commission at present has 170 requests for new or improved facilities. About 150 construction permits have been issued but these will have to be re-examined to ascertain whether or not the new stations are necessary for areas not adequately served.

One critic expressed the opinion that the new stipulations appear to have been framed with the thought in mind of further efforts to break the so-called major network "monopoly", adding:

"The provisos that construction may be allowed if the project will produce 'substantial new primary service' are the cause of most uneasiness. Strictly interpreted, these will permit erection of stations in the radio desert west of the Mississippi and in a few islands in the East.

"Likewise present plants on the fringe of the poorly-served regions may be able to wangle more wattage and improve their competitive situation. But the operators who would be plunged into more torrid rivalry will be entirely unable to take a defensive step."

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#### CHARLES R. DENNY, JR., NEW FCC ASSISTANT GENERAL COUNSEL

Charles R. Denny, Jr., has been appointed as Assistant General Counsel of the Federal Communications Commission to succeed Thomas E. Harris, who has resigned to take a position as Assistant General Counsel of the Office of Price Administration. Mr. Denny, who is now in the Department of Justice, will join the Commission's staff within a week.

Mr. Denny was born in Baltimore, Md., on April 11, 1912. He has been for many years a resident of Washington, D. C., and attended the Washington public schools. He was graduated from Amherst College in 1933 and from the Harvard Law School in 1936.

From 1936 to 1938, Mr. Denny was employed by the Washington law firm of Covington, Burling, Rublee, Acheson & Shorb. Since that time Mr. Denny has been employed by the Lands Division of the Department of Justice. He is at present the Chief of the Appellate Section, and has had extensive appellate court experience.

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## TWO-YEAR LICENSE PROVIDED FOR NONBROADCAST RADIO SERVICES

In conformity with extension of the licensing period of standard and relay broadcast stations of from one to two years, authorized October 11, 1941, the Federal Communications Commission has now fixed the normal license term for most of the other types of radio services accordingly.

As in the case of standard broadcast, the new rules stagger the renewal time to further relieve the burden of routine paper work on the part of the Commission and the licensees. It will be necessary under this plan to issue some renewals this year for periods varying from one year to 27 months in order to get the staggered system working.

The new staggered expirations will become effective beginning in April. However, this does not waive the requirement that renewal applications be filed at the usual time this year.

Many existing rules have been changed to provide for the longer license period and to stagger the expiration dates in that connection. Thus, after the first renewal has adjusted the various classes of stations into their proper place in the schedule, regular licenses in the following services normally will run for two years, with expiration dates as noted:

Fixed Public (Dec. 1); Coastal and Marine Relay (Feb. 1) Aviation, other than aircraft and Alaska stations (Mar. 1); Scheduled Aircraft other than Alaska (April 1), and Special emergency (May 1); Also Forestry and marine fire (Dec. 1); Police (Feb. 1, Mar. 1, April 1, May 1, June 1, and July 1, depending on States in which such services are located); Miscellaneous, other than Intermittent (May 1).

Licenses for experimental stations will continue to run for a period of one year, and in services other than broadcast will expire by class on October 1 or November 1. The expiration date for experimental stations in the broadcast service will continue as now.

One-year license periods will continue to apply to all classes of stations in Alaska, with expiration date fixed as January 1, and also to non-scheduled (itinerant) aircraft stations in the aviation service. In the latter category, persons with names in the alphabetical group A to L inclusive will have August 1 as their expiration date, and those in the rest of the alphabet, September 1. The license period and expiration date for stations in the Intermittent service is unchanged.

Police stations licensed in states whose state names begin with A, C, D and F will expire February 1; those in states with G, I, and K, on March 1; those in L and M states, April 1; those in N states, May 1; those in O, P, R and S States, June 1; and those in T, U, V and W states, and territories and possessions other than Alaska, July 1.



The staggered plan will balance the amount of renewal work at the Commission and avoid the peaks of filing renewal applications. Under present practice, approximately 4000 emergency station licenses expire May 1, and about 2500 aircraft station licenses on August 1, whereas there are no renewals in the months of June, July, September, and November. The new plan, drafted with the needs of the various services in mind, will spread this load so that the renewal peak in any one month will not exceed a thousand applications.

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#### CENSOR LISTS RADIOGRAM AND CABLE RESTRICTIONS

The Office of Censorship, announcing regulations governing cablegrams and radiograms, detailed a dozen subjects to which no reference may be made.

Except in press dispatches, for which separate regulations have been issued, international communications may not contain references to any of the following:

Location, identity, description, movement or prospective movement of any merchant vessel, aircraft, naval or military vessel or naval or military force, including the collective or individual personnel thereof, operated by the United States or other nations opposing the Axis powers.

Also barred are references to:

Weapons, installations, supplies, material or equipment of the United States or other anti-Axis nations.

Location, description or capacity of existing or proposed private or Government-owned or controlled plants, yards, docks, dams, structures.

Civil, military, industrial, financial or economic plans of the United Nations, or the personal or official plans of any official thereof.

Employment of any naval, military or civil defense unit.

Reports on production and conditions in mining, lumbering, fishing, livestock and farming.

The weather - past, present or future.

The regulations also contain a prohibition against "any other matter, the dissemination of which might directly or indirectly bring air or comfort to the enemy, or which might interfere with the national effort of or discharge the foreign relations of the United States or other anti-Axis nations."

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## CLOSE VOTE SEEN IN PRESS-RADIO ELIMINATION

Whether the purge majority members of the Federal Communications Commission have evidently tried to make of newspaper-owned stations will be effective, apparently depends on a single vote. The hearings, which have dragged along for nearly a year and estimated to have cost \$250,000, seem to have ended as of last week with the testimony of James G. Stahlman, former President of the American Newspaper Publishers' Association and owner of the Nashville Banner radio station.

It is believed that those who were members of the Commission when the hearings began will vote the same as they did then with the exception of Commissioner Payne, who this trip will probably cast his ballot for the newspapers. Mr. Payne explained that he originally voted against the issue simply to bring up a test case. In favor of forcing newspapers to give up their stations the prediction is made that the lineup will be Chairman Fly and Commissioners Walker, Durr and possibly Wakefield. Favoring the newspapers will be Commissioners Craven, Case and Payne. The doubtful man seems to be Wakefield. If so, he is in a position to throw the thing one way or the other.

As one observer sees it, while ostensibly undecided, the quartet headed by the Chairman repeatedly disclosed by the tone of questions and casual observations a strong conviction that public interest will be promoted if all links between the two media are severed. Similarly the Case-Craven-Payne wing reflected equally deep feelings that such a policy will be undesirable besides unquestionably a direct violation of the Constitution.

The assertion has been made that the newspaper applicants for FM stations will lose even if they should win as between now and the time their applications have been filed, war priorities will have gone into effect and they now would not be able to secure the materials to construct the new stations.

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## DILL STUBS TOE OVER CONGRESSIONAL PENSIONS

Apparently former Senator Clarence C. Dill, of Washington, co-author of the original Radio Act, and well known to the industry, got himself into somewhat of a jam as a Defense Bonds speaker by bringing up the subject of and being understood as favoring pensions for Congressmen. This was revealed when Senator Mead, of New York, sponsor of the pension bill in the Senate, asked to have a radio address printed in the Congressional Record, which Mr. Dill made on the subject of Congressional retirement, saying:

"The former Senator has written me a letter on the subject, that the reports of the statement he gave out were grossly exaggerated and misleading. I quote from his letter to me, dated February 11, 1942, as follows:

"I might add that the newspaper story that went out from Spokane to the effect that I had made a speech at the Athletic Round Table in which I said that when I was in Congress that the Chaplain looked and Congress and prayed for the country is not only false but malicious. That is such an old chestnut anyhow that even if I had thought about it, I wouldn't have used it, and I never could see anything very funny about it when I first heard it."

Senator Dill started his address by saying:

"A few days ago I received a letter from Mrs. Rosetta Thomas of South 321 Greene Street, Spokane, in which she writes:

"Dear Mr. Dill: Will you explain over the radio that \$5,000-per-year pension which the Congressmen and Senators voted to themselves? Some of the women say they will not buy stamps or bonds if the Congressmen and Senators are going to steal it all. Is it true or not?

'Rosetta Thomas.'

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#### KNOX QUERIED ON WINCHELL'S DUAL ROLE

The question of how Walter Winchell can broadcast each week in a commercial capacity and still retain his naval rank was raised in Congress last Thursday.

Secretary of the Navy Frank Knox was asked by members of the House Naval Affairs Committee to explain why Newspaper Columnist Walter Winchell is permitted to make radio broadcasts sponsored by a hand lotion firm while on active duty as a naval officer.

"Winchell should be assigned to duty at Samoa or permitted to resign", one committee member said.

The columnist, a lieutenant commander in the Naval Reserve, has been on active duty since the Nation entered the war and thus wears full uniform. He said in his first wartime broadcast that the Navy had asked him to continue his newspaper and radio activity.

Mr. Knox was understood to have told the committee that he knew very little about Winchell's case and that he would ask Rear Admiral Randall Jacobs, Chief of the Bureau of Navigation, to supply details.

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## DEAL STILL DISCUSSED TO BUY ALL U.S. SHORT-WAVE TIME

Apparently things are shaping up for the plan of the Government either to buy all the time of the U. S. short-wave stations - G. E., Westinghouse, Crosley, CBS and NBC - or take over the stations altogether.

According to the present plan, the Office of the Coordinator of Information, William J. Donovan, will take over sixteen hours daily of the time of the stations and the Office of the Coordinator of American Affairs, Nelson Rockefeller, is expected to make use of the remaining eight hours.

The Director of the Budget has received a request for funds for the project and is expected to approve the undertaking soon.

It was said that the Donovan organization would employ the stations from midnight to 4 P.M. for broadcasts to various parts of the world, the best evening hours for Europe, and that the Rockefeller agency, interested exclusively in Latin America, probably would use the hours from 4 P.M. to midnight daily, the best evening hours for South America.

It is reported that it would cost about a million and a half dollars a year to buy all the time but the expenditure would be greatly increased by a 500 percent expansion of short-wave broadcasting capacity said to be contemplated. Also a larger amount would be involved if the stations were bought outright. Mr. Donovan is supposed to advocate buying only the time but Mr. Rockefeller is said to favor buying the stations.

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## MRS. ROOSEVELT HITS RADIO AND PRESS IN PENSIONS FIGHT

Mrs. Roosevelt defending the bill for pensions for Congressmen, which also carries with it an estimated \$37,500 pension for the President, charges radio and the press with "obscuring" the issue. In her column "My Day", she writes:

"It seems to me fairly obvious that the principle of this bill is good. The timing may be bad, so, perhaps, it should wait until this war is over. There may be amendments which are necessary in order to prevent people from getting a pension except on an insurance basis.

"It may be embarrassing to vote yourself a pension, but who else can do it? And you are voting for the future as well as the present. I think it is important to have the principle of insurance for old age established for every group of citizens, and doubly important for the public servant to be secure and, therefore, beyond temptation or threat.

"I want to add this to clarify the whole situation. So much that the people are discussing today is obscured for them by the press and radio, instead of being made simple and clear."

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## DIVIDED JURY ON "THIS IS WAR"

Arguing that the United States should "talk less and act more", criticism is voiced in Variety of the government's widely heralded presentation "This Is War" which made its bow last Saturday night (February 14) at 7 P.M., E.W.T., and is to be heard each Saturday night at the same time. The broadcast is unique in that it is put on and carried without cost to the Government by all four networks.

"The inaugural of the super dooper, morale building program 'This Is War' produced a sharp division of opinion among psychological warfare experts and radio critics. The unfavorable viewpoint summed up with the taunt, 'Big Talk and No Victories"', Variety comments. "The favorable viewpoint argued that certain things must be said and the Norman Corwin-directed series was saying them. It was held that critics did not review last Saturday's 'This Is War' broadcast but instead emotionally reacted to the Normandie, Singapore and Dover Straits.

"While the all-out from way-backers were calling Corwin's starting program too tepid and tame, the religious types were expressing shock and disapproval at the 'extreme' views and phraseology.

"There also has developed the possibility that appeasement, negotiated peace and Roosevelt-hating elements are out to discredit the program because of its supposed endorsement by the President. Some observers thought they detected this line in the pleased whoops following disclosure that a singing turn on the first broadcast, the Almanacs, were 'Communist favorites'. The implication slyly conveyed is that the program's propaganda with its blasts against the Axis is somehow un-American. If there is a conscious campaign against the Government's own war propaganda on the air this would presumably be sabotage in the best Nazi manner.

"Both the Rockefeller organization and the networks opposed sending the show to South America, but the pressure on them was from places too high to be denied. 'This is War' has been dubbed in radio circles 'The President's Own Show'. It will be aired regularly to S.A.

"Objection to it is that it is strictly domestic propaganda and not the type of stuff to be sent to Latin America. Following several months of disastrous American and British defeats, Rockefellerites and CBS and NBC experts feel that the U.S. has already done enough drum-thumping on its own behalf and the time has arrived when we must either show our military might or shut up.

"As a result, the Corwin script was completely rewritten and toned down in the translating process. Most blatant of the propaganda was deleted."

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: : : TRADE NOTES : : :  
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The American Communications Association, of which Joseph P. Selly is President, has invited FCC Chairman James L. Fly to address the Association's annual convention at Atlanta, Ga., on April 13.

The Federal Communications Commission has proposed to deny the application by the Butler Broadcasting Corporation for a new standard broadcast station at Hamilton, Ohio, to operate on 1450 kc. with 250 watts power, unlimited time. As a result of hearing, the Commission concludes that public interest, convenience or necessary would not be served by such a grant.

Delayed by failure of necessary equipment to arrive on time, the inauguration of The Milwaukee Journal's new 50,000-watt FM transmitter for W55M has been postponed from February 15 to Sunday, Feb. 22.

A new 15-minute radio news program will be carried three times a week over 48 stations of the Columbia Broadcasting System and seven FM stations of the American Network, beginning Tuesday evening, March 3. The program is sponsored by the G-E Radio and Television Department.

Two hundred and sixty-four different advertisers used WCR to sell their products and services during the fiscal year 1941 - the largest number of sponsors to buy time on WOR in the history of the station.

William B. Lodge, engineer-in-charge of the Radio Frequency Division of Columbia Broadcasting System, has been given a leave of absence to do research work for the National Defense Research Council.

Station WAGE, Syracuse becomes a basic affiliate of the Blue Network on March 1. Making a total of 115 affiliates, Station KFEQ, St. Joseph, Mo., will join the Blue Network as a basic supplementary outlet, effective March 15.

There are now 63 commercial FM transmitters authorized throughout the country. Twenty-four are on regular schedules, along with eleven experimental stations.

Edwin A. Kraft, Kodiak, Alaska, has been granted a construction permit for a new station to operate on frequency 1230 kc., 250 watts, unlimited time.

Mrs. Roosevelt and Senor Eurico Penteadó, Commercial and Financial Attache for Brazil in Washington, and Chief of the Pan American Coffee Bureau, presented the Library of Congress with a complete set of scripts and records of her weekly Blue Network broadcasts. It is explained the material is being turned over for the study of students.

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## STORER HEADS NEW BLUE NET PROGRAM DEPARTMENT

With the appointment of Douglas F. Storer as Manager of the newly organized Commercial Program Department, the Blue Network strikes a new note in network service to advertising agencies and all others interested in commercial radio.

Mr. Storer has had wide experience in commercial radio, according to a Blue Network bulletin. Following his graduation from Dartmouth College in 1921, he became an account executive with the John Curtiss Advertising Agency.

In 1929 he reorganized and managed Stations WGHP (now WXYZ), Detroit, and WSPD, Toledo, and in 1931, left Curtiss to become Director of Radio for the Blackman Company. In 1935, Mr. Storer joined Rockwell, O'Keefe and in 1936, opened his own offices.

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## A FEW WORDS ABOUT MR. MC COSKER OF WOR

WOR will celebrate its twentieth birthday-February 22nd. In that connection some interesting highlights in the station's history include this reference to Mr. McCosker, whose name has become synonymous with WOR:

"1924 was the year that a young man by the name of Alfred J. McCosker joined the staff of WOR as the station's first publicity director. To radio, McCosker brought the sense of showmanship he had learned in the motion picture industry, and the news sense he had acquired in the newspaper game. He was more than a publicity man in those days - he was probably the first radio special events man.

"Ever alert to the potentialities of radio, he sold the medium persistently to artists and to the public. Time and time again, he was responsible for broadcasts that won new listeners, broadcasts that put WOR on the front pages.

"He cornered celebrities of all sorts - opera singers, actors, movie stars, authors, statesmen, artists - and brought them out to Newark for their first broadcast. He persuaded Charlie Chaplin and Thomas A. Edison to go on the air for the first time. It was McCosker who arranged the broadcast of 'the shot that was heard around the world' - when Justice Salvatore Cotillo tested a new bullet proof vest by firing at a man who wore the impenetrable garment.

"In 1926, McCosker became Manager of WOR, and in 1933 its President.



"There wasn't anything impressive about the first broadcast. No fanfare, no official ceremonies. In a stuffy little rug-draped room off in a corner of the furniture and radio department of the L. Bamberger & Co. store in Newark that served as studio, office and transmitting site, some one put on a recording of 'April Showers', pulled the big horn-shaped microphone close to the phonograph. An engineer threw the switch of the 250 watt reconditioned transmitter that DeForest himself had once used in some experiments, and WOR was on its way.

"In the first few months when the station's staff (all five of them!) learned that WOR had been heard in Staten Island, Asbury Park and Brooklyn, they were excited - and proud. They took a newspaper ad to tell the world about it.

"One of the engineers who helped put the station on the air that February 22 was J. R. Poppele, a young man, who had the title of 'assistant operator'. Two months later the chief engineer resigned; said he didn't think radio had any future. Poppele became chief engineer, a post he still holds. In twenty years he has seen radio find its future, has helped WOR grow from a 250 watter to the maximum power of 50,000 watts and a position as one of the nation's greatest stations."

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#### RADIOS VIEWED AS NECESSITIES

A reader of the New York Times, Mark Groskin, recently wrote to the editor of that paper:

"Now that curbs are being planned for all types of consumer goods, I believe it is not in the interest of national defense to limit by a planned scarcity the opportunity of our people to own more radios. This is the one best piece of small equipment to help in our national defense - which will be used in homes, factories, on farms, on ships, on trains, not for entertainment, but for keeping up our national morale, if or when air raid warning signals are sent out.

"We have already been instructed over the radio as to how to recognize air raid warning signals, and these practice tests go on regularly. We have also been instructed to keep our radios going if an air raid is on. How, then, can those who do not yet own a radio be warned and safeguarded if the very means to detect these air raid dangers are prohibited to them?"

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Read in Leonard Lyons column: "N.B.C.: Your rival chain, C.B.S., will tray a television innovation next Friday. Linton Wells, the commentator, will conduct the new program-series."

Also, "Music Corporation of America: A large group of the artists whose contracts were transferred to you when the CBS Artists Bureau was disbanded, have organized to break their contracts."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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No. 1406

February 24, 1942

## DCB ONE BOARD NOT ASKING FOR MORE MONEY

Despite its manifold activities, the Defense Communications Board has not asked and is not asking Congress for any appropriation, Chairman James L. Fly has announced.

The Board functions with the assistance of 17 committees representing all branches of the communications industry. Telephone and telegraph, commercial radiotelephone and radiotelegraph, cable, all classes of broadcasting service, and such special services as police, aviation, amateur, government, and maritime radio interests, partake in the work of these committees.

Current DCB problems include:

Extension of additional communications service to both domestic and foreign points where war has brought new or enhanced need for instantaneous communication facilities;

Cooperation with the War Production Board in determining priorities and allocations for radio equipment;

Safeguarding of communication routes and plants from accidental or deliberate damage, and prevention of service interruptions.

Prior to December 7, 1941, the DCB was chiefly engaged in readying plans for use in the event of war or other emergency; since that date, its function has expanded to include facilitation of action under such plans.

Continuance of DCB activities without either Congressional appropriations or funds from the President has been made possible through the cooperation of other government agencies, industry, and labor, Chairman Fly explained. The bulk of the DCB administrative work has been carried by the regular staff of the Federal Communications Commission, plus a few clerical positions authorized in the FCC appropriation for DCB duties. Other government representatives, corporation executives, and labor officials on the 17 DCB committees have given unstintingly of their time and energies.

Chairman Fly stated:

"We need communications facilities for the instantaneous transmission of orders and intelligence from one point of our far-flung battle fronts to another; for the transmission of news to the home front; for the presentation of American news and opinion to our

sister American republics and to the rest of the world. At home we need peak efficiency in our telegraph and telephone systems if we are to function as a fortress, base, and arsenal of democracy. Facilitating the fulfillment of these requirements is the major function of the Defense Communications Board."

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### FCC ELATED AT COURT CHAIN VICTORY; CONSIDERS NEXT STEP

A bad break for the National Broadcasting Company and the Columbia Broadcasting System fighting the Federal Communications Commission's order restricting chain broadcasting was the dismissal of the case by the United States Court of Appeals in New York "for lack of jurisdiction. The relief sought by NBC and CBS, the New York Court suggested, is by appeal to the Court of Appeals of the District of Columbia.

The next move is up to the networks but in the meantime, the FCC was further considering the matter although it was said that any date set for the regulations finally to go into effect would no doubt give the chains plenty of time to complete any further court action contemplated.

Another bad break against the chains was the war with Japan which started after the anti-monopoly regulations were issued last May. The war generally has strengthened the hand of the FCC as well as other governmental bureaus having to do with defense making them harder to fight.

The decision handed down by the Circuit Court of Appeals in New York last Saturday was 2 to 1, Judges Learned Hand and Henry W. Goddard versus Judge John Bright. The opinion referred to the FCC's new chain regulations as being, in effect, "no more than the declaration of the conditions upon which the Commission will in the future issue licenses" to radio stations, and therefore beyond the power of the court to rule upon.

"We have seen", the court asserted, "\* \* \* that the regulations are nothing more than a declaration - or if one choose, a threat - by the Commission that it will enforce these conditions upon any renewal of a license in the future.

"No change is made in the status of the 'affiliates' (radio stations affiliated with the network) meanwhile; their existing contracts with the 'networks' remain enforceable; nor has the Commission given any evidence of an intention to use them as a basis for a revocation of existing licenses.

"They (the networks) allege - and there seems to be no question about it - that their interests will be adversely affected by the enforcement of the regulations", the opinion continued. "If

so, they can appeal to the Court of Appeals of the District from any order imposing unlawful conditions upon an 'affiliate's' license.\* \* At any rate, until the Commission shows some disposition to deny them a fair hearing in a proceedings for renewal of an 'affiliate's' license, we are not to assume that it will not do so."

In dissenting, Judge Bright asserted:

"There is no question in my mind that the order sought to be reviewed is one which \* \* \* we have jurisdiction to enjoin. Must these networks await the idle ceremony of a denial of a license before any relief can be sought, when it is perfectly obvious no relief will be given? And what relief could they get if they did wait?"

The main fight now is over the exclusiveness of contracts which the FCC regulations would bar. Another provision was prohibiting the National Broadcasting Company from owning two networks but since the suit began the NBC has separated the Blue net from the Red in anticipation of selling the Blue.

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#### RADIO OPERATORS' RULES EASED

The Federal Communications Commission, in recognition of the growing shortage of first class radiotelephone operators and upon the recommendation of the Defense Communications Board, relaxed its operator requirements to permit the operation of broadcast stations of any class by holders of radiotelegraph first or second class operator licenses or radiotelephone second class operator licenses. A broadcast station may use operators of such classes, however, only insofar as it is unable to secure a sufficient number of first class radiotelephone licensees.

At least one first class radiotelephone operator must be employed who will be responsible at all times for the technical operation of the station and must make all adjustments of the transmitter equipment other than minor adjustments normally needed in the daily operation of the station. Any adjustment of transmitter equipment other than a minor one must be made by a first class radiotelephone operator and until such operator is available to make the adjustment, the station shall cease operation.

The Commission in relaxing its requirements emphasizes that a station licensee is not relieved of his responsibility of operating the station in exact accordance with the rules and regulations of the Commission. The relaxation is intended solely to meet a critical shortage of technical personnel. It is expected that the relaxation will not impair technical operation of broadcast stations or lower labor standards in the industry. If it is determined that first class operators are available, the Commission will restore the higher standards.

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## DRAFT WILL CLASSIFY RADIO AND PRESS AS ESSENTIAL

Local draft boards will be advised that the radio and the press are viewed as industries essential to the national interest. Similar conclusions had previously been reached with regard to motion pictures and organized labor leaders. Gen. Lewis B. Hershey, Director of Selective Service, emphasized that only local boards can decide whether any individual is a key man and therefore eligible to draft deferment as indispensable to an industry considered essential.

The Selective Service chief said that local boards would be under terrific pressure in the case of nationally known motion picture and radio stars.

Too many persons, he said, "want Jack Benny on the radio and at the same time want Jack Benny to go to war. They can't have both."

General Hershey emphasized that no group or class deferment from military service can be made except by Congress.

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## HOLLYWOOD HARNESSSES TELEVISION TO WAR

Closely gearing in with the national war effort, the Thomas S. Lee-owned television station W6XAO in Hollywood announces a schedule of defense programs for Southern California starting Saturday, February 28th. The initial program will include a film, "Safeguarding Military Information", showing the importance of keeping Defense information confidential.

"Front of Steel" will depict the gigantic Hitleran display of tanks, men, guns and war machines in 1938 and subsequent efforts of Canada to meet this menace. The bombing of England and various phases of battle in that country are thrillingly shown in the film "Fight for Liberty". "Building a Bomber" concludes the one-and-a-half-hour telecast.

Telecasts will be under the supervision of Harry R. Lubcke, Director of Television for the Don Lee network. W6XAO went on the air December 23, 1931, and is the only licensed operating tele station in the eleven States west of Kansas.

While film will be employed for the most part in the defense programs, present plans take into consideration inclusion of live demonstrations in first aid, extinguishing fires caused by incendiary bombs, and similar activities relating to wartime emergencies.

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## NEW POLICY FOR HANDLING STATION APPLICATIONS IN WARTIME

In the important matter of policy and procedure for handling standard broadcast applications the Federal Communications Commission today (Tuesday) issued the following opinion:

"Because of the present war emergency, the Commission is called upon to formulate a policy and procedures for the future handling of standard broadcast station applications. The effective conduct of the war is, of course, a paramount consideration for all of us. The requirements of the armed services have created a shortage of the critical materials and skilled personnel required for the construction, operation, and maintenance of radio broadcast stations. This must inevitably affect plans for the increase or improvement of broadcast facilities.

"However, it is not clear at this time that the expansion of broadcasting should be entirely eliminated for the duration of the war. For the best war effort, it is important that there be adequate broadcast facilities throughout the nation. The three governmental agencies concerned with this problem - the Defense Communications Board, the War Production Board, and the Federal Communications Commission - are in agreement that, so far as possible, every part of the country should receive a good radio service. We have not yet reached that goal.

"It follows that the scarce materials and limited personnel available to the broadcast services should be carefully conserved to meet this basic need. The public interest clearly requires such conservation and the Commission must apply the test of public interest in exercising its licensing functions. The problem as to materials is, of course, primarily the concern of the War Production Board. On January 30, 1942, the Commission announced in a press release that at the request of the Defense Communications Board, pending the adoption of a specific policy by that Board and the War Production Board, the Commission would make no further grants for the construction of stations or authorize changes in existing standard broadcast transmitting facilities where all or a substantial part of the proposed new primary service area already receives primary service from one or more other stations. The Defense Communications Board, on February 12, made its further specific recommendations to the Commission and to the War Production Board. Cooperating with both those Boards, the Commission has now worked out a policy and procedures for the handling of new and pending standard broadcast applications.

"Under the policy adopted the Commission will grant no standard broadcast station application unless a showing is made that:

- (1) Construction (if any) pursuant to the grant will not involve the use of materials of a type determined by the War Production Board to be critical; or

- (2) Where the application is for new standard broadcast station, the station will provide primary coverage of an area no substantial part of which already receives primary service<sup>1</sup> from one or more standard broadcast stations; or
- (3) Where the application is for a change in the facilities of an existing standard broadcast station, the change will result in a substantial new primary service area no substantial part of which is already provided with primary service<sup>1</sup> from one or more standard broadcast stations.

"The Federal Communications Commission Standards of Good Engineering Practice will be used as a guide in the determination of primary service. For the time being, requests involving essential requirements for repair or maintenance will be treated as heretofore.

"Applications not heretofore acted upon which do not fall within one of the three described categories will be designated for hearing, where notice of issues has already been announced, specific issues appropriate to the new policy will be added. Cases which have already been heard will, when necessary to apply the new policy, be redesignated for hearing upon issues under this policy. Cases in which proposed findings have already been issued will be determined as heretofore.

"Applicants who consider that their applications satisfy the new requirements may wish to support their applications by filing a proper petition supported by affidavit setting forth detailed data on this point.

"In cases where an application has heretofore been granted subject to approval of a further application to be filed by the applicant, such further application will not be granted unless the proposal meets the requirements set forth above, or the applicant has, pursuant to the grant, actually commenced construction or made substantial expenditures for materials or equipment prior to the date hereof.

"The Communications Act contemplates that construction permits should not be issued or allowed to remain outstanding where there is no reasonable prospect of completion of the proposed construction within a reasonable period of time. Hence, requests for extensions of completion dates under standard broadcast authorizations will not be granted by the Commission unless the applicant can by proper petition show that the proposed construction meets the requirements set forth above, or that the applicant has actually commenced construction prior to the date hereof and has available all the critical materials and equipment necessary to the completion thereof. However, requests for extension of completion dates under authorizations issued in cases where proposed findings are now outstanding will be granted if the requirements set forth above are met, or if the applicant has available all critical materials and equipment necessary for completion.

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<sup>1</sup>/ As here used, "primary service" includes service to be rendered pursuant to an outstanding broadcast construction authorization.



"The foregoing requirements may be waived where changes in facilities are required to be made by an agency of the Federal Government.

"Special policies are now being developed with respect to experimental operation, frequency modulation and television stations, facsimile, and auxiliary broadcast services, taking into account the technical experimental benefits to be gained especially insofar as they may assist the war effort. Applications involving international broadcast stations will be considered and acted upon in accordance with policies worked out in cooperation with other governmental agencies concerned with this field."

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### CRITICS STILL DISAGREE ON "THIS IS WAR"

Although apparently satisfying more people than the initial presentation, the free super-offering to the Government of all four national networks - NBC, CBS, Mutual, and the Blue - still seemed to fail to click. It was entitled "The White House" and many appeared to take it as largely ballyhoo and build-up for President Roosevelt personally.

"I don't see that the dramatizing of the President's life has anything to do with pepping up the country for war", one listener commented. "Everybody knows his story. What they want to know now are the indise facts about the war."

To this writer the second broadcast was disappointing to say the least. Too high-brow, or too something.

Later in the evening, listening to the General Electric Washington's Birthday program (the old "American Patrol" set to words and a couple of bang-up old Sousa marches) and the splendid rendition on Station WGN of Chicago of Kent Cooper's new patriotic song, "America Needs You", the thought came of how musically dead the second "This is War" broadcast was. Not a musical thrill in the entire half-hour.

The boys preparing the "This is War" broadcasts should go to WGN or the G.E. "Hour of Charm" for a few patriotic music suggestions. Or if Dr. Frank Black happens to be around, ask him.

The writer didn't hear the first "This is War" program but John K. Hutchens did. He is the Radio Editor of the New York Times, was formerly dramatic editor of the Boston Transcript, and a first string critic who should know not only his radio but his theatre. Mr. Hutchens wrote:

"To this column the premier of 'This is War' was a disappointment and on an enormous scale; for never before have the four networks joined their dollars and facilities on behalf of a radio series, thus virtually assuring an audience comparable to that which hears a presidential speech."

A little further along discussing the propaganda angle, Mr. Hutchens said:

"This is not to suggest that our propagandists should casually tell us one thing and the rest of the world another; still less that they should depart from that standard of truth and accuracy which has given American short-wave broadcasting its high and valuable reputation abroad. But there is such a thing as propaganda technique, and it can no more afford to be vague than it can to be untruthful. No civilized person could regard without loathing the motives or content of German radio propaganda.

"But we could very well learn something from the thoroughness with which Germany studied the problems and opportunities of radio propaganda as a weapon of warfare. We must learn, in short, what to say to whom, and when, and how. For propaganda, like the radio itself, is an instrument calling for a high degree of selectivity and precision. It is not - or should not be - an arrow shot into the air, its landing place uncertain."

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#### F.D.R. OPENS FIRST DIRECT NEW ZEALAND RADIO CIRCUIT

Further strengthening the radio life-line of communication between the United States and Australasia, a new direct radiotelegraph R.C.A. Communications, Inc. circuit, linking San Francisco with Wellington, New Zealand, was opened last Monday by President Roosevelt. This is the first time that direct radio communication has been established between this country and New Zealand.

The President sent the following message to New Zealand's Prime Minister Peter Frazer:

"The establishment at this time of a direct radio-telegraph circuit between the United States and New Zealand is another link in the ever-tightening bonds between our two countries. It gives me great pleasure to make use of this new and rapid channel of communications to convey to you personally and through you to the people of New Zealand the warm and fraternal greeting of the American people and to assure you that we shall leave nothing undone to achieve our common objective of freeing our world once and for all of the forces of aggression."

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## LA GUARDIA WITHHOLDING SARNOFF REPORT CAUSES COMMENT

Mayor LaGuardia who seems now to be having about as hard a time holding onto his job of head of Civilian Defense in New York as he did before being pried loose as National O.C.D. Director has been further criticized for withholding for three weeks what is described as a highly important report of David Sarnoff, President of the Radio Corporation of America, Chairman of the Technical Communications Group for the City of New York, recently organized by Mr. Sarnoff at the request of the Mayor to study the problems of communications, including air raid warning signals and blackouts and to make a report to the Mayor on its studies and recommendations.

"Why the Mayor has refrained from making the report public has puzzled those who are generally interested in the subject of civilian defense", the New York Times reports. "It is reported that the study dealt with what might happen in New York if conditions of vulnerability regarded as rivaling or exceeding those of Pearl Harbor in some respects are allowed to continue.

"It was thought likely that publication of the report would lend support to the growing demand for Mayor LaGuardia to step aside and for the appointment of a full-time director with executive and administrative ability and experience to head the city's civilian defense program under the Mayor.

"When the Mayor resigned as National Director of the Office of Civilian Defense this month after much criticism and controversy over his holding of two jobs, he retained his post as head of civilian defense for this city."

Mr. Sarnoff's Committee includes Arthur V. Van Dyck, President of the Institute of Radio Engineers, as Executive Secretary. Other members of the Committee were the Chief Engineers of the National Broadcasting Company, the Columbia Broadcasting System, the Mutual Broadcasting System, the Mackay Radio and Telegraph Company, the Western Union Telegraph Company, the Postal Telegraph-Cable Company and the New York Telephone Company.

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"EVERYBODY WORKS BUT FATHER?"

Among the Washington bureaus which functioned as usual despite the Washington Birthday holiday yesterday (Monday) was the Federal Communications Commission. However, the Monday press conference with Chairman J. L. Fly was omitted. "Out of the city" was the only explanation forthcoming from the Press Bureau but another FCC official said that Mr. Fly was away on a vacation.

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 ::: TRADE NOTES :::  
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Ninety-three ASCAP controlled numbers have been reinstated by the NBC Radio Recording Division. At the same time the NBC Radio Recording Division released 40 new BMI selections to Thesaurus subscribers. The Recording Division will start at once pressing other ASCAP tunes which are now available for use by their Thesaurus subscribers.

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A new radio tube plant, to eventually employ 1800 people to work on special purpose radio and electronic tubes, is being planned by RCA Mfg. Co., Inc., at Lancaster, Pa. Ground will be broken about March 1st. RCA undertakes this project in cooperation with the U. S. Navy, but says too that special purpose tubes "are finding constantly widening applications in new commercial fields", and that such products hold great promise for the future after the war is over.

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Robert D. Swezey, a member of the NBC legal staff has been named as counsel for the Blue Network. Mr. Swezey is a graduate of Cambridge Latin School, Harvard University and Harvard Law School and is a member of the Massachusetts and New York bar associations. He joined the Boston law firm of Warner, Stackpole and Bradlee after his graduation from Harvard Law School.

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Donald Flamm, New York, N. Y., has applied for a construction permit for a new broadcast station to be operated on 620 kilocycles, 5 kilowatts, unlimited time, using directional antenna day and night to move transmitter site to near Moonachie, New Jersey.

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In submitting a report to the National Association of Broadcasters on the number of defense announcements aired over WLW, it was noted that during the month of January, 561 such announcements were made as compared to 295 for the month of December.

Cooperating with the 15 different agencies submitting defense announcements by wire, phone and mail each day since the outbreak of the war, it has become a policy with the station to allow time for a defense announcement on every broadcast which originates with WLW. As a result, the average day will have approximately 75 such "spots" - or two for every 15 minutes the station is on the air.

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Station WSYR, Syracuse, New York, becomes a part of the Basic Red Network of the National Broadcasting Company on March 1.

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Jayhawker Broadcasting Co., Inc., Topeka, Kansas, has applied for a construction permit for a new broadcast station to be operated on 940 kilocycles, 1 kilowatt, unlimited time, using directional antenna.

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"Down Mexico Way", a new series of programs inspired by Vice President Wallace and designed to increase Inter-American understanding, will be presented by the National Broadcasting Company on Saturdays at 4 P.M. EWT, beginning February 28th.

"Down Mexico Way" has been built around Vice President Wallace's belief that interest in the people of Latin-America can be stimulated best in North America through dramatic presentations of their music, customs and languages. Each program will feature Mexican music with lyrics in both Spanish and English. This is to be blended into a background of plot and dialogue.

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Isle of Dreams Broadcasting Corp., Miami, Florida, Station WIOD, has asked for a construction permit to increase power from 5 kilowatts to 5 kilowatts night, 10 kilowatts day, and make changes in directional antenna system and transmitter.

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Leonard Lyons in his New York column writes:

"Recently the National Broadcasting Co. had its Directors' meeting. One of the Directors asked the usual question - about the prospects for profits for the balance of the year 1942? . . . David Sarnoff made reply - a good, tactful speech in which he declared that while these are trying times, etc., etc., the National Broadcasting System can look forward to the future with optimism, etc., etc. . . . Gen. Charles G. Dawes, seated near the end of the table, then made his own comment: 'Never have I faced such an obscure future with such complete indifference.'"

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CALLS FOR SEPARATION OF NEWS & CENSORSHIP

Pretty much along the line of reasoning by Presidential Secretary Stephen Early that the source of governmental news should not be confined with government censorship, was a previous declaration by Dr. Ralph D. Casey, Director of the University of Minnesota Journalism School, who said:

"Whenever propaganda and censorship are under one authority, the censor will face the temptation of using censorship for propagandistic purposes.

"Press and radio will suffer loss in prestige if news is unwisely timed or withheld. Lay persons do not distinguish between the channel of information and the original source that chokes off the news."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

MAR 1 1942

FEB 28 1942

FEB 27 1942

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No. 1407

LIBRARY OF THE BROADCASTING COMPANY  
GENERAL LIBRARY  
39 HOOVER PLEAZA, NEW YORK

## ANOTHER LA GUARDIA DEFEAT IN WNYC NIGHTTIME REFUSAL

Having been forced to resign as National Director of Civilian Defense, and now facing a similar determined fight to dislodge him as New York City Civilian Director, Mayor LaGuardia was dealt another blow when the Federal Communications Commission turned down his request that WNYC, the New York City Municipal station be allowed to broadcast at night.

Evening hours were specially desired by Mr. LaGuardia, because he is in a bitter wrangle with the New York newspapers. As it is now, WNYC must sign off at 7:45 o'clock each evening to keep from interfering with WCCO of Minneapolis, a CBS affiliate. The Mayor wanted to go over the heads of the newspapers by reaching his constituents direct through WNYC during the desirable night hours. It is certain New York's peppery chief executive will make a vigorous court appeal. Also he has the active backing of Commissioner George Henry Payne, one of the hardest hitting members of the FCC. It was a 6 to 1 vote against LaGuardia's request, Commissioner Payne being the only one who stood by him. In a lengthy dissenting opinion, Mr. Payne said that it is perfectly clear from the record that WCCO is not interfered with in Minneapolis or Minnesota, and that the service of WCCO to that community and that State is not impaired. Mr. Payne declares that WCCO does interfere with WNYC in New York and because of these facts it is difficult indeed for him to see why Mayor LaGuardia's application for evening broadcasting hours were denied.

Mr. Payne stated further:

"The program service of WNYC, which has not been taken into consideration in the proposed findings in this case, is of the highest standard as to quality and is unique. It is a service presented by an agency of government for the benefit of its citizens and not for financial gain. No advertising whatsoever is carried by the station.

"I cannot emphasize too strongly the high quality of the programs broadcast by the New York City station and the general usefulness of its service to the city's own departments. There are many stations like WCCO. It is no better, no worse, than scores of others. It is a commercial station the main purpose of which is to earn money for those who own and operate it. The program service is, after all, a secondary matter to a station like this.

"Any abridgement of the service that WNYC suffers is a direct loss to millions of people - a loss which cannot be compensated

by other stations. Any loss in the service of WCCO is and will be compensated by a dozen stations of equal quality and having the same purpose.

"After all, a broadcast station is just a lot of meaningless equipment unless it renders a program service, and the better the program service, the better the station. Between the program service of the two stations we are now dealing with, there is no comparison, so superior is the New York station to the Minneapolis one. But, owing to the restriction on the operating time of WNYC which prohibits operation evening hours after sunset, Minneapolis, it is impossible for this station to be heard night-time by the millions of people it is designed to serve, who are employed in the daytime.

"Mayor LaGuardia pointed out that this service is entirely noncommercial, in character and the time of the station is devoted entirely to educational, governmental, cultural and other public service features. He especially emphasized certain advantages to be derived from the nighttime operation of Station WNYC, such as the dissemination of information concerning weather and motoring conditions and traffic matters. He also stated that unforeseen events, such as fires, the breaking of water mains or other sudden emergencies affecting an entire section of the city can be immediately transmitted to the public over this station whereas delays are necessarily entailed in making arrangements for broadcasting such matters over the commercially operated stations. Mayor LaGuardia further pointed out that a large portion of the population which is now served by Station WNYC is composed of persons who are employed during the day and who do not return to their homes until between 5 and 7 in the evening."

The FCC majority conclusions were:

1. The applicant proposes to operate Station WNYC daytime and nighttime until 11 P.M. Eastern Standard Time on the frequency 830 kc., with 1 kw power, simultaneously with Station WCCO, which is authorized to use the frequency 830 kc., unlimited time, with 50 kw. power. This proposal is inconsistent with the provisions of Section 3.25(a) of the Commission's Rules Governing Standard Broadcast Stations which provides that only one full time station may be assigned to the frequency 830 kc. and that the power of such station shall not be less than 50 kw.

2. The operation of applicant's station WNYC simultaneously with Station WCCO nighttime hours would result in interference limiting the service of Station WNYC to areas within its 10 mv/m field strength contour and in interference to the secondary service of Station WCCO extending, as an average condition, to approximately 32% of the area within the station's 0.5 mv/m (50% of the time) field strength contour and also extending to a large part of the station's service outside that contour. The areas in which interference would affect reception of Station WCCO would be subject to wide variations due to variations in field strength which characterize sky wave transmission.



2/27/42

3. Operation of Station WNYC as proposed would not cause interference to operation of Station WGY as proposed in application No. B1-P-1417 or to operation of Station WHAS as proposed in application No. B2-P-1245.

4. The antenna system proposed to be constructed conforms to the requirements of Section 3.45 of the Commission's Rules Governing Standard Broadcast Stations.

5. The granting of the application under the conditions proposed herein would not tend toward an equitable distribution of radio service to the several States and communities as contemplated by the provisions of Section 307(b) of the Communications Act of 1934.

6. The granting of the application would not serve public interest, convenience and necessity and therefore the same should be denied.

Mayor LaGuardia, who has been delivering his principal addresses Sunday afternoons when his newspaper critics with whom he has been refusing to talk are taking a day off, has estimated these Sunday afternoon audiences at 100,000 persons.

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#### FEDERAL TO SUPPLY RADIO EQUIPMENT FOR 381 MORE SHIPS

The Federal Telegraph Company has been advised by the United States Maritime Commission that it has been awarded the contract to supply the radio equipment on 381 additional ships of the emergency Liberty Fleet. Federal Telegraph is a subsidiary of the International Telephone and Telegraph Corporation and received the original order last year to equip the first 312 Liberty ships as a result of producing equipment of a revolutionary design which has met the Commission's radio performance specifications and, at the same time, cut the installation time on the ships to one-fifth and brought additional savings in materials, labor, and in the precious shipboard space for which the Commission is applying every development the marine industry can produce.

A number of these installations has already been made and have set the general type standard for the radio equipment on the other Liberty ships yet to be constructed. The new contract with Federal is for the same installation which is being made on the first 312 vessels.

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## LIBRARY RECEIVES MRS. ROOSEVELT'S RADIO RECORDINGS

Mrs. Roosevelt last Wednesday presented to the Library of Congress the scripts and recordings of the much discussed and highly controversial broadcasts which she has been making the past twenty-two Sundays under the sponsorship of the Pan American Coffee Bureau. There are four more yet to come.

According to the Congressional Library's announcement, these recordings will be added to the Library's archives where they will be available to any one who wants to go over them. Persons wishing copies of the records can obtain them through the Library, which maintains a recording laboratory where reprints can be made.

Taking exception to her last broadcast, Frank R. Kent, in his syndicated column, wrote in the Washington Star (February 24):

"Mrs. Roosevelt would have been better advised to have omitted the Sunday night radio defense of her recent O.C.D. activities which resulted in her being forced out of a position in that organization into which she had thrust herself and for which she clearly was unfitted. It seems to show that this lady does not know when to leave well enough alone.

"She had been permitted without comment to say that she had resigned voluntarily in order that a fine program should not be handicapped by personal attacks upon her, when the program was not fine and when no personal attack had been made. And James Landis had been permitted without comment to say in accepting her resignation that she had done immensely valuable work, which was not true, and that every farm and home in the country was impressed with her genius and nobility, which was not true either. And the newspapers which had been foremost in pointing out the obvious reasons Mrs. Roosevelt should retire bent over backward to praise her warm heart and humanitarian endeavors when she did retire. So far as known, not a single unpleasant word came from them - quite the contrary.

"But Mrs. Roosevelt was not content to leave it at that. On Sunday she felt it necessary to occupy the 10 minutes, for which she is paid \$2,000, in name calling and self-praise. She berated her critics, referred to them as 'unenlightened men' whom she pictured as favoring the 'privileged few' and against the downtrodden many, whose champion she asserted herself to be. In brief, she reacted against criticism of his acts since politics became a profession. The long accepted political device for such a situation is to abuse the critics, assume an air of injured righteousness, and make the age-old demagogic class appeal to the many as against the few. Politicians have been doing that for centuries. It was never done more according to the rules than on Sunday night."

And so on Mr. Kent wrote for another column length, the most critical article this writer has ever seen about Mrs. Roosevelt or any other First Lady of the Land.

## RCA 1941 NET PROFIT IS \$10,192,716

The twenty-second annual report of the Radio Corporation of America for 1941 released by David Sarnoff, President of RCA, shows, after all deductions, a net profit of \$10,192,716, an increase of \$1,079,560, or 12% over 1940. After payment of all Preferred dividends, earnings applicable to the Common stock were equivalent to 50.2 cents per share, compared with 42.5 cents per share for 1940. Total gross income from all sources amounted to \$158,695,722 in 1941, compared with \$121,439,507 in 1940, an increase of \$37,256,215.

Operations for 1941 compared with 1940 show an increase in gross income of 31%, an increase in net profit of 12%, and an increase in the number of persons employed of 20%.

Provision for Federal income taxes was \$16,373,600, an increase of \$12,128,302 or 285% over the preceding year. These taxes were equivalent, in 1941, to \$1.18 per share on the outstanding Common stock, compared with 31 cents in 1940. In addition to Federal income taxes, the total of State, local, social security and other taxes paid or accrued in 1941 was \$3,417,250, compared with \$2,685,903 in 1940.

Capital additions and improvements during the year in plant facilities and equipment for manufacturing, broadcasting, communications and research, including additions to the patent capital account, amounted to \$8,138,627, compared with \$4,469,285 during 1940.

At the year-end the total number of employees was 30,461, an increase of 5,423 over the preceding year.

The year-end financial statements contained in the report show that: After providing for all dividends and other deductions from the surplus account, the total earned surplus at December 31, 1941, amounted to \$27,963,975, an increase of \$4,310,961 over surplus at the end of 1940.

Year-end inventories were \$29,382,450 (valued at the lower of cost or market), compared with \$16,841,037 at the close of 1940. The increase was due largely to requirements in connection with Government orders.

Total current assets at the year-end amounted to \$77,578,132, compared with \$49,249,607, at the end of the previous year.

Total current liabilities were \$39,863,293, compared with \$22,554,602 at the close of 1940.

Calling attention to the fact that the personnel of RCA, to the extent of more than 30,000 workers in every phase of radio activity, is responding whole-heartedly to the war effort, Maj. Gen. J. G. Harbord, Chairman, and David Sarnoff, President, representing the Board of Directors, stressed the important part of radio in the

war, ashore, afloat and aloft. To expand and speed this war work in every possible way, the report to stockholders indicates how RCA's research, manufacturing, communications and broadcasting are geared to operate with maximum efficiency in the interest of the armed forces and civilian defense of the United States.

While RCA is concentrating on the immediate demands of war, General Harbord and Mr. Sarnoff said that the company is mindful of its responsibilities in the post-war period, when the machinery of war will be turned to the service of peace. The wartime developments of science, they stated, hold promise of spreading into the days of peace. It is recalled that radio broadcasting emerged from the first World War to become a new industry of great national significance.

The gigantic task that confronts the radio industry in equipping the United States and its Allies for swift and efficient radio communication on land, sea and in the air, is revealed in the review of RCA's operations for 1941. Radio is described as a strong protective arm in modern warfare; a lifeline of the Army, Navy and Air Corps.

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#### ARMY AND NAVY COME TO AMATEURS' RESCUE

The Federal Communications Commission, at the request of the War and Navy Departments, has resumed the issuance of new amateur radio operator licenses.

The Commission is advised that the classification of men for Navy and Army radio duty is facilitated greatly if such persons who are qualified to hold a radio operator license are in a position to verify this fact by exhibiting their license.

When cessation of amateur station operators was ordered following the outbreak of the war, the Commission followed a policy of not issuing any new amateur operator licenses or amateur station licenses, although examinations for the former have continued to be conducted. As a result, there are approximately 1500 applicants who have successfully completed the examination for operator's license and have complied with the provisions of Commission Order No. 75 (proof of U. S. citizenship) and are now qualified to receive new operator licenses.

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Philco Distributors, Inc., in New York have bought the Ed Fitzgerald program on WOR Mondays, Wednesdays and Fridays from 11:15 to 11:20 P.M. to advertise maintenance and servicing of their radio sets.

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## INDUSTRY "OVER HUMP" BY FALL KNOWLSON PREDICTS

J. S. Knowlson, Director of Industry Operations for the W.P.B., former President of the Radio Manufacturers' Association, predicted that the Nation's industrial strength would be substantially converted to armament production by late Fall and that conversion of the automobile industry would be completed by September 1.

"Smugness throughout industry is all over", he told a press conference. "They know, more and more every day, that it's a question of 'root hog or die'."

But Mr. Knowlson added, "There is no use in trying to kid ourselves that this can be made a very comfortable transition from a peacetime to a wartime economy."

"There is no royal road", he asserted. "There are going to be casualties in business - the suffering isn't going to be in the trenches alone."

Mr. Knowlson said it was probable that the conversion drive would not affect manufacturers as severely as retail trade outlets which will be hard hit by stoppages of many civilian production lines. However, he observed, the personnel of these establishments eventually could be absorbed in war industries.

Mr. Knowlson said he based his predictions that conversion would be "over the hump" by late Fall on his "great faith in the American businessman's ability" and on indications that the program is much farther advanced than is generally realized.

He estimated that 90 per cent of the industries called in for consultations by the W.P.B. had some war business. He emphasized that the Government itself could not and does not convert an industry.

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## FCC SIDESTEPS 100 BUCK DINNER

Among the names conspicuous by their absence in the published list of those who attended the \$100-a-plate Democratic Dinner in Washington on Washington's Birthday, were the members of the Federal Communications Commission. The name of Chairman James L. Fly, whose present term expires in June, and who is said to be very nervous about not being reappointed, was nowhere to be found on the list. In fact, the only one who apparently fell for what was commonly regarded in the Capital as a political shakedown, was Commissioner Paul A. Walker, supposedly the least politically minded member of the Commission.

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## ROOSEVELT FIELD RADIO DENIALS

The Federal Commission denied two applications by George W. McCauley, doing business as Aeronautical Radio Co. - one for renewal of license for airport station WQEB at Roosevelt Field, Long Island, N. Y., and the other for construction permit to add ultra high frequency 130,400 kilocycles for the same station.

The applicant failed to file proposed findings of fact and conclusions following hearing on his applications December 1, 1941, and it further appears that the applicant does not have adequate facilities to operate an "airport control station" as defined by Section 9.9 of the Commission's Rules and Regulations; that Roosevelt Field has no present use for an "airport control station"; that the applicant does not care to assume the responsibility of operating such a station; that he has no intention of complying with the certified airman requirements of the Civil Aeronautics Administration; that he has no use for the ultra high frequency requested; and, that the station has not provided, in the past, the service for which it was licensed. Consequently his special temporary authorization granted January 29, 1942, is cancelled.

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## DCB IN CLASS 2 IN DEFENSE PRIORITY RATING

In defense priority ratings for each government bureau, Budget Director Harold D. Smith announced that the Defense Communications Board was in Class 2, second only to the War, Navy and War Production Board. The Federal Communications Commission defense activities were also in this class but the FCC otherwise was placed in Class 5, the least essential insofar as war activities are concerned.

The classification was made in connection with the setting up of machinery for the conversion of the Government to a total war footing by the transfer of thousands of employees to war jobs instead of loading down the Government payrolls with an entirely new crowd as has been the practice up-to-date.

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## I. T. &amp; T. ADDS BOLIVIA

Direct radiotelegraph service between the United States and Bolivia was established yesterday (Thursday) by the Mackay Radio and Telegraph Company and the International Telephone and Telegraph Corporation radio subsidiary at La Paz, capital and principal city of Bolivia.

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## WORK BEGUN ON 100,000 WATT SAN FRANCISCO S-W STATION

O. F. Walker, radio engineer of the General Electric Company, has arrived in San Francisco by air from Schenectady, N. Y., to supervise installation of a 100,000-watt short-wave transmitter, which will be another gun in a kilocyclic battery "shooting" from the United States across the Pacific in the propaganda war with Japan.

The powerful transmitter, built by General Electric and operated previously at Schenectady for short-wave broadcasts to Europe and Latin America, will be operated in San Francisco under call letters KWID. Operators of the station will be Associated Broadcasters, Inc., operators of long-wave station KSFO. General Electric is completing another 100,000-watt transmitter at Schenectady and meanwhile is on the air there with two other short-wave transmitters.

KWID, which will have studios and offices at the Hotel Mark Hopkins, will render additional short-wave service to that now being given by General Electric's 50,000-watt San Francisco station KGEI, with studios and offices at the Fairmont Hotel. KGEI has been broadcasting to Latin America, Asia, the Antipodes, and Africa for more than three years, and is at present the only United States short-wave broadcasting station west of the Mississippi. KGEI is now broadcasting in eight languages and two foreign dialects.

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## ADVISES RADIO AND PRESS TO DECLINE DRAFT EXEMPTION

Advising radio and the press to refuse to accept draft exemption, Gen. Hugh S. Johnson writes in his column:

"Here is something that is not getting much attention, but it had better get it.

"A few days ago Selective Service announced that labor leaders were subject to deferment from the draft as essential men in an industry essential to the prosecution of the war.\* \* \*

"Next came a ruling that employees of the press and radio are also subject to similar deferment.

"It is true that it was pointed out that this was no blanket exemption; that the final decision is in the hands of the local board, to whom it must be proved that the industry is necessary in war production or for the national safety, health or interest; that what the man is personally doing is essential to its functioning, and that there is no replacement supply.

"But what good is that when Washington headquarters itself 'advises' that the press, radio and labor leadership are essential to the national interest? That certainly takes away that particular decision, reposed by law in the local boards, and lodges it in headquarters.

"William Green of AFL has denied any desire for them on the part of labor. We should like to hear the same from Mr. Hillman. On the contrary, he has pressed for them. Radio and the press would do well also to decline."

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 ::: TRADE NOTES :::  
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Due to the paper shortage, and the necessity for curtailing distribution of releases, the Federal Communications Commission deleted from Section 1.196(b) of its Rules and Regulations the provision that notice of filing of all applications under Part 1 of Title III of the Act that such lists shall be mailed to all persons who, in writing, request this service."

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Rufus C. Maddux since 1940 Director of Sales, has been elected Vice-President in Charge of Sales for Station WOR. Prior to entering the sales field in radio, Maddux was Managing Director of the New Jersey Council. Born in Virginia, he is a graduate of Washington and Lee University and the Harvard Graduate School of Business Administration.

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The Federal Communications Commission has granted the application of Station KPMC, Bakersfield, California, to change frequency from 1600 to 1560 kc. KPMC will at a later date renew its request for an increase in power from 1 to 10 KW.

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The Federal Communications Commission announced adoption of final order granting a construction permit to Western Gateway Broadcasting Corporation for a new broadcast station at Schenectady, N.Y., to operate on 1240 kilocycles with power of 250 watts, unlimited time, and denying an application by Van Curler Broadcasting Corporation for the same facilities.

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Ken Rad Tube and Lamp Corporation - For 1941: Net profit \$338,505, equal to \$2.01 each on 168,450 shares of Class A common stock, excluding 6,550 treasury shares, compared with \$72,302, or 41 cents each, on 175,000 shares of Class A common stock in 1940.

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Physicians Electric Service Corp., Los Angeles, manufacturer of a short-wave diathermic device designated "Pescor Shortwavatherm and The May Department Stores Co., which sold the device at its Los Angeles store, have filed answers to a Federal Trade Commission complaint charging them with disseminating false advertisements concerning the device.

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The Columbia Broadcasting System network sales since the first of the year show an increase over cancellations. Since January 1, CBS has sold 5-3/4 hours of time, a net gain of 1-3/4 hours.

As the economic life of the nation approached more closely the all-out mark and restrictions on manufacturing and priorities developed shortages in consumers goods, some observers predicted that networks were due for a sales lull. The opposite has been the case at CBS.

Of the total of 5-3/4 hours of new time, 2 1/2 hours have been sold to new CBS clients; 1-3/4 hours have been sold to sponsors who are returning to CBS; and sponsors already on the network have bought 1 1/2 hours in additional time.

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## COURT RULES AGAINST ASCAP IN BROADCASTING RIGHTS

Supreme Court Justice Louis A. Valente refused last Tuesday in New York to dismiss a suit brought by Broadcast Music, Inc., and the Edward B. Marks Music Corporation against the American Society of Composers, Authors, and Publishers and five individual composers, involving the question whether the publisher or the composer of a song controls the broadcast and performance rights. Defendants asked dismissal on the ground that a copyright question was involved and only the Federal courts had jurisdiction.

Justice Valente overruled this contention, declaring that the case presented no question of infringement of copyright or of the validity of copyright statutes, and that any copyright question involved was incidental to a dispute over contract rights. The Marks Company, publishers of the songs, after withdrawing from ASCAP, granted broadcast and performance rights to BMI, but the composers, remaining as members of ASCAP, signed contracts continuing for ten years the broadcast and performance rights previously held by ASCAP. The court must decide whether the composer or publisher had power to grant these rights.

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## SAY NEWS BROADCASTS CREATE EMOTIONAL FATIGUE

"Radio fatigue" is a new mental disease forecast editorially by The American Sociological Review, Science Service notes.

If it develops as a mass affliction of the American radio public, it will be from an excessive listening to emotional broadcasts of war news, and ranting of misguided propagandists who stir up "ephemeral emotion which cannot build tanks, but does disturb digestions and impair mental and physical efficiency."

"The first news of the bombing at Hawaii probably released enough energy", the editorial stated, "caused enough emotion, to build thousands of tanks and bombers - if it could have been directed into proper channels."

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Maxim Litvinoff's first public address since his arrival in this country as Russian Ambassador to the United States, was broadcast from New York City last night (Thursday) when speaking before the Overseas Press Club, all over the world. Heard over 180 American stations of the Mutual Broadcasting System, this and other speeches were translated into Spanish or Portuguese for broadcast to South America over the short-wave stations of the Columbia Broadcasting System. Summaries were to be translated later into other languages for broadcasts to Europe and the Far East, so that people in every country, occupied as well as free, might hear his suggestion that the United Nations launch simultaneous offensives against the Axis this Spring on two or more widely separated fronts.

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