

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.  
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No. 1526

May 4, 1943

## WOODS FAVORS U.S. CITING RADIO AND PRESS REPORTERS

The latest to join the movement to reward newspapermen and radio commentators for their work in the field of battle is Mark Woods, President of the Blue Network, who writes:

"I was very much interested in Representative Dewey's bill to award a medal to press and radio correspondents. I believe that the broadcasters' and publishers' representatives who are on the front line are deserving of recognition, and I am glad that a member of Congress has introduced such a bill."

Elmer Davis of OWI and Kent Cooper, General Manager of the Associated Press have also praised the bravery of the press and radio correspondents.

"There was no embargo on the enterprise or exploits of AP men on the battlefronts", Mr. Cooper said. "They witnessed and wrote about the most dramatic episodes of the war from historic Bataan and the bomb-battered decks of aircraft carriers in the Pacific, to the flaming scenes of North African warfare. They did their jobs with a combination of skill, courage and brilliance unsurpassed in the history of wartime reporting."

Incidentally Mr. Cooper explained something not heretofore generally known which was that the sinking of a ship loaded with radio transmitting equipment was an unforeseen event which was partly responsible for extraordinary delay in clearance of stories of the North African Expeditionary Force.

Representative Dewey, who hails from Chicago, is prepared to press his bill for medals for correspondents but before doing so is desirous of hearing from press associations, newspapers and networks as to the exact number of killed and injured. Also he would like to know about any conspicuous acts of bravery not yet reported.

A complete recheck by the Editor and Publisher of casualties suffered by American war correspondents, press and radio, overseas disclosed this week that 12 were killed, three missing, 55 wounded or injured in line of duty and 28 captured in action or interned were still Axis prisoners after more than three and a half years of unprecedented war coverage abroad.

Frank Cuhel, Mutual Broadcasting System, formerly in Java and Australia for the MBS was killed in Lisbon clipper crash enroute to North Africa.

Melville Jacoby, Time and Life writer and NBC correspondent, who escaped from Bataan with his wife, was killed by a propeller in an airplane takeoff in Australia.

Lea Burdett, photographer, wife of Winston Burdett, CBS war correspondent, was slain by bandits in Iran.

Don Bell, NBC, was tortured and bayoneted to death by Japanese captors.

Endorsing the idea to especially reward these brave men, Editor & Publisher says:

"It's a small matter compared with selling \$13,000,000,000 in War Bonds during the next few weeks, or transporting men, guns, planes and tanks to the front in astronomical numbers, but we hope that the official recognition of war service at personal peril by newspaper and radio correspondents will not be allowed to fall by the wayside.

"Editor & Publisher has chronicled some of the hardships which have had to be met by men who go to the firing line to be met by men who go to the firing line to tell the story of the war to stay-at-homes. These are hazards that the soldier and sailor face as a part of their grisly business, with promotion or decoration as rewards for service that goes beyond ordinary calls of duty. Death and injury, too, are a part of the picture for the armed forces, as they very evidently are for the men who pack the portable typewriters and the black pencils to the front. Up to now, there has been no plan for giving distinction to newspaper people who risk their lives or who exhibit heroism that sets them apart from less fortunate or less spirited individuals.

"A fundamental condition is that the awards must carry dignity, that they must be issued under auspices that command the respect not only of the recipients, but of the whole newspaper fraternity, and that they must be awarded for genuine achievement. A newspaperman who wins the right to wear a ribbon for achievement ought to be able to wear it with the same sense of accomplishment that goes with the winning of the D.S.C. or the Medal of Honor by a fighting man. No lesser standard of excellence should be tolerated."

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William B. Lewis, Chief of OWI's Radio Bureau, resented Time's calling him "smooth, dapper", and one of the "soap salesmen" in OWI, according to Drew Pearson, who said Mr. Lewis called Time's Washington bureau threatening to write letters of protest to important people. "Write one to us", said Felix Belair, Jr., head of the Bureau, "if it's good, we'll print it."

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## MANUFACTURERS AND BROADCASTERS FORM POSTWAR BOARDS

Plans of the Radio Manufacturers' Association, with participation of the Institute of Radio Engineers and cooperation of the Federal Communications Commission, to establish a "Radio Technical Planning Board" for the study of postwar services to the public, including FM and television, were announced by Chairman James L. Fly of the FCC last week at the war conference of the National Association of Broadcasters in Chicago. Following this and evidently feeling that they had been left out of the picture, the NAB named five of its members to a broadcasting industry post-war planning committee. The members are Neville Miller, President of NAB, John J. Gillin, Jr., WOW, Omaha; William B. Way, KVOO, Tulsa, Okla.; James W. Woodruff, Jr., WRBL, Columbus, Ga.; Nathan Lord, WAVE, Louisville, Ky., and G. Richard Shafto, WIS, Columbia, S. C.

Paul V. Galvin, President of RMA, and Dr. L. P. Wheeler, President of IRE, are to appoint the manufacturers planning board chairmen with the approval of Chairman Fly of the FCC. Dr. W. R. G. Baker is scheduled for appointment to chairmanship. It was pointed out that since Dr. Wheeler was an employee of the FCC that Mr. Fly might be able to dominate the situation.

The RMA, through its Engineering Department under Dr. Baker, initiated the plans for the manufacturers' Radio Technical Planning Board, following suggestions made by Chairman Fly last November at the RMA-IRE Fall meeting in Rochester, N. Y.

Preliminary organization of RTPB now is being completed and its operations will be financed entirely by RMA. The tentative organization plan, after revision, was approved by the RMA Board of Directors at New York on April 15 and later by FCC. It awaits final action by the IRE Board of Directors. An initial appropriation of \$10,000 for RTPB operations was made by the RMA governing board. Mr. Fly stated that the RTPB would study "all current research developments in radio science."

"We must be ready for tomorrow", said Chairman Fly. "War and postwar problems are not isolated from one another; they are integrally related. Few of us realize the tremendous progress that has been made in radio and related fields during this war. Military secrecy, of necessity, shrouds those developments. Later these technical developments, adapted to the purposes of peace, will unquestionably revolutionize all forms of communication and lead to new and better uses in the public interest."

"The Commission has welcomed proposals from the Institute of Radio Engineers and the Radio Manufacturers' Association looking toward the formation of a new group to be known as the Radio Technical Planning Board, to discuss and devise solutions for just such problems. While the details have not been worked out, I understand that the Commission and other Government agencies will

accept invitations to have their technical people sit on the Board and on the panel discussions of the Radio Technical Planning Board, though, of course, the Government people will not vote on any issues. By making sound, technical recommendations to the Commission, to other governmental agencies and to the industry itself, such a planning board can be of the greatest assistance in solving postwar problems soundly and in facilitating the tremendous radio advances which lie ahead."

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#### WOULD REDUCE VARIETIES OF RADIO-RADAR INSTRUMENTS

Many small electrical instruments used in radio and radar, such as voltmeters and ammeters, can be reduced by standardization from sixty varieties to one or two, it was said at a meeting of the Electrical Indicating Instrument Industry Advisory Committee with the Radio and Radar Division of the War Production Board.

The adoption of American War Standards will facilitate the production of instruments, many of which will become interchangeable. It also will simplify depot stocking and replacements.

Manufacturers said that simplification should not include the elimination of special scale markings. Because switchboard and portable instruments are produced in small numbers, special scale markings do not disrupt the routines of manufacture. Such markings are functional rather than decorative, it was said.

The Production Consultant to the Instrument Unit was asked to work out methods for comparing the demand on industry with scheduled production. The data will be used in scheduling deliveries of various companies.

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#### OWI TO SHORT-WAVE WILLKIE BOOK EXCERPTS AROUND WORLD

Wendell L. Willkie, author of "One World", has prepared a forty-minute recording of passages from the book for overseas use by the Office of War Information.

The book, which has already sold more than 650,000 copies in the United States will reach the attention, through this channel, of many more people living abroad. OWI will use the recording on its short-wave transmissions to Europe and Asia, both in English and in translation, and will also schedule it on medium-wave programs broadcast from foreign cities in which the OWI has outposts.

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## PRESIDENTS OPEN RADIOTELEGRAPH SERVICE TO ECUADOR

An exchange of messages by President Roosevelt of the United States and President del Rio of Ecuador Saturday marked the opening by R. C. A. Communications, Inc., of the first direct radiotelegraph service between the two countries.

Several other messages transmitted in observance of the opening included exchanges of greetings by Senor Alberto Wright, Ecuador's Minister of Communications and Public Works, and James L. Fly, Chairman of the Federal Communications Commission, Washington, D. C.; Lieut. Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America; David Sarnoff, President of RCA, and William A. Winterbottom, Vice President and General Manager, R. C. A. Communications, Inc., New York.

The new service operates over a direct radio circuit between New York and Quito, capital of Ecuador. As it opened, RCAC filed with the Federal Communications Commission a proposal to reduce message rates 17 per cent on business traffic and 19 per cent on Government traffic, effective June 2.

It was pointed out by Mr. Winterbottom that until now, a cable monopoly in Ecuador has prevented that country from engaging in radiotelegraph operations with other nations. The Government of Ecuador cooperated with R. C. A. Communications, Inc., in establishing the new radio service.

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## CONTENDS EDUCATORS HAVEN'T FOUND WAY TO USE RADIO

Returning from the war conference of the National Association of Broadcasters at Chicago and the Education by Radio gathering at Columbus, James L. Fly, Chairman of the Federal Communications Commission when queried on the subject said:

"I had a good trip, and we had a very interesting discussion at the Institute for Education by Radio in Columbus. In Chicago, of course, it was more routine in character. I am not sure it was as interesting as we might have wanted it, but I had a very fine stay there and liked it very much.

"There was a very good discussion on Saturday morning at Columbus from an operating point of view. Quite a bit of discussion on the quality of programs and that sort of thing. Of course that started in Chicago. Mr. Paley and Dr. Angell came out in very forceful speeches on that subject of getting the upward incline on the quality of the program structure. I rather stressed with the educationalists the thought that all radio is educational, and that education hasn't found a way to utilize existing framework of radio. I did not discourage specialized educational stations but I did observe their very limited applications and the necessity for doing any comprehensive job through the use of a general program structure of the broadcasting industry itself."

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## REVISED RADIO TEST EQUIPMENT DELIVERY SCHEDULE

After May 1, deliveries of radio and radar test equipment will be made in accordance with schedules determined under M-293 instead of preference ratings, it was stated at a recent meeting of the Test Equipment Industry Advisory Committee with the Radio and Radar Division of the War Production Board.

Buyers of test equipment will fill in Form 556, on the basis of which the placement and delivery of new orders will be determined. These forms, available at WPB regional offices, will be submitted to the WPB Radio and Radar Division for approval, and the approved forms will be attached to purchase orders.

While it is expected that buyers no longer will be able to trump each others bids for equipment with triple A ratings, they will be able, under restrictions, to obtain directives for prompt delivery. However, requests for such directives will be scrutinized more closely, leading to a swift reduction in the number of them in force, it was said.

Elmer Crane, Chief of the Components Section, said that while deliveries of test equipment no longer would be subject to the competition of priority ratings, production would continue to be expedited by the use of ratings to purchase components and materials. Since supplies of these components, consisting of resistors, condensers and other equipment, are not as tight as those of test apparatus, schedules of the component producers will not be upset.

Since test equipment purchase orders hereafter are to carry WPB approval on Form 556, manufacturers receiving purchase orders without such approval should return them to their customers, it was stated. Jobbers, like manufacturers, are to see to it that their customers receive approval on Form 556, and that the approved form is sent with the purchase order to the producer.

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## PUBLIC SERVICE RADIO WINNERS ANNOUNCED

The winning programs for the George Foster Peabody radio awards for outstanding meritorious public service announced by Columbus, were:

News reporting - Charles Collingwood of the Columbia Broadcasting System, for his reporting from North Africa.

Entertainment in drama - CBS program, "The Man Behind the Gun", written by Ronald R. MacDougall and produced by William N. Robson.

Entertainment in music - The Standard Symphony Hour, National Broadcasting Co., Pacific Coast network.

Educational program - University of Wisconsin's Radio Station WHA for its natural science and conservation program "Afield With Ranger Mac", presented by Wakelin McNeel, Chief of the Junior Forest Rangers, Wisconsin.

Public service by a local station - Station KOAC, Corvalls, Oreg., for its program, "Our Hidden Enemy - Venereal Diseases", prepared by Dr. Charles Baker, syphologist, University of Kentucky.

Public service by a regional station - Station WCHS, Charleston, W. Va., for its program, "The Home Front".

The Peabody Board is establishing listening post committees at the State Universities of California, Colorado, Georgia, Idaho, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Montana, New Jersey, North Carolina, North Dakota, Ohio, Pennsylvania, South Carolina, South Dakota, Washington, West Virginia and Wisconsin so that a higher degree of perfection could be attained in the administration of the awards, sometimes referred to as the "Pulitzer prices of radio".

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#### McINTOSH DISCUSSES CIVILIAN RADIO REPLACEMENTS

Measures for maintenance of the public's radios were considered at a conference in Chicago by officials of the Radio Manufacturers' Association of Broadcasters, the WPB Radio and Radar Division and Office of War Information. Problems of supplying civilian tubes and parts, also their distribution, and the maintenance of adequate radio servicing were considered at the joint industry conference. President Neville Miller of the National Association of Broadcasters presided and among those in attendance were President Paul V. Galvin and Executive Vice President Bond Geddes of RMA; Arthur C. Stringer, NAB Director of Promotion; Chief Frank H. McIntosh, the Civilian Section, WPB Radio and Radar Division; Morris Weisz, consultant of the WPB Labor Division, and Don Stauffer, Assistant Director of the Office of War Information. Several radio manufacturers, including A. S. Wells, P. S. Billings, and Ross Siragusa also attended.

Mr. McIntosh detailed the present civilian replacement program of 2,000,000 tubes monthly. Also, he discussed the future WPB replacement parts program, as well as measures under consideration to provide for equitable distribution by distributors of replacement tubes and parts. The latter includes probable future use of WPB "directives", both for production and also distribution, in the replacement components program.



In his address at the NAB meeting, Chairman Fly of the FCC stated that the shortage of farm batteries was the most pressing immediate problem for set owners, but that he expected "an early solution" from WPB. That the Army had returned, for civilian use, "a considerable number" of radio batteries also was disclosed by the WPB Office of Civilian Supply.

High compliment to Chief McIntosh was paid by Chairman Fly who said that Mr. McIntosh in providing materials for maintenance of the public's radios had done "a swell job".

With a present adequate supply of replacement parts, Mr. McIntosh stated that probably in July consideration would be given to production plans for parts replacements, in ample time to insure against a parts shortage. Steps also are being taken to provide for public receipt of components produced under the WPB program. The Navy has issued a "directive" against purchase by its field procurement officers of civilian replacement components, and a similar War Department "directive" to its field officers is under consideration.

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#### EXPLANATION OF RADAR REASSURING TO PUBLIC

Raising the secrecy ban and explaining how it may protect the United States from invasion has reassured the public. It was only after months of consideration that the Government broke its own official silence and released this joint Army-Navy statement which reads, in part, as follows:

"The term 'radar' means radio-detecting-and-ranging. Radars, then, are devices which the Allies use to detect the approach of enemy aircraft and ships, and to determine the distance (range) to the enemies' forces. Radar is used by static ground defenses to provide data for anti-aircraft guns for use in smashing Axis planes through cloud cover, and by airplanes and warships.

"It is one of the marvels made possible by the electron tube. Ultra high-frequency waves, traveling with the speed of light, can be focussed, scan the air and sea. When they strike an enemy ship or airplane, they bounce back. Radio waves travel at a constant speed of 186,000 miles per second. Thus a small space of time is required for such signals to travel to a reflecting surface and return to a receiver, so that, with means provided for measuring this time interval, it is possible to determine the distance to a given target. Radars operate through fog, storms and darkness, as well as through cloudless skies. They are, therefore, superior to both telescope and acoustic listening devices.

"Radar is used for both defense and offense. In fact, the British, who call their similar apparatus the radio locator, say it was instrumental in saving England during the aerial blitz

of 1940 and 1941. At that time the locators spotted German raiders long before they reached a target area, and thus gave the RAF and ground defenses time for preparation. Since then radar has stood guard at many danger points along United Nations frontiers and at sea, warning of the coming of aerial and sea-borne enemy forces and contributing towards victory in combat. The new science has played a vital part in helping first to stem and then to turn the tide of Axis conquest.

"It was first discovered in the United States in 1922 when scientists observed that reception from a radio station was interfered with by an object moving in the path of the signals. Accordingly, a radio receiver was set up on the banks of a river and the effects of signal reception caused by boats passing up and down the river were studied. The experiment of installing the receiver in a truck was also tried, and it was observed that similar disturbances were produced in the receiver when the truck moved past large buildings. Development work was immediately undertaken so that the new discovery might be used for detecting vessels passing between harbor entrances or between ships at sea.

"So far, it had been necessary to have the moving object pass between the radio transmitter and the receiver. This obviously limited the possible fields of application. In 1925, it was found that the surface of an object, or target, would act as a reflector of high frequency radio waves. In other words, the radio signals sent out by a transmitter could be made to strike a target, and then "bounce" back to a receiver. This made it possible to have both the transmitter and the receiver at the same location.

"In 1930, research engineers were able to pick up reflected signals from planes passing overhead. By 1934, they had developed a satisfactory means of measuring the distance between the radar transmitter and the target. Since then other advances in the field have been made, some of which, after the war is over, will undoubtedly contribute to the security and comfort of a world at peace."

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#### CABLE RADIO CORPORATION EARNS \$830,249 NET

The American Cable and Radio Corporation and subsidiaries had a consolidated net income, after all operating expenses and other charges, of \$830,249 in 1942, John L. Merrill, Chairman of the Board, disclosed in his annual report to stockholders. This compares with a net of \$556,623 in 1941.

Revenues from radio-telegraph operations suffered a severe reduction due to the closing down of circuits formerly operated with Germany, Italy and Japan and to the suspension in July, 1942, of the United States domestic radio-telegraph services for reasons of military security, Mr. Merrill reported.

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## WANT TO KNOW RADIO AND RADAR RESISTOR REQUIREMENTS

Early statements by claimant agencies of requirements for resistors used in military radio and radar were urged by the Fixed and Variable Resistor Industry Advisory Committee at a meeting with the Radio and Radar Division of the War Production Board.

It was urged that requirements be stated in quantities broken down into broad classifications.

The resistor manufacturers were told that backlogs of orders for fine wire, used in resistor production, are rapidly declining. It was stated, therefore, that the present is a good time to buy. Resistor producers said, however, that deliveries are still slow on some sizes.

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## NOW IT'S THE RADIO SEWING MACHINE

A radio sewing machine has been developed experimentally by RCA Laboratories at Princeton, N.J. It has promise of becoming one of the new radio electronic machines of the post-war period, when expansion of its use may be extended through wartime developments.

Instead of needle and thread, this machine uses radio-frequency current; instead of woven cloth, it works on thermoplastics - the new synthetic materials that are finding wide application in the making of raincoats and caps, weather balloons, and in the packaging of many types of food and oils.

It "stitches" a thin solid seam that is air and water tight, creating a bond that is stronger than the material itself. It does this simply and easily, thus promising to overcome many fabrication difficulties involved in conventional processing methods as applied to thermoplastics.

The radio sewing machine was created to meet a definite need in the plastics industry. Thermoplastics, tough resilient material, can be rolled into large cloth-like sheets, which makes them highly useful in any number of ways. When cut into patterns, the sections are usually put together by sewing with thread, by cementing, or by fusing with externally applied heat. None of these methods has been found to be entirely satisfactory for mass production.

Somewhat similar in appearance and operation to the conventional sewing machine, the radio device derives its current from a low-power radio-electronic oscillator. A small electric motor drives the roller wheels. Controls are in a foot pedal. Ordinary alternating current of 110 volts supplies the power.

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: : : TRADE NOTES : : :  
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The Federal Communications Commission en banc has amended Order 75 by the adoption of Order 75-C, so as to require every person who holds an outstanding commercial or amateur radio operator license issued by the Commission and every person who has applied or shall apply for such a license or a renewal thereof, to furnish such additional information bearing upon the individual's qualifications to hold an operator license as the Commission may in writing request after examination of the application for license.

WTOP, Washington, in connection with the recent call letter change of the station to WTOP from WJSV, is issuing promotional cards with push-button tabs attached for listeners to make the change on their radios. There are nine sets of the WTOP letters in three different sizes on each card, which can be bent or trimmed to fit any type push-button. Letters have been sent to the 235 radio servicemen and radio retailers in the Washington area with sets of ten cards enclosed. The letters suggest that the tabs might be passed on directly at the time of a sale or service.

The King-Trendle Broadcasting Corp., Detroit, Mich., has applied for a construction permit for a new High Frequency Broadcast Station to operate on 47300 kc., coverage 6,750 square miles (formerly W73D); also construction permit for new High Frequency Broadcast Station at Grand Rapids, Mich., to operate on 46900 kc., coverage 5300 square miles (formerly W69GR).

Stewart-Warner Corp. reported March quarter profit of \$831,398, equal to 65 cents a capital share, against \$690,777, or 54 cents a share, in the March quarter of last year. The company said the results in the first period this year were subject to alterations by renegotiation of Government contracts.

The Columbia Broadcasting System has announced that four new Illinois affiliates of CBS have been added to its network: WSOY, Decatur; WTAX, Springfield; WDWS, Champaign and WDAN, Danville; also two new Florida affiliates WAAC, Ft. Meyers, and WSPB, Sarasota. With the addition of these new outlets, the CBS network now totals 132 stations.

News Editor Charter Heslep of the Office of Censorship, broadcasting division, reports that he has found only 17 censorship violations after reading personally 2,000 scripts of radio commentators and listening to 7,000 network newscasts.

Station WQXR, Interstate Broadcasting Co., Inc., New York City, has been granted modification of license to operate non-directionally on 1560 kc. with 10 KW power; and dismissed application for modification of construction permit to extend completion date. The grant of modification of license is made subject to condition that it may be cancelled or modified by the Commission without hearing.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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FRANK E. MULLEN



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No. 1527

## PREDICTED A BILLION SPENT ON RADIO AFTER THE WAR

By E. J. Detgen and Lawrence D. Batson  
Bureau of Foreign and Domestic Commerce

"Markets After the War" in its hypothetical break-down, by commodity groups, of the distribution of an assumed total expenditure for all goods and services of 165 billion dollars in a post-war year, indicated that approximately a billion dollars - an increase of 165% over the 1940 volume - might be spent for radio apparatus and phonographs. This includes receiving sets of all kinds, phonographs, radio-phonograph combinations, electric record players, tubes and replacement parts, needles, storage batteries, records, and blanks. This article discusses some of the factors that were not considered because of the purely mechanical nature of the projection.

This article considers only the home radio field which constituted 80% of the combined radio and phonograph industry total in 1940.

If the hypothetical statistical projection of "Markets After the War" is a true indication of the post-war market, we could expect an annual expenditure for household radios in the post-war era of approximately 880 million dollars, 165% of the 1940 estimated volume of 345 million. Assuming further that the average retail price of a radio set remains at \$35 (the 1938-41 average), 25 million radio sets may be sold annually in the United States in the post-war period. How may these figures be tested?

First, how would this volume compare with previous experience in the industry? Of 36 million families in the United States in 1942, approximately 30 million owned about 60 million radio sets. Industry estimates indicate that 50% of these families owned one set each, or a total of 15 million sets, and that the remaining 15 million families owned 45 million sets, and of these, probably 15 million are first or primary sets and 30 million, second or additional sets. In other words, there were approximately 30 million first or primary sets and an equal number of second or additional sets in use in 1942.

With reference to the market for the primary or first set, assuming an average life span of approximately 7 years, a very high percentage of the pre-war sets in this class may be considered by their owners as obsolete by 1946. Can we estimate, therefore, that there will be an immediate market in 1946 for 30 million primary sets, which will mean a new set for each radio family in the United States? Looking ahead to 1947 and subsequent years of high levels

of employment, (and remembering that annual sales have never exceeded 11 million sets) can we assume a continuation of this new high volume of business?

In seeking the answer to this question, we must consider, among other factors, the market for the second or additional set, which represented 30 million units in 1942. To what extent and how soon will second or additional sets be replaced? What effect would the sale of 30 million sets in one year have on the number of second or additional sets in use? How many families will retain the first or primary set used during the war period to serve as a second or additional set after purchase of this new post-war set? All these statistical factors must be applied to our original figure of 30 million sets to determine its validity as a starting point for discussion of the radio market in the post-war period.

The foregoing is based on the continuation of the assumed average retail price of \$35 per set. Will the average price per set be higher or lower? What knowledge have we now, concerning the technological changes taking place in the industry, that will permit us a glimpse of this phase of the industry in the future? Will radio production be changed so radically that prices will be cut in half resulting in an average retail price of around \$15 or \$20 and necessitating a volume of 60 million sets per year, or will there be emphasis on larger, higher-quality sets which will increase the unit price and thereby reduce this hypothetical annual quota of 30 million units which we are using for the purpose of this discussion? For example, can we assume that in the post-war period frequency-modulation will be a "must" among radio users?

To some radio manufacturers questions of this type will be considered elementary since they are convinced that the benefits of frequency-modulation are so great it will "have to be". And they reason that since the production of this type of set involves more man-hours and materials the cost will be higher. They point out that the lowest retail price of a complete frequency-modulation set in 1942 was approximately \$60, or almost double the average price paid for radio sets. If a market of this type is developed, annual sales of 15 million sets would achieve the hypothetical goal of 880 million dollars in retail sales of home radios.

The possibilities of frequency-modulation raise other interesting questions, including the future of the market for the lowest-price set (\$10 and under) and the possibility that many owners of high-quality sets may purchase FM converters for use in conjunction with these sets. There is also the problem of setting up and staffing a large number of radio stations to provide frequency-modulation broadcasts, because of the limited range of such stations, compared with present amplitude modulation stations.

The implications of television and its accompanying developments have not even been mentioned here because of limitations on space; certainly that development alone requires intensive and elaborate investigation by anyone attempting to appraise the future of radio.

A major factor in reconversion will be the continued availability of these plants and workers. Will radio manufacturers be able to retain them or must they develop new facilities and train new workers? In the assembly industry reconversion may be largely a matter of providing a short training period for radio assembly operations, for workers now producing items of military equipment.

Many other important considerations must receive careful study as we look into the post-war radio situation. Not the least are questions regarding foreign industries and markets. In such a study attention must be directed not only to past export experience and the potentials of the future, but also to the possibilities of competition from abroad. Much of this will be intimately tied up with the expansion of radio industries in countries that have been producers in the past as well as with the establishment of radio factories in countries which formerly imported all their requirements. What effect will these developments have on our domestic production and sales?

(Note - The full text of this article may be obtained by writing to Lawrence D. Batson, Bureau of Foreign and Domestic Commerce, Washington, D. C., for the brochure "Appraising the Post-War Radio Market".

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#### N.Y. NOW COMMUNICATION CENTER OF WORLD, SAYS D.S.

In what the New York Times described as having "hit a new high mark in the presentation of information to investors in the corporation", David Sarnoff, President of the Radio Corporation of America, in his annual report, the Times went on to say "delivered one of the most interesting talks which stockholders have had the pleasure of hearing in several years".

Here are some of the highlights of Mr. Sarnoff's report:

"As you know, RCA is engaged in world-wide communications. Long distance radiotelegraph circuits are wartime arteries of international communications, linking the United Nations. In cooperation with the United States Government, R.C.A. Communications, Inc., is providing transmitting and receiving facilities for military and other departments of the Government. The success being achieved in this field fulfills to a high degree the main purpose for which the Radio Corporation of America was formed in 1919 - to equip the United States with independent radio communications. New York, largely through the pioneering operations of RCA, is now the communication center of the world."



"Today, RCA manufacturing plants are gigantic arsenals of radio. The blueprints and diagrams which a few years ago patterned home-radios and radio-phonographs, now are replaced by specifications of war.

"In this total war, radio is a weapon of the soldier, of the sailor, and of the flyer. Special apparatus is needed to withstand the terrific poundings of combat. Dive bombers, fighter planes, submarines, tanks, battleships, jeeps, PT-boats and mechanized units call for rugged equipment to withstand heavy mechanical shock and extreme climatic conditions. The wartime radio is no parlor set, or music box. To meet the specifications of war, research functions night and day to give the manufacturer what is vitally needed, whether it be a new radio tube, or a new electronic "eye"."

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"In all our plants, harmonious labor relations have produced happy and encouraging results. Both management and workers have strengthened all forms of cooperation. There have been no strikes, no disruption of production, and little absenteeism.

"A spot survey conducted in the Camden-Philadelphia area showed that RCA had the lowest absenteeism of any company studied. We had less than 4 percent, whereas some other industries ranged as high as 12 percent. We find that much can be done by education and by appeal to the worker's patriotism and pride, if the conditions contributing to absences are controlled. It is doubtful whether compulsion could produce more constructive results.

"Management-labor war production committees sponsored by the Government, have been adopted at our plants and have resulted in splendid teamwork. Union officials have pointed to RCA as an example of good labor relations."

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"In cooperation with Purdue University, RCA has organized an intensive Engineering Cadette Program for training women radio technicians, between the ages of 18 and 22. Completion of the course qualifies these students for immediate assignments in our plants as Engineering Aides. Eighty-seven are enrolled; they come from 19 States.

"A new unit of women workers, wearing the insignia of the U. S. Navy Inspection Service, is on duty at the RCA Camden plant, releasing a like number of men for other vital work.

"In cooperation with the New Jersey Commission for the Blind, RCA employed ten blind operators in its Camden plant, on tasks requiring a high degree of sensitiveness and skill. So successful has been this experiment that two of these operators have been recalled by the Commission to teach other blind workers."

5/7/43

"A standard-text radiotelegraph service has been made available for use by members of the American armed forces abroad and their families and friends in the United States. The charge for these "Expeditionary Force Messages", to whatever part of the world they may go, is only 60¢."

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"In regard to our operations since the beginning of the present year, I am able to announce that the consolidated gross income of RCA during the first quarter - that is January, February and March - 1943, amounted to \$67,283,000 compared with \$44,141,000 in the first quarter of last year, an increase of \$23,142,000, or 52 percent.

"Net profit before taxes, for the first quarter of 1943 amounted to \$8,936,000. This represents an increase of \$1,371,000 or 18 percent over the same quarter in 1942.

"Federal Income Taxes amounting to \$6,341,000 are provided for the first quarter of this year. This represents an increase in taxes of \$1,443,000 or 29 percent over the same quarter last year.

"Net profit after taxes, for the first quarter of 1943 amounted to \$2,595,000, a decrease of \$72,000, or 3 percent compared with the same period last year.

"The earnings per Common share for the first quarter of this year were 12.9 cents, and the estimated Federal Income Taxes, 46 cents per share. A year ago, the first quarter earnings were 13.4 cents and the taxes, 35 cents per share."

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"On the lighter side - an incident frequently occurs on the radio that reveals the widespread coverage of modern broadcasting. Many of you probably read the story, which was front-page news at the time, telling of the avalanche of pennies which reached a Staten Island lady, who missed a question on NBC's "Truth or Consequences" show. The announcer made a 20-second appeal to every listener to mail a penny to Mrs. Dennis Mullane, to buy war bonds for her son in the U. S. Marines. Proof that America was listening was soon in evidence, for more than 300,000 pennies were received in 204,000 letters. It required 200 extra clerks to handle the mail from every State in the Union, and Canada."

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"R C A radiophoto circuits are in operation between New York and London, Stockholm, Moscow, Cairo, Buenos Aires, Hawaii and Australia. Many war pictures from the battlefronts are transmitted to American newspapers over these circuits. At the same time, many eye-witness reports on the war and commentaries from overseas are brought to this country by the RCAC Program Transmission Service which delivers them with split-second precision to American networks for domestic broadcasting."

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5/7/43

### McCLINTOCK, MBS PRESIDENT, ILL; CANCELS SPEAKING TOUR

Believed to be the result of over-exertion at the time of the War Conference of the National Association of Broadcasters, Miller McClintock recently elected President of the Mutual Broadcasting System was taken down at the Hotel Drake with what was described as a mild case of pneumonia. Mrs. Miller, who was on the West Coast, was called to Chicago and a speaking trip which Mr. McClintock was to have made to eight cities - Los Angeles, San Francisco, Denver, Kansas City, St. Louis, Cleveland, Cincinnati and Columbus was cancelled. On this trip Mr. McClintock was to have been accompanied by Lewis Allen Weiss, prominent Pacific Coast broadcaster and Lester Gottlieb, MBS press representative.

Mc. McClintock, 49 years old, is the second network executive to be stricken by illness as a result of his duties. The other was Niles Trammell, of the National Broadcasting Company, who is now back in the harness and reported to be completely recovered.

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### PHILHARMONIC GETS SPONSOR THUS ENDING LABOR TROUBLES

With the U. S. Rubber Company sponsoring the New York Philharmonic Orchestra sponsoring the Sunday afternoon broadcasts over the Columbia Broadcasting System that organization's labor troubles seem to be at an end. There will be 52 concerts a year where in the past there were only twenty-eight. The entire Columbia network of 118 stations will carry the broadcasts.

Carl Van Doren, Pulitzer Prize winner in biography, has been engaged as the intermission speaker for the concerts. During the intermissions there also will be a reenactment of the famous words of American heroes, with Raymond Massey participating on the initial broadcast.

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### WOULD DEFER SHIP COMMUNICATIONS SAFEGUARDS ACT

Senator Walsh (D), of Massachusetts introduced a bill (S. 1063) to extend effective date of the Act of December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States. The bill was referred to the Senate Committee on Commerce.

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"WHERE'S BIDDLE?" NEWSPAPER ASKS IN COX RADIO CASE

Continuing its campaign against Representative E. E. Cox of Georgia in the WALB case, an editorial in the Washington Post this week read:

"Equal justice under law" is a motto that lies close to the heart of democracy. There are few abuses that more readily corrupt a government of the people than the granting of immunity to favored individuals when the laws are violated. It is bad enough when guardians of the law are lax in bringing violations to light. But when they fail to prosecute men in high office whose wrong doing is well known to them, one of the cardinal principles on which our society rests begins to crumble.

"The Department of Justice has been negligent in bringing higher-ups to book in a number of instances during recent years. We know of no case, however, suggesting such a flagrant breakdown in the administration of justice as that of Representative E. E. Cox. The Department of Justice has in its possession apparently unimpeachable evidence that Mr. Cox represented a Georgia broadcasting station before the Federal Communications Commission. Records of the FCC show that he communicated with that agency or its staff at least 25 times in the interest of securing a license for what is now Station WALB. The license was granted in July, 1941. The following month Mr. Cox received a check for \$2,500 from the owners of the station. To this check, now in the hands of Federal authorities, was attached a voucher bearing the words 'legal expense'.

"The Department also knows that in the files of the FCC there is a statement by C. D. Tounsley, Manager of WALB, to the effect that Mr. Cox and his secretary performed no services for the station in Albany, Ga., where it is located. Then the statement says: 'Radio station WALB has never at any time and does now now have any Washington representation other than that provided by E. E. Cox.' Attorney General Biddle's department has been asked to measure this evidence against Section 113 of the Criminal Code, which provides:

"Whoever, being elected or appointed a Senator, Member of or Delegate to Congress . . . shall . . . directly or indirectly receive, or agree to receive, any compensation whatever for any services rendered or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party or directly or indirectly interested, before any department, court martial, bureau, officer, or any civil, military or naval commission whatever, shall be fined not more than \$10,000 and imprisoned not more than two years; and shall moreover thereafter be incapable of holding any office of honor, trust or profit under the Government of the United States."

"What could be plainer than this statute? It is said that the chief of the Criminal Division of the Department of Justice recommended that this statute be invoked in the case of Representative Cox many months ago. Why has the Attorney General side-stepped the issue? Does he wish to give the impression that the penalties for violation of the law are reserved for the meek and humble who hold no official position? Unless the Attorney General is ready to enforce the law impartially, letting the chips fall where they may, he will himself be guilty of gross misconduct in office. Surely mere delay or inefficiency cannot account for the department's long silence in this case. It is high time for Mr. Biddle to let this evidence go before the grand jury or acknowledge a policy of unequal justice before the law where politics are involved."

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HOUSE EXPECTED TO VOTE ALLEGED FCC  
EMPLOYEES OFF PAYROLL

A Government agency's open defiance of a Congressional edict will be tested on the House floor next week.

The House Appropriations Committee, it was reported, will ask members to vote approval of legislation discharging from office Goodwin B. Watson, and William E. Dodd, Jr., employees of the Federal Communications Commission.

On April 21, the Committee issued a report finding the two men guilty of subversive activity which it defined as "conduct intentionally destructive or inimical to the Government of the United States".

Despite the group's decision that Messrs. Watson and Dodd were unfit for Government employment, FCC officials refused to fire the two men, contending their activities were in no way harmful.

Determined to answer this challenge to Congressional authority as quickly as possible, the Committee has decided to attach to the Navy Department Appropriation Bill coming up next week an amendment forbidding the future appropriation of any money to pay the salaries of Watson and Dodd. Watson receives \$6,500 a year as "Chief Analyst" of the Foreign Broadcast Intelligence Service, and Dodd gets \$3,200 as "Assistant News Editor" in the same service of the FCC.

House approval of the rider is considered virtually a certainty. A spectacular battle probably will be put up by the small bloc of radicals in the chamber, but an overwhelming majority of members have previously indicated their disapproval of Communism in high Government places.

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5/7/43

## GOVERNMENT BOOKLET CHARGES RADIO NEWS DISTORTION

Political propaganda at last has invaded the public school system of the United States, David Lawrence, syndicated columnist, writes. With the sponsorship and encouragement of various agencies of the Government, certain New Dealers and radical-minded educators have together put something over on the National Education Association, using that non-partisan organization as the medium for extolling the philosophy of an omniscient and all-wise State, Mr. Lawrence continues.

"For years, alert-minded educators and citizen Boards of Education throughout the United States have rightly been on guard to keep the public schools free from the intrusions of political or economic indoctrination. But now under the guise of 'helping to win the war', a far-flung scheme of Government-made 'education' has been worked out which is designed primarily for high school students, but it openly calls also for 'adult education' among the parents to whom the propaganda is to be brought from the schools to the home by the students.

"A new 93-page, expensively illustrated textbook, entitled 'My Part in This War', has been designed for use in the classroom.

"Thus high school students will find these impressions with regard to press and radio in the book:

"That the press and radio, while generally patriotic and co-operative, nevertheless do distort at times Government announcement so as 'to make the news more interesting', that 'most editors' deliberately 'passed up' a speech by Vice President Wallace which the book calls 'outstanding', and that the 'facts on rubber shortage were grossly and persistently confused, occasionally to the private advantage of those muddying the waters'.

"That the press and radio, in their 'treatment of information', are under the 'divided influence of the Government, the public audience, the advertisers, and the owners, with the owners having the final word'. This is coupled with the statement that 'our Government does not control the press and radio as they are controlled in other countries' and that 'it (our Government) has only a limited influence over what they say and do'.

"There is no explanation as to whether this is a hint that the example of other governments which control the press might better be followed but the student is certainly left with the command that it is his duty 'to support those channels of information' which conform to the text book's concept of how to win the war."

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: : : TRADE NOTES : : :  
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The Board of Directors of the Columbia Broadcasting System, Inc., Wednesday declared a cash dividend of 30% per share on the present Class A and Class B stock of \$2.50 par value. The dividend is payable on June 4, 1943, to stockholders of record at the close of business on May 21, 1943.

The Blue Network Co. has applied to the Federal Communications Commission for extension of authority to transmit programs to Stations CFCF, Montreal and CBL, Toronto, and the Canadian Broadcasting Corp.

About 40 million letters have been sent overseas by V-mail, on rolls of film, without a single loss. The original is held at the port of embarkation until the reproduction has arrived, when confirmation is flashed by radio.

Arthur B. Church, President of KMBC, CBS affiliate in Kansas City, Missouri, has recently been voted the ninth member of the Columbia Affiliates Advisory Board.

Elmer Davis told the Senate Committee investigating draft deferments that OWI drew many of its recruits from the newspaper and radio industries, "both of which are on the Manpower Commission's essential list - and on that list ahead of the Government service".

"If anybody in our office wanted to escape the draft", the OWI chief declared, "he would have had a much better chance of doing so by staying with the newspaper or the radio station he used to work for instead of going into OWI."

Eric Severeid, chief correspondent of the Columbia Broadcasting System in Washington and a member of the Executive Committee of Overseas Writers and the National Press Club, was elected President of the Radio Correspondents' Association in Washington.

Other officers are Earl Godwin, of the Blue Network, Vice President; Richard Harkness, of National Broadcasting Co., Secretary, Jack Goad, of Transradio Press, Treasurer, and Fred Morrison, of Mutual Broadcasting System, ex-officio member of the Executive Committee.

Radio receiving licenses in effect in New Zealand in September 1942 totaled 374,696, our Commerce Department reports. This is a material increase over the 319,879 licenses in effect before the outbreak of the war. Production of radio apparatus for civilian use is said to be curtailed by lack of essential parts and shortages of skilled workers.

John Hade has been appointed to the newly-created post of WJZ Commercial Program Manager.

The Henry Hadley medal awarded to Deems Taylor, President of the American Society of Composers, by the National Association of Composers and Conductors, will be presented to Mr. Taylor at the Association's annual reception, Friday evening, May 14th, at the Waldorf-Astoria. Leonard Lieblich is Chairman of Awards of the Association of which Dr. Sigmund Spaeth is President. Mr. Taylor was awarded the medal as the person "performing the greatest service to American music during 1942-1943".

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 WOWO, Westinghouse Radio Station, Inc., Ft. Wayne, Ind., was granted application for modification of licence to operate on 1190 kc. with 10 KW power, unlimited time, subject to cancellation by the Commission without a hearing in the event it becomes necessary for the licensee to protect the services of other stations operating on the 1190 kc. frequency.

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 Misrepresentation in the advertising of Willys-Overland Motors, Inc., as to the creation and perfection of the U. S. Army "Jeep", is charged in a complaint issued by the Federal Trade Commission. The complaint alleges that the idea of creating a "Jeep" was originated by the American Bantam Car Company, of Butler, Pa., in collaboration with certain officers of the United States Army. The United States Advertising Corporation, on behalf of the Willys-Overland corporation, is alleged to have prepared and placed advertisements in various newspapers, magazines and other periodicals and caused radio broadcasts to be made describing the automotive products of the Willys-Overland corporation.

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 In his annual report, John L. Merrill, Chairman of the American Cable and Radio Corporation said:

"In the legislation which was adopted to permit the merger of the domestic telegraph operating companies, there was omitted a provision originally included in the House Bill which would also have permitted the merger of the international carriers. The result is that although the domestic carriers are now permitted to merge, the international carriers are still under the necessity of competing with one another in their relations with foreign telegraph Administrations and companies."

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 Station WHAM, Rochester, N. Y., 50,000 watt station of the Stromberg Carlson Manufacturing Co., joined NBC's basic network as a regular outlet May 1st. WHAM operates on the 1180 kilocycle clear channel.

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 This sidelight on the Columbus meeting was carried by Variety:

"James L. Fly, who's used to trouble with broadcasters, bumped into a new wrinkle even for him. When he checked into the Deshler-Wallick Hotel and went to his room, he found one of the hotel engineers snoozing in his bed. Then, when he complained because the maid took so long to get one room straightened up, she told the management it was all the engineer's fault. The latter was fired, and subsequently phoned Fly and threatened him. Nothing further actually happened, but the FCC chief was plenty worried."



# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

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No. 1528

May 11, 1943

## FLY JUBILANT BUT MUM OVER CHAIN BROADCAST VICTORY

Although it was the biggest triumph of his life, James L. Fly, Chairman of the Federal Communications Commission refused to say a single word when the restrictions on chain broadcasting ordered by the Commission - in which he was the prime mover - were upheld by a 5 to 2 vote of the Supreme Court Monday afternoon. By a coincidence, the news of the high court's action reached the FCC about the time of the head Commissioner's regular weekly press conference. With it came a swarm of outside newspapermen. Nevertheless, Mr. Fly was adamant and quickly cancelling the conference, wouldn't see the gentlemen of the press much less answer any questions that were subsequently sent in to him.

Those close to the Chairman, however, described him as jubilant over the Commission's victory. The same was reported of Louis G. Caldwell, chief counsel for Mutual, but Mr. Caldwell likewise had no word of comment.

The high tribunal's majority opinion written by Justice Felix Frankfurter, ruled that Congress had given the FCC broad power to regulate the broadcasting industry under its power to grant or deny licenses for operation of broadcasting stations. Justice Frank Murphy in a dissenting opinion subscribed to by Justice Roberts, declared that the FCC had gone beyond the power granted by Congress and warned of the dangers to curtailment of free speech. He declared the Court was gratuitously bestowing on the FCC a power which Congress had not granted.

Justice Black did not take part in the deliberations presumably because of the fact that he is a brother-in-law of FCC Commissioner Durr and Justice Rutledge because he had been appointed after the evidence in the case had been heard.

Justice Frankfurter said the Communications Commission found that the network affiliation agreement of NBC and CBS customarily contained a provision which prevented the station being licensed from broadcasting the program of any other network.

"The effect of this provision", the court said, "was to hinder the growth of new networks, to deprive the listening public in many areas of service to which they were entitled, and to prevent station licensees from exercising their statutory duty of determining which programs would best serve the need of the community."

The regulation dealing with this provides for denial of a license to any standard broadcasting station having a contract with a network which prevents or hinders another station serving

substantially the same area from broadcasting the network programs not taken by the former station, or which prevents or hinders another station serving a substantially different area from broadcasting any program of the network.

"A licensee station does not operate in the public interest when it enters into exclusive arrangements which prevent it from giving the public the best service of which it is capable, and which, by closing the door of opportunity in the network field, adversely affect the program structure of the entire industry", said the court, quoting from the report of the Commission.

Another regulation upheld limits contractual terms to two years instead of five.

The court also agreed with the Commission conclusion that national network time options have restricted the freedom of station licensees and hampered their efforts to broadcast local commercial programs, the programs of other national networks, and national spot transcriptions. This was another point the broadcasting companies regarded as vital.

Justice Murphy in dissenting said that the power to control network contracts and affiliations by means of the Commission's licensing power "cannot be derived from implication out of the standard of 'public convenience, interest or necessity'." He added that the Commission is given no supervisory control of the programs of business management or of policy.

Justice Murphy said that the "real objective" of the Commission "is to regulate the business practices of the major networks, thus bringing within the range of its regulatory power the chain broadcasting industry as a whole.

"By means of these regulations and enforcement program, the Commission would not only extend its authority over business activities which represent interests and investments of a very substantial character, which has not been put under its jurisdiction by the act, but would greatly enlarge its control over an institution that has now become a rival of the press and pulpit as a purveyor of news and entertainment and a medium of public discussion."

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Speed traps are set in various parts of the country by local and State traffic police using 2-way radio. A car suspected of exceeding the speed limit will be timed going over a measured portion of the road. One patrol car will flash the license number and leaving time to the distant car which, if there has been a violation, will make the arrest.

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## NETWORK HEADS DIFFER ON SUPREME COURT DECISION

There was a difference of opinion among network heads on the Supreme Court's decision upholding restrictions imposed by the Federal Communications Commission on chain broadcasting. Miller McClintock, President of the Mutual Broadcasting System, which aided the Commission in its fight, said:

"Finally the radio industry is to have a practical application of the broadcasting rules promulgated by the Federal Communications Commission and confirmed by the Supreme Court. We welcome their application without apprehension.

"The Mutual Broadcasting System pledges its full cooperation to the FCC, to the broadcasting stations of the Nation and to the network industry in the fair and business-like operation of these rules as they now stand or as they may be amended."

Commenting on the decision, Niles Trammell, President of the National Broadcasting Company, said:

"The decision of the United States Supreme Court holding that the Federal Communications Commission was within its jurisdiction in the promulgation and enforcement of the much-disputed network regulation is of grave concern to American broadcasters. We have had an era in which networks and stations, through collaboration, have been able to build the finest broadcasting service the world has ever known. This has been accomplished through private enterprise, with no interference on the part of the FCC with business relationships voluntarily entered into between networks and stations.

With the present radio law given this broad interpretation by the Supreme Court, the FCC may endeavor to extend its regulations to cover practically every phase of the business relationship between the networks and the stations. The Commission now assumes a grave responsibility that it exercise the greatest possible wisdom in the issuance of regulations which will enable the broadcasters of the nation to continue to render a satisfactory service to the public. I am convinced that unless such wisdom prevails within the Commission, that the people of the United States will insist upon a revision of the fundamental laws governing broadcasting so that the American system of broadcasting as we have known it will not be impaired.

"I have every confidence, despite the present limitations which are about to be imposed upon the broadcasting industry, that ultimately, either through action of the Commission itself or through Congress, broadcasting will continue as the greatest means of mass communication, as an effective medium for the preservation of the morale of the American public in war time and as its greatest source of entertainment in peace time."

William S. Paley, President of the Columbia Broadcasting System, emphasizing that the court had not passed on the merit of the rules themselves, stated:

"We are more than ever convinced that the Commission's areas of authority and the broadcasters' areas of freedom should be redefined by the Congress in a new Radio Act."

Neville Miller, President of the National Association of Broadcasters, said the decision "once more emphasizes the necessity for prompt Congressional review of the radio law in the light of present development of the broadcasting art." Mr. Miller noted that hearings on a Senate resolution to review the present communications act are scheduled for May 25.

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#### CONGRESS TO PROBE COMMENTATOR'S 2101 R ST. CHARGES

The allegation of Drew Pearson, Blue Network commentator in connection with John Monroe's dinners at 2101 R Street, N.W., that one of the group was slated to "get a juicy war commission out of purchase of a steam boiler" got such a rise out of the Louisiana delegation in the House that they demanded that Mr. Pearson's charges be investigated. Representative May (D.), Chairman of the House Military Affairs Committee, said the investigation would be made immediately.

The portion of Mr. Pearson's broadcast which caused all the excitement and which was delivered last Sunday night, was as follows:

"The big red house on R Street - the House Military Affairs Committee investigating war lobbyist John Monroe and his mysterious house on R Street - has a bear by the tail and can't let go. Last week many Congressmen, particularly Republicans, were worried sick that Monroe might name more guests who had come to his house for dinner. They repeatedly told him they did not want to know who his dinner guests were.

"Last week I gave the Military Affairs Committee some tips as to what they might investigate. Here are some more. See whether Monroe didn't appear before the Washington Rent Commission to help secure a reduction of rent for a colonel, who helps buy tanks for the Army. Also look into Monroe's deal to buy a steam boiler from the New Orleans Public Service Co., and then sell it at a much higher price to the Aluminum Corp. I think you will find that Donald Nelson stopped the deal - but especially, gentlemen, you might investigate whether one of your own colleagues, a Congressman from Louisiana, was not supposed to get a juicy commission."

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## CROSLY IS AGAIN DENIED W8XO REHEARING

The Federal Communications Commission last week denied a petition for a rehearing against an order of the Commission adopted last December dismissing an application for renewal of licenses of W8XO the 500,000-watt Crosley developmental adjunct of WLW, Cincinnati. The Commission also denied a petition to dismiss without prejudice an application for renewal of license for W8XO.

The Crosley Corporation in December sought a new hearing on the FCC action denying W8XO authority to experiment with increased power of 750,000 watts, and at the same time allow the station's 500,000-watt experimental authorization to expire under its own terms.

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## NEW RADAR PUBLICATION MAKES ITS BOW

Quick to take advantage of the War Department releasing its restrictions upon the use of the word radar, the hitherto secret detecting equipment, the Caldwell-Clements Company, of which Dr. O. H. Caldwell is the head, have launched a new publication "Radar", the policy of which, it is explained is "Detecting and Revealing Things Ahead in Radio, Television and the Electronic Industries". Explaining its purpose in an acrostic, Messrs. Caldwell and Clements state:

"RADAR"

covers

Radio manufacturingApplications, new and unusualDevelopments aheadAll branches of the industryReview of news

Among the items of interest in the first issue of "Radar" are:

"Radio war production is about to slow down. By July some radio plants may fall below 50 per cent. And by December one large radio factory will be running at 20 per cent capacity, unless more orders are received."

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 "Civilian-tube production is now about 2,000,000 per month. This is still far short of the 45-million yearly rate promised. WPB may have to simply take more away from the military, and the appointment of influential Arthur Whiteside as Civilian Requirements Director, may accomplish the feat.  
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"RMA will hold a one-day war conference June 10, at the Palmer House, Chicago. No banquet, no golf; just business. Directors, by the way, have turned down all proposals to change the name of association."

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 "Radio traffic signals right in 27 million autos, is another after-war development now being polished up. Instead of peering ahead for lights, driver en route will hear traffic tones - a steady note to 'proceed', short shrill peeps to 'stop' - or will see red and green lights change right on his own dashboard. A car thus equipped is already on streets of New York, testing operations."

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#### MRS. PATTERSON DROPS WINCHELL BROADCAST LIBEL SUIT

The suit brought by Mrs. Eleanor M. Patterson, owner and publisher of the Washington Times-Herald, charging libel against Walter Winchell was withdrawn by the plaintiff and dismissed Monday in District Justice F. Dickson Letts' court in Washington.

Settlement of the case followed an hour's conference among attorneys Monday morning. When Justice Letts ascended the bench at 11 A.M., R. H. Yeatman, counsel for Mrs. Patterson, made the following statement:

"In a radio broadcast on March 15, 1942, Walter Winchell made misleading and uncalled for references to an editorial on foreign policy published in the Washington Times-Herald. He did not tell his audience that the editorial advocated United States occupation of Greenland to protect it from the Nazis and otherwise was a strong defense of the Monroe Doctrine. The next day Mrs. Eleanor M. Patterson, owner and publisher of the Times-Herald, sued him for libel.

"Under oath and pre-trial examination, Winchell admitted this editorial 'is a very patriotic piece' and disclaimed any intention or desire to besmirch or harm the Times-Herald.

"Furthermore, Winchell's contract with his radio sponsor, the Andrew Jergens Co., allows him to escape payment of any judgment that may be rendered against him and places upon his sponsor not only that burden, but also the liability to pay all expenses even including lawyers' fees.

"Upon the record thus made by Winchell, Mrs. Patterson did not feel any good purpose would be served in further prosecuting the case. Therefore, it has been dismissed."

As Mr. Yeatman referred to the terms of Mr. Winchell's contract with his radio sponsor, John Sirica of counsel for the columnist-commentator, interrupted to tell Justice Letts that the defense was ready for trial and that injection of the radio

contract terms was irrelevant in view of an agreement reached by both sides to end the litigation.

With the suit thus ended, Mr. Winchell went to the judge's desk to be introduced by his counsel to Justice Letts. Mrs. Patterson was not in court.

The suit originally asked \$100,000 compensatory damages from each of three defendants, and an additional \$100,000 in punitive damages from Mr. Winchell. On February 5, however, suit brought by Mrs. Patterson against the Jergens Co. and the National Broadcasting Co., later known as the Blue Network Broadcasting Co. were dismissed, leaving Winchell as the sole defendant.

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#### OPA PRAISES RADIO IN FOOD PRICE CEILING ANNOUNCEMENTS

Radio played a vital part in acquainting the public with Government regulations when the Office of Price Administration announced the community area maximum food price ceilings last week-end in 150 cities throughout the country. Neville Miller, President of the National Association of Broadcasters, last Friday released the following telegram received from Prentiss Brown, OPA Administrator:

"Our field offices in the various cities in which the new OPA community top price program will be effective on Monday are reporting the splendid cooperation which the radio stations and networks are giving us. I am sure this aid in our fight against inflation will continue through the entire life of the program."

Radio news wires and editors received the same price released as issued to newspapers at 8 P.M., last Saturday, Mr. Miller said.

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#### SIGNAL CORPS WANTS TO PURCHASE AMATEURS EQUIPMENT

Radio amateurs have been requested to sell their short-wave equipment to the Signal Corps. The equipment needed consists of transmitters, ranging from 25 watts to 450 watts, receivers and such radio components as capacitors, resistors, and installation material. Especially desired are audio-frequency and radio-frequency signal generators and oscilloscopes, precision a-c and d-c voltmeters, ammeter and milliammeters, and other measuring equipment.

Owners of such equipment who wish to sell for Army use are invited to send a brief description to Captain James C. Short at the Philadelphia Signal Corps Procurement District, 5000 Wissahickon Avenue, Philadelphia, Pennsylvania.

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## RADIO MEN TO WAGE AFRICAN PSYCHOLOGICAL WARFARE

Among the 300 men to be sent by OWI to the psychological warfare section of the North African Expeditionary Force are many who have had to do with radio or have had radio experience.

Their work was described as designed to acquaint secret listeners of enemy and occupied countries with the plans and purposes of the United Nations. The short-wave broadcasts are beamed also at enemy troops, especially Italians. The scripts are prepared largely by radiomen, reporters, editors and free-lance writers who know the languages required.

The News Division, intended to broadcast authentic news to heavily censored countries, is headed by a former Washington man, Richard I. Hollander. He has been Managing Editor of the Washington Daily News and City Editor of the Times-Herald. He speaks German fluently.

Others, and the languages with which they are acquainted are: Alfred S. Annunziata, radio teletype operator with R. C. A. Communications System, 1929-1943; Charles P. Braxton, radio announcer, Hotel business in France, 1932-1941. Languages, French, some German and Spanish; William Derganc, radiophoto editor; Cooper Institute, B. S. E. E., employed as radiophoto engineer by the Office of Coordinator of Information; William M. Doerflinger, news editor and writer. Fluent French and German. Also editing and writing for NBC, news broadcasts; Eugene B. English, radiophoto engineer. Supervising and producing studio and field broadcasting programs for Columbia Broadcasting System, 1936-1942; Pedro V. Fernandez, Spanish scriptwriter and broadcaster. Speaks Spanish, French, Portuguese and Italian.

Also, John D. McTigue, radio multiplex operator. Employed by the National Broadcasting Co. for 11 years; installed their telegraph, teletype system; Frederick Packard, news and radio editor; speaks French, Italian, German and Spanish; Renzo Pagin, Italian announcer. Speaks French, Spanish and Italian; John J. H. Peyser, radio technician. Television production and shortwave research; Georges L. Picard, French radio announcer. Excellent knowledge of French, German and Italian, also North Italian dialects; instructor in French and Italian at College of St. Theresa and at Harvard. French staff of World Wide Broadcasting Corp.; Robert Morris Pierce; radio consultant; WGAR Broadcasting Co., chief engineer 12 years; Earle S. Pittman, multiplex operator. Employed by the Mackay Radio for several years as combination radio and teletype operator; Joseph D. Ravotto, news and radio assignments. French Italian, Spanish, some Portuguese; George Rehm, news editor; fifteen years as Paris newspaperman; French, some Italian and Spanish; Joseph Savalli, radio announcer, Italian and English since 1937, various New York stations, Italian, Spanish,

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Carlos D. Soresi, radio producer, Newspaper and advertising experience. French, German, Portuguese, Spanish and Italian. Eugene Speck, news, radio and writing assignments. News editor, National Broadcasting system, 1938-41. Speaks French and Spanish; Richard A. Thomas, French radio announcer. French translator, NBC, New York; Peter Tompkins, radio newscaster. Correspondent in Rome, Greece, Tokio, 1939-41. French, Italian, some Spanish and Portuguese; William Royall Tyler, short-wave broadcast director. French, German, Spanish and Italian. Director of French short-wave broadcasts from WRUL, Greenwich, Conn.; Paul A. Von Kunits, radio consultant; chief engineer, Hearst Radio, Inc.; Patrick C. Waldberg, French radio announcer. Instructor, University of Paris. French, Spanish, some Swedish; Eugene P. Wright, liaison and writing assignments. Has lived in Africa and the Middle East. French, some Spanish, speaks and understands Arabic.

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#### FBI ASKS RADIO LISTENERS TO REPORT NAZI SUSPECTS

Never has the need for citizen cooperation been greater than "at this very time" - OWI quotes J. Edgar Hoover, Director of the FBI - "when more than a score of saboteurs are being trained by the German High Command at its highly organized sabotage school in Berlin, to be sent to all parts of the world to obstruct the war effort of the United Nations."

"Some of these Nazi agents will try to enter the United States", Mr. Hoover said. "We must, therefore, be on guard."

A special appeal is directed to radio listeners to be on the alert. A rule for these and other citizens is: don't fail to turn in an item because you think somebody else may do so. Illustrating, OWI cited the case of Marot Albert Boet, a naturalized citizen of Italian birth. Boet had been writing voluminous letters to newspapermen, radio specialists, Government officials, and civic organization leaders, extolling the Fascist ideology and attacking the American system of government. His letters were provocative, even if not effective, for he was not a "nut"; and he might have slipped through the fingers of the FBI if everybody had left it up to "the next man" to turn him in.

However, a number of patriotic citizens did not fail to tell the FBI, and Boet was arrested for failing to register as an agent of a foreign government. He was de-naturalized and interned as an enemy alien. A high-powered shortwave radio receiver was found in his possession.

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: : :  
: : : TRADE NOTES : : :  
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Frederick P. Guthrie, District Manager of R.C.A. Communications in Washington, D. C., will be one of five veteran employees who will receive their twenty-year gold service emblems this month. One hundred and eighty of the R.C.A. Communications staff now have from twenty to thirty-seven years' service.

The appointment of Bailey Axton as Assistant Program Director under Martin Wickett in charge of production at WTOP, CBS Washington, has been announced by Station Manager Carl J. Burkland. Mr. Axton comes directly from Erwin, Wasey & Co. in New York. Besides his services in production, he has had his own program called "The Singing Neighbor" for Pertussin, and until recently was soloist on "Carnation Bouquet".

The Federal Trade Commission has ordered Bristol-Myers Co., Hillside, N. J., to cease and desist from certain misrepresentations concerning the therapeutic and curative properties of the laxative designated "Sal Hepatica". The representations prohibited were made by the respondent corporation in advertisements in newspapers and magazines and in radio continuities.

Station W6XLA of the Television Productions, Inc., of Los Angeles, Cal., has been granted modification of its construction permit to make changes in equipment, reduce maximum power output from 800 watts to 25 watts (100 watts peak), and extension of commencement and completion dates.

National Union Radio Corporation - For 1942: Net income was \$66,478, equal to 3 cents each on 1,347,286 common shares after preferred dividend requirements, S. W. Muldowny, President, reported at the annual meeting in Wilmington, Del. "Since the reorganization in 1937", he said, "we have accumulated an operating deficit which amounted to \$231,395 at the end of last year. In view of this fact and the company's needs for improvement of its facilities and additional working capital, it is the policy of the management to retain earnings in the business until the company's financial position is substantially strengthened."

Station WWPG, heretofore licensed as Mutual affiliate from Lake Worth, Florida, has received authorization from the Federal Communications Commission to operate as a Palm Beach station.

Station KGO in San Francisco is holding auditions this week for an all-night woman announcer. She will have to announce the various programs on the night shift, introduce recordings, and try to keep swingshift listeners awake with her informal chatter.

Station WJLS, 250 watts, Beckley, West Virginia, will become affiliated with the Columbia Broadcasting System May 15 as a member of the Basic Supplementary Group.

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 Dr. Willard L. Thorp, editor of Dun's Review, will be the third arbitrator in the controversy with respect to the talent rates to be paid members of the American Federation of Radio Artists appearing in "My True Story", a program presented by the BLUE. The other two arbitrators are Roy Durstine, appointed by the BLUE Network, and Dr. Robert Lynd, Professor of Sociology at Columbia University, appointed by AFRA. Hearings will probably begin May 18.

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 A written tribute to advertisers and advertising agencies for their noteworthy contributions to the war effort, prepared originally as an NBC advertisement in trade publications, is now being released as a brochure titled "Sincerely yours". It is directed to "American industry, to executives, copywriters and artists of American advertising agencies and members of the Advertising Council...."

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 The CBS Network of the Americas, said to be the first radio chain linking the United States with its 20 neighbor republics to the south, completes one year of full-scale operations Wednesday, May 19. In observance of the occasion, musical greetings from New York, Buenos Aires, Argentina; Santiago (Chile) and Havana (Cuba) are to be heard over the Columbia network in a special birthday broadcast on that date from 11:15 P.M. to 12 Midnight, EWT.

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 A series of six lectures by experts from leading electric manufacturing companies under the auspices of the New York Institute of Finance began yesterday (Monday) in the Governors' Room of the New York Stock Exchange. John Mills of the Bell Telephone Laboratories, the first speaker, talked on "The Scientific Method and How It Applies to Electronics". Next week Dr. K. K. Darrow of the same company will discuss "Transmutation and Radioactivity". Later lecturers will be Dr. Willard F. Libby of the University of California. Dr. David Grimes of the Philco Corporation, A. C. Monteith of the Westinghouse Electric and Manufacturing Company and Dr. W. R. G. Baker of the General Electric Company.

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 Carter Products, Inc., 53 Park Place, New York, engaged in the sale of a cosmetic and deodorant designated "Arrid", is charged in a complaint issued by the Federal Trade Commission with disseminating advertisements containing false representations concerning the preparation. The complaint also is directed against Small & Seiffer, Inc., advertising agency, New York City, which prepares and places advertising copy to promote the sale of the preparation. The complaint alleges that the respondents have falsely represented in newspaper, periodical and circular advertising and in radio continuities that the application of Arrid to the area of the skin under the arms will terminate and bring to an end under-arm perspiration; that it absorbs perspiration and keeps the arm-pits dry and free from the odor of perspiration for one to three days, that that the preparation is harmless and non-irritating to the skin.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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NATIONAL BROADCASTING COMPANY, INC.  
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## ARMY URGES FURTHER MILITARY RADIO STANDARDIZATION

The effectiveness of our armed forces will be augmented by the development and use of standard specifications for components of military radio. This was brought out at a recent meeting of the War Committee on Radio, including among its members representatives of the Armed Services, the Institute of Radio Engineers, the industry and WPB. S. K. Wolf, Radio and Radar Division, WPB is the Government presiding officer.

The point was emphasized that standard components will speed replacements at the fighting fronts and thereby help to maintain equipment at high efficiency.

It was also brought out that much of the work of developing standards has been accomplished, but that the application of these standards in production has been only partially completed. Standardization is expected to become a major factor in raising production.

Major General Roger B. Colton, Chief, Signal Supply Services, U. S. Army Signal Corps, told those taking part that he is anxious to bring the new standards into use as quickly as possible for replacement parts in equipment now handled by troops.

"It goes without saying that the Signal Corps is thoroughly in back of a standardization program", he said. "Not only will we be able to get our equipment more quickly and cheaply in terms of man-hours of labor, but standardization simplifies our supply maintenance in the field.

"When we standardize, we force some manufacturers, if not all, to modify their production lines and methods and tools to a certain extent. Initially, there may be a loss of production rather than a gain, so that we can't just haphazardly introduce the standardized article at a particular time. On new development, we can do it. On standardized production, the manufacturers themselves can and should adopt the approved standards as soon as possible.

"Signal Corps laboratories are instructed to assist in the changeover to standard specifications on items now on order or in production and are required to specify the new standards for all possible development items. I am also anxious that these new standards, as far as possible, be used as replacement parts in equipment that is now in the hands of troops, or is about to be delivered or is being delivered."

Commander David R. Hull, Officer in Charge, Radio Design Branch, Bureau of Ships, U. S. Navy, stated that the Army and Navy are both out for the "same standards of quality, durability, and, of course, utility". He said that common standards for the two services are essential.

Donald D. Davis, Operations Vice Chairman, War Production Board, pointed out that the great reductions in numbers of types in which electronic components are manufactured in itself indicates that the program has won cooperation.

The use of standards soon will make it possible for manufacturers to stock electrical instruments, according to Harry P. Sparks, Westinghouse Electric and Manufacturing Company. He urged that the Services work out some method whereby inspections take place at the production line, avoiding the waste of stocking parts which later might be rejected. Through the use of standards, he said, the instrument-making industry will be transformed from one of job-by-job production to straight line manufacture, greatly increasing volume.

Cases in which the adoption of standards have been criticized by manufacturers were cited by S. K. Wolf and Elmer Crane, Radio and Radio Division, WPB. Producers of mica condensers, it was said, felt that standards called for condensers of higher type than the finished equipment required.

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#### DIVISION OF PUBLIC PRESS AND RADIO SERVICES CHARGES

The Federal Communications Commission has announced the adoption of an order looking toward the establishment of uniform arrangements for the division of charges for foreign and overseas radiocommunications between licensees in the Fixed Public and Fixed Public Press Services and their foreign correspondents, whereby the radio-link portion of such charges would be divided on a basis of 50% thereof to said licensees and 50% thereof to the foreign correspondents of said licensees.

The Commission ordered that each of the fixed public and fixed public press service licenses of the American Telephone and Telegraph Co., Globe Wireless, Ltd., Mackay Radio and Telg. Co. (Calif.), Mackay Radio and Telg. Co., Inc., (Del.), Press Wireless, Inc., R. C. A. Communications, Inc., Radio Corporation of Puerto Rico, South Porto Rico Sugar Co., Tropical Radio Telegraph Co., and United States-Liberia Radio Corp. be modified so as to include therein the following condition:

"This license is granted upon condition that the licensee shall not operate under or enter into any contract, agreement, or arrangement for the division of the radio-link portion of the charges for foreign or overseas radiocommunications on a basis other than 50% thereof to the licensee and 50% thereof to the foreign correspondents of such licensee."

The order will be effective June 30, 1943, unless prior to such date any of the foregoing licensees shall show cause why such order should not become final as to its particular circuit or circuits.

It appears that these licensees have entered into arrangements with their foreign correspondents for the division of charges for foreign and overseas radiocommunications whereby the portion of the charge representing the radio link is divided upon varying bases, and this lack of uniformity is contrary to the public interest, convenience and necessity because of the prejudicial effect thereof upon the interests of the radiocommunications industry and the public of the United States."

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### HIGH COURT SEEN PUTTING RADIO IN STRAIT-JACKET

Radio having no editorial voice the press minced no words telling what it thought of the highest court in the land upholding the Federal Communications Commission in its rules governing broadcasting. David Lawrence, whose column appears in the New York Sun and numerous other newspapers, said:

"The first step toward abridging the freedom of the press in America has been taken by five members of the Supreme Court in a decision which, while it puts radio broadcasting into a Government straight-jacket, opens the way for strangulation of the newspapers of America."

If the Supreme Court is correct, Mr. Lawrence argues it means that its decision can be applied to newspapers which also must depend on licenses from the Government, such as the second-class mail privilege, and that it can now be used as a basis for deciding how many newspapers there shall be in a given city and how many magazines of a particular type may be published and just what may be the commercial practices governing the publishing of those media of communication.

"One immediate effect of the reactionary decision by the Supreme Court giving the Government the power of censorship even in peacetime over all radio programs will be to widen the special investigation of the Federal Communications Commission which was recently authorized by the House", Mr. Lawrence continues.

"The fact that a Supreme Court majority upheld the right of bureaucracy to supersede what had been supposed was a constitutional right of freedom of speech over the air means that the public will now be interested in the arbitrary method by which the FCC has drawn up regulations exercising a power of coercion, amounting to intimidation, over the radio stations and networks.



"The licensing power, according to the Supreme Court decision, now can be used to revoke or to threaten to revoke a radio station's license if the FCC thinks it is in the 'public interest' to do so. What constitutes 'public interest' is left wholly to the FCC to decide.

"All radio stations and networks now become the football of politics - they must stand in with the administration in power - they must give time on the air to political propaganda and generally do those things which in Europe have made radio the subservient tool of dictatorships."

Said the Baltimore Sun:

"The question is no longer whether the FCC has the power to make such rules, but whether it has acted wisely in making them.

"Practical experience with the new regulations can alone provide an answer. What the FCC rules require is a relaxation of the controls which the networks have heretofore been permitted to exercise over the time of affiliated stations. As a result the local stations will have greater freedom not only to arrange their own programs but also the right to choose programs of competing chains.

"Such rules may bring about a rather drastic reorganization of the broadcasting business as a whole. It may be that the great systems will be so handicapped by their inability to guarantee program times and area coverage that a serious deterioration in the quality of their broadcasts may result. On the other hand, it may be that competition for local station facilities will stimulate actual improvement.

"As for the local stations, the argument has been advanced that this will simply clear the way for a barrage of poor programs by encouraging a greater proportion of local broadcasts backed by local sponsors unable to afford competent talent. \* \* \* \*

"The answer to the various questions arising out of the FCC's now validated regulations may be come time in coming. \* \* \* But we may be sure that the changes which are made will be closely scrutinized, and that if the FCC has made a mistake it will quickly hear not only from the broadcasters but from the listening public."

The Washington Star concluded a lengthy editorial analyzing the Supreme Court verdict with:

"In the light of the drastic changes which the Court's decision will force, the Communications Commission should, and no doubt will, move to lay down explicit guides for the direction of the broadcasting industry, so the regulations may become effective with the least possible dislocation.

"As is well said by Niles Trammell, President of NBC, the Commission has a grave responsibility to see that the broadcasters are enabled to continue to render a satisfactory service to the public."

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## ARE WE THE BOSS OR IS THE FCC, IRATE CONGRESSMAN ASKS

Again bringing up the question which now so squarely faces Congress as to whether or not Dr. Goodwin B. Watson and William Dodd, Jr., of the Federal Communications Commission shall be separated from Uncle Sam's highly popular payroll, Representative Dirksen (R.), of Illinois, declared:

"Let me suggest something to the membership of the House that I think has very, very serious implications. On the 21st of April a subcommittee of the Appropriations Committee brought in a recommendation with respect to three persons employed in the Government, and in two of the cases the subcommittee recommended that they were unfit to continue in the Government service. Those two are employed by the Federal Communications Commission.

"Five days later, on the 26th of April, the Federal Communications Commission had a meeting. They examined into the qualifications and the fitness of those on whom the Congressional committee had already passed. Let me say that 3 of the Commissioners, of course, dissented, but 4 of the Commission concurred in this report, some 26 pages long.

"The last sentence of that report is as follows:

"In the light of the foregoing, we find no basis or reason for the dismissal of Watson, Schuman, or Dodd from employment of the Federal Communications Commission."

"The question that this Congress is going to have to determine is, Are we going to tell the Federal Communications Commission what it must do or is it going to tell us what we shall do? If one agency prevails in a case of this kind, make no mistake, it will completely destroy the supervisory legislative power of the Congress."

Defending Dr. Watson and Mr. Dodd, Representative Holifield (D), of California said:

"I do not believe that it is the function or duty of Congress to include riders on appropriation bills which are designed to either reward or punish specific individuals. I feel that our legislation should be broad and general in its scope and that while there may be a legal basis for such riders, I deem it as a partial encroachment on the executive branch of the Government. The responsibility of the fitness of these men clearly rests with the head of the Federal Communications Commission, whose appointment rests with the President.

"If these men who have been, in my opinion, so unfairly tried and condemned by the Kerr subcommittee, be guilty of moral turpitude or treasonable guilt, let them be charged of specific crimes or derelictions of duty. Let them be charged before the proper civil or Federal courts. Give them an opportunity to

prepare their defense. Allow them their day in court and the privilege of trial by jury of their peers. If they be found guilty by due process of law, enforce the penalty prescribed by law against them. If their accusers fail to convince a fair jury of their crimes, then I say in justice to those constitutional rights, whose mantle of protection covers and protects every citizen of this democracy, let us free them from this odium. In so doing, the protection we give them today in this time of war hysteria will return to bless your children and my children in the days to come, and democracy can hold up its head proudly before the critical eyes of our totalitarian critics both here and abroad."

In conclusion Representative Holifield interjected a laudatory biography of Dr. Watson, which covered one entire page of the Congressional Record (May 11) even though set in agate type.

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#### DEATH OF CAPT. SPARKS LOSS TO MANUFACTURING INDUSTRY

Word was received by the Radio Manufacturers' Association in Washington that services will be held tomorrow (Saturday, May 15) at St. Paul's Episcopal Church, Jackson, Michigan, for the late Captain William Sparks, President of the Sparks-Withington Company and a prominent figure in the radio and automotive industries, who died yesterday (May 13). For more than a decade Captain Sparks was a forceful figure in the RMA, serving on its Board of Directors from 1927 to 1937, and as Vice President of the Association for 1929-30. He was a pioneer in the development of automotive radio, following earlier activities in the automotive industry.

During the National Recovery Administration, Captain Sparks was Chairman of the RMA Code Committee which developed the RMA code practices. Also, he developed the RMA traffic services, serving as the first chairman of its Traffic Committee which resulted in a saving of many millions of dollars in reduction of radio freight rates.

Captain Sparks had been ill for several years, recently at the University Hospital at Ann Arbor, Michigan, and also at the Foote Hospital in Jackson where he died.

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Among the articles in the Bell Laboratories Record for May are "The Philosophy of Toll-Test Boards" by A. J. Pascarella, "Historic Firsts - The High-Vacuum Electronic Tube", "Influence of Physics on Chemistry", by K. K. Darrow, "Ceramics for High Frequency Insulation" by M. D. Rigterink, and "New Synthetic Rubber Developed."

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## FCC CRACKS DOWN ON EFFECTIVE SUPREME COURT DATE

In response to a question from the press concerning reports to the effect that the broadcasting industry is under the impression that the Federal Communications Commission has concluded to postpone the effective date of its Chain Broadcasting Regulations until September or possibly later, Chairman James L. Fly yesterday (Thursday, May 13) stated:

"I want to correct any such misapprehension. The enforcement of the Chain Broadcasting Regulations has already, as the result of litigation, been postponed over a year and a half since they were promulgated in their present form. The effective date of the regulations is now stayed by Supreme Court order until 10 days after its mandate goes to the lower court, or, in normal course, until June 14. The Commission has no intention of delaying their effective date further. A full month thus remains for stations and networks to make necessary adjustments of contracts."

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## DURR'S SOLAR PLEXUS ON REP. COX IS CAPITAL SENSATION

Even in wartime the surprise counter-blow which FCC Commissioner Clifford J. Durr landed on Representative Cox (D), of Georgia, proved one of the sensations of the season. Besides the surprise element Commissioner Durr's charges directed to Speaker Rayburn appeared to be perfectly timed and apparently all the more devastating in the thoroughness with which they were documented even carrying photostatic copies of the \$2,500 check alleged to have been received and endorsed by Mr. Cox from Station WALB in his district at Albany, Ga., along with a copy of the voucher alleging that the money was in payment for "legal expense" to the station. Thus Commissioner Durr hit directly at what he charged was Representative Cox's violation of the criminal code for a member of Congress to receive compensation for services rendered in connection with a proceeding before a Federal agency. Furthermore Mr. Durr offered evidence to prove that the \$2,500 was converted into stock in WALB, which he contends was still held by Mr. Cox as late as last April.

Also well timed and a big break for Mr. Durr was another scorching editorial in the Washington Post, a paper read by practically everybody of importance in Washington from the President down, and which served to again bring the case to the attention of official Washington.

"Commissioner Durr of the FCC has laid squarely before the House of Representatives the issue of whether its investigative function shall be abused to serve personal interests", said the Post, which has long been on the trail of Mr. Cox. "His petition

to Speaker Rayburn asking that Representative E. E. Cox be disqualified as a member of the select committee investigating the FCC is essentially an appeal to the House for fair play. It demands the thoughtful attention of the Speaker and the House. For it is not the reputation and prestige of the FCC that is at stake in this instance but that of the House itself. \* \* \* \*

"The only reasonable answer to Commissioner Durr will be the appointment of a Committee Chairman who will neither whitewash nor smear the FCC but inquire into its affairs in the best democratic tradition."

When Speaker Rayburn was asked to comment on the charges, he said he had not had time to read the documents and could not comment. Mr. Cox remarked:

"Nowhere does Durr disclose that the resolution to investigate the Commission was pending long before the Commission's effort to implicate me.

"We (the committee) are not going to be smoked out in such a manner as this. We are going to wait until all our investigative material is collected and then we will start hearings in an open and orderly manner.

"These boys down at the FCC have just waked up and discovered that they are being investigated.

"Congress could disqualify me if it wanted to. The question is whether Congress will."

In line with his recent refusal to respond to a committee questionnaire, Mr. Durr, who is a brother-in-law of Supreme Court Justice Black, flatly told members of the five-man Congressional investigating body:

"I am unwilling to testify before the committee - and certainly not before Congressman Cox or Mr. Garey (Eugene L. Garey, committee counsel) - or to furnish its staff with any further information unless and until the House of Representatives, with full knowledge of the facts . . . indicates its desire that the committee, as now constituted, should continue with the investigation or indicates that it does not deem such facts of sufficient importance to warrant its attention."

Mr. Durr, in his letter, vigorously objected to investigative procedures of Cox and Garey.

Citing an "incident", Durr disclosed that last Monday Dr. Robert D. Leigh, Director of FCC's Foreign Broadcast Intelligence Service, was asked by Garey to testify with no member of the committee present. Dr. Leigh, said Durr, declined when informed that no copy of his testimony would be made available to him.

Thereupon, stated Mr. Durr, a subpoena was served upon Dr. Leigh "and he was ordered to testify forthwith in a closed hearing at which the only member of the Committee present was Congressman Cox." Dr. Leigh again requested to be furnished with a copy of the transcript, and again was refused, Commissioner Durr asserted.

"This incident, and particularly the requirement that witnesses testify behind closed doors before Congressman Cox alone, raises an issue even more fundamental than the procedures previously adopted", Mr. Durr declared.

The Commissioner quoted from the minutes of the Albany Herald Broadcasting Co., an affiliate of the publishing firm, dated April 10, 1941: "Judge E. E. Cox of Camilla, Ga. had been retained as special legal counsel for Radio Station WALB and that a retainer fee of \$2,500 would be paid to him immediately for such employment."

Commission records, Mr. Durr observed, show that Representative Cox "was very active in endeavoring to obtain favorable action" on the license application.

Congressman Cox, said Mr. Durr, deposited a \$2,500 broadcasting company check on August 30, 1941, and on that same day the firm deposited a check in the same amount from Mr. Cox. A certificate for 25 shares of company stock was issued Mr. Cox who, said Commissioner Durr, was on the company's books as a stockholder as recently as last April 22nd.

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#### ASK SET MAKERS TO USE INITIATIVE RE SCARCE MATERIALS

Producers of equipment used in military radio and radar are being encouraged by the Radio and Radar Division of the War Production Board to watch for changes in the supplies of materials, exercising their own initiative in switching quickly from materials becoming scarce to those becoming less critical.

For much of the electronic equipment used in warfare, specifications are set down in terms of performance, leaving the manufacturer free to decide which materials will best meet the tests of the Armed Services. The impulse of the manufacturer is to use the cheapest of several materials giving equal performance. Because the cheaper material is frequently more critical in wartime than one which is more expensive, the Radio Division urges manufacturers to place less emphasis on costs and more on supply.

For several months the Radio Division has been encouraging the use of steatite, the supply of which was critical last Summer. Along with steatite the Division now is also encouraging the use of a new product, multiform glass, which can be moulded into the many intricate shapes required in electronic equipment

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and which meets performance tests. Phenolic plastics, now short, probably will be available for new uses later this year when the facilities now under construction come into production. The Section is studying possible new applications of phenolic plastics to be prepared for the anticipated situation months hence.

J. Milton Lowenstein, Chief of the Materials Section of the Division, said manufacturers designing new equipment could consult the Section for suggestions.

With respect to equipment and components already in production, he said, substitutions frequently can be made which will reduce pressures on critical materials. Procurement officers, he added, usually approve the substitution of more plentiful materials, if they perform the required functions.

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#### FLY SAYS MERGER MEANS IMPROVED WAR SERVICE

In regard to the signing of the Western Union-Postal Telegraph merger contract yesterday (Thursday, May 13), Chairman James L. Fly of the Federal Communications Commission, said:

"I am confident that a genuine public benefit, in terms of improved service during the war period, will result from a sound plan of merger between Western Union and Postal Telegraph. The merger contract announced today (May 13) is pursuant to legislation passed at this session of Congress authorizing such a step; and the companies are to be congratulated on having gotten together voluntarily and so promptly ironed out a host of very difficult issues on a basis of give-and-take negotiations. This cooperation on the part of the heads of the Western Union and Postal Telegraph should result in the improvement of an essential public service as well as in the solution of a burdensome business condition.

"As provided by the enabling legislation, the contract and plan will be submitted to the Commission for its review. The companies can be sure of our prompt consideration of the matter. And it is to be hoped that all State and federal agencies concerned will promptly give to this urgent situation such consideration as may be necessary from their points of view. Our own Committee, composed of Commissioners Payne, Wakefield and Durr, I am sure, will continue to devote themselves assiduously to the task of studying the merger problem and of cooperating on the necessary procedures with all interested parties and agencies."

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 ::: TRADE NOTES :::  
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State officials of North Dakota have notified the American Society of Composers, Authors and Publishers (ASCAP) that the Society's compliance with Chapter 115 of the 1939 Session Laws has been accepted, and that the documents submitted by the Society have been accepted and filed as provided for by said statute. As a result of this action, the Society is now doing business in the State of North Dakota. Licenses in this State are handled through the Minnesota office of the Society which is under the direction of Mr. E. W. Peterson.

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The biggest April in WOR's history - 28% over 1942 - a 10% increase in sales for the 13 week quarter ending April 30 over the corresponding quarter last year - a jump of 60% in the dollar volume of business placed on WOR from Chicago - 61 new business sales, and the signing of 18 accounts which were not on the station during the past two years are the immediate results of WOR's eight week Spring Advance business drive.

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The Precedence List designates the relative urgency with which electronic equipment is needed by the Armed Services. Before L-183-a was revised, producers of condensers, resistors and meters were required to schedule deliveries to conform to Precedence List designations for end products. The amended order, which is permissive, applies to all electronic components, instead of to these three only.

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Albert Stoessel, well-known composer and conductor, who dropped dead from a heart attack last Wednesday afternoon in the auditorium of the American Academy of Arts and Letters in New York City during a ceremonial conducted by the American Academy and the National Institute of Arts and Letters, was a leading member of the American Society of Composers, Authors and Publishers.

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Station KYA, San Francisco, California, has applied for special service authorization to operate limited point to point for period ending Oct. 1, 1944; also permitted to broadcast calls directed to Longshoremen, in accordance with request of the Pacific Coast Maritime Industry Board, service to be rendered without charge.

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Among the 40 leading manufacturers of war materials listed by the National City Bank Bulletin were General Electric, RCA, Western Electric and Westinghouse.

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Sylvania Electric Products, Inc - March quarter: Net earnings, \$341,122, after \$1,142,040 provision for Federal taxes on income and reserves for possible adjustments due to renegotiation of contracts and revision in Federal tax rates. After allowing \$35,810 for dividends on preferred stock, called for redemption on June 5, these earnings are equal to 59 cents each on 520,516 outstanding shares of common stock.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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MAY 19 1943  
FRANK E. MULLEN

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No. 1530

May 18, 1943.

## DEVELOPMENT OF RADAR TO BE OF GREAT PEACETIME VALUE

The swift development of radar electronic equipment as a weapon against the Axis will be followed, when victory is achieved, by use of our new knowledge of electronics in building peacetime industry, according to Ray C. Ellis, Director of the Radio and Radar Division of the War Production Board, who issued the following statement:

"After the war, development in the field of ultra high frequency radiation will be channeled to dozens of new uses. Food preservation, automatic control of machinery, fire detection, regulation of lighting, and other uses are being found. This is expected to bring forth large new industries, and already is changing the techniques of old ones.

"The industry, which produces the once-secret weapon which provides data to aim a gun accurately on a distant enemy plane invisible to a telescope, has achieved an output many times greater than that of 1941. The program for 1943 almost triples the 1942 record.

"Production of radar equipment is rooted in the pre-war radio industry. In 1941 radio companies turned out about 13,000,000 home and auto sets at a value of about \$300,000,000. With 57,000,000 sets in use, companies were producing large numbers of tubes, transformers and other components to keep existing sets in good condition.

"The years that just preceded the war had witnessed a marked increase in radio production, stimulated by the growth of news broadcasting and the anxious interest of the American public in events abroad. The number of new sets sold in 1941 was almost 4,000,000 greater than the number sold in 1939.

"However, the pre-war growth of the industry was not in itself sufficient preparation for the expansion needed to turn out military radio and radar equipment developed and ordered by the Signal Corps and the Navy. Simple comparisons of home sets and those used in war make this clear. Even the small military radio sets used in the field, in trucks, on ships and in the air must be made to withstand differences in temperature and air pressure unknown to civilian life.

"Consequently, at the very start many new facilities were essential. Before Pearl Harbor, of the five major companies turning out military equipment, only one had been an important producer of home radio sets. There were about 1,000 companies making components and about fifty assembling home sets, but to these military radio

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and radar was a new art to be learned from scratch. The work being done by only five companies had to be spread among many thousands of concerns.

"The first jobs, therefore, were to train managements, engineers, and workers and to expand both facilities and personnel. As they increased, production was shifted from civilian sets to military radio and radar. In April, 1942, production of home and automobile radio stopped.

"Within a year production not only was increased eight-fold, but the industry was converted from the production of familiar peacetime sets to turning out many varieties of military equipment. The value of its product this year will be hugely increased, all of which with the exception of a small output for the replacement of parts to home sets, concentrated on the defeat of our enemies.

"To meet its 1943 program of increased production, the radio and radar industry must maintain its technical personnel. Because the industry is new, the greater part of its personnel consists of young men. This increased the impact upon the industry of selective service, to which many skilled workers are being lost.

"Replacement is always difficult and sometimes impossible. Schools and universities, which are the normal sources from which the industry draws its men, must give many students and graduates to the Armed Services. Fewer become available for jobs in the radio and radar laboratories.

"Moreover, the further development of radar depends upon continued experimentation and the adaptation of successful experiment to production. This calls for physicists, chemists, and engineers. Although new men are often needed, those who are members of the present force are being lost.

"Thus, the personnel problem is twofold. Highly skilled and professional employees entering the armed services must be replaced at the very time that the normal sources of replacement are narrowing. To expand production in an industry whose volume already is eight times that of last year, new men must be found.

"Difficulties found in expanding the employment of unskilled and semi-skilled workers are no greater than those encountered in other industries.

"There is no reluctance to employ women to replace men lost to the services. On the contrary, the industry employs large numbers of women. For example, in the manufacture of tubes, women have been preferred to men because they are more adept in handling extremely fine sheets of metal and delicate apparatus.

"While staffing the laboratories and plants is one of the most difficult problems of the industry, it is not the only one. Fifty per cent of Signal Corps inspectors are women.

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"Virtually all of the materials used in radio and radar production are critical materials, so that supplies remain a problem. The suspension of home set production saves an appreciable quantity of some materials essential to war. Bottleneck materials change continually.

"There is a continued problem in maintaining an even flow of production. When it is appreciated that the fabrication of radar equipment entails the assembling of many components, whose manufacture involves the assembly of subcomponents and that these sub-components, in turn, have what might be called 'third generation components', the complexity of the industry becomes apparent. To insure both steady flow of orders from the higher to the lower levels and of deliveries from the lower to the higher, the Radio and Radar Division meets with and studies the problems of every layer of manufacturers.

"Efforts are being made to persuade producers to order promptly, to maintain capacity production when orders and backlogs decline, and to keep the interest of employees at high levels. At the moment, the Radio and Radar Division is seeking to smooth the flow of production at every level of the manufacturing process.

"The Radio and Radar Division had set up a field organization to help manufacturers work out their most pressing difficulties. These activities have been particularly useful when conducted in cooperation with other branches of the Government service."

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STORER-RYAN ADD FLORIDA STATION, MAKING 4-STATE NET

Although the top executives of the Fort Industry Company are in war work up to their eyes - Lieut. Commander George B. Storer, President, now Naval Material Procurement Officer at Chicago; J. Harold Ryan, Vice-President, Assistant Director of Censorship in Washington, and Frank H. McIntosh, Chief Engineer, Assistant Chief of the Radio and Radar Division of WPB in Washington - their network continues to expand.

The latest addition is Station WFTL full-time 10,000 watt-er operating on 710 kilocycles at Fort Lauderdale, Fla., purchased from Ralph A. Horton, former banker, retiring from the radio field because of poor health. WFTL is the Storer-Ryan group's seventh station with outlets now in four states. The others are WWVA, Wheeling; WSPD, Toledo; WMMN, Fairmont, W. Va.; WAGA, Atlanta; WHIZ, Zanesville, Ohio; and WLOK, Lima, Ohio.

The agreement covering the transaction, filed with the Federal Communications Commission, sets out that several mortgages are outstanding on WFTL, now affiliated with the Mutual Broadcasting System, which are satisfied as part of the \$275,000 transaction. The grand total of all the equipment and property in WFTL, was given

as approximately \$181,000. A certified report by an accountant set the total cost to Mr. Horton of WFTL and its operations, to March 31, at \$252,500, including original cost, depreciation, cost of financing and interest and services.

Included in the purchase price of \$275,000 were mortgages aggregating \$36,000 held by Florida banks. The contract may be cancelled if, at the end of six months, the FCC has not approved the application for transfer.

George W. Smith, Executive Vice-President, and L. A. Pixley, General Manager at Detroit, are carrying on the business of the Fort Industry during the wartime service of the higher executives.

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#### FLY QUERIED ON COURT DECISION AND OTHER MATTERS

At his regular weekly press conference Monday, Chairman James L. Fly was queried on numerous matters pertaining to the Communications Commission, as follows:

- Q. Have you had any requests from the networks asking for extension of time on the Supreme Court's decision regarding the new regulations?
- A. No.
- Q. I heard there was, but whether that was rumor or fact I don't know.
- A. I am going to meet with Mr. Paley and Mr. Kesten, of CBS tomorrow (Tuesday, May 18). Some of the other network officials have been in for informal discussions, but there has been no request for extension.
- Q. What is the date as it now stands?
- A. As it is now fixed by Court order, June 14.
- Q. But there is a possibility that that may be extended?
- A. I would imagine that would give the stations ample time. Of course we will give them whatever time is necessary, but offhand I don't see that further time is necessary. I will say this: that there will be no more dilatory tactics.
- Q. Mr. Chairman, what you said isn't clear to me -- did you say you would give them the time necessary?
- A. Yes, but I don't see offhand why any more time is necessary. You see the rules we are talking about now simply have to do

- A. (Cont'd) with modifying of existing contracts. It does not have to do with any disposition of properties or any readjustment. So I would think the time allowed by the Court should be adequate.
- Q. Mr. Chairman, has the committee on post-war planning been set up completely yet?
- A. Not completely, no. I imagine it will be in the course of a very few weeks.
- Q. I have a release from the IRE this morning in which they say they were drawing up a charter for this new post-war committee - they call it an association, and that they were setting it up and asking organizations to come in.
- A. Well, I am not familiar with that. I am familiar, roughly, with the proposed draft of the plan that they had tentatively adopted in the New York meeting about a week ago. As to what they have done since that time I just don't know but I would imagine that the whole business will be ironed out as far as the preliminaries are concerned in the course of a few weeks.

We got an application - in fact two applications - the other day from the Western Union and Postal Telegraph companies, on May 10 and 13 respectively, to increase the Government rates on Government-owned telegraph traffic. In fact they suggest that it should be the same as the regular commercial rate.

- Q. They want it for the coming fiscal year?
- A. Yes, I assume so. I have had some discussions with Mr. Williams and I suggested that any petition they file should be directed to the end of the fiscal year. So we will have ample time to call necessary hearings and dispose of the matter by that time.

I note that another small radio station has gone off the air - WOGB, Hyannis, Mass. Here is the telegram they sent us: WOGB OFF AIR INDEFINITELY POWER AND PHONE DISCONNECTED NO TOWER LIGHT NO FUNDS."

- Q. Is the Committee taking any stand on Mr. Durr's request to Congress?
- A. The Committee? I don't think they have taken any stand. It is not a Committee matter; it is for the Congress, you know.
- Q. Are any of the other members of the Commission joining with Mr. Durr?
- A. I don't know. He filed the petition on his own. I don't know whether others will do likewise or not.
- Q. This petition went to the Judiciary Committee didn't it?

A. I think so.

Q. Would that mean hearings?

A. I just don't know what the procedure will be before the Judiciary Committee. I haven't discussed that with them or with anybody else so I just don't know.

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#### HOUSE DEBATES GIVING AX TO ALLEGED FCC SUBVERSIVES

As had been expected, there was the biggest kind of a rumpus when the recommendations of the Appropriations Committee came up in the House Monday to cut off the salaries of Dr. Goodwin Watson and Dr. William E. Dodd, Jr., FCC officials, for connections with organizations alleged to be subversive. A third name was added when the \$5,800 salary of Dr. Robert Morse Lovett, Lieutenant Governor of the Virgin Islands, who has been criticized by the Dies Committee on un-American Activities, was eliminated from the Interior Department's new Appropriation Bill by the House Appropriations Committee. Secretary Ickes warmly defended Lovett.

Discussions are scheduled to continue today (Tuesday) in the expectation that a vote on whether or not these officials are to be eliminated may be reached tonight.

Representative Celler (D), of New York, led off in attacking the amendment and in defending Messrs. Watson, Dodd, Jr. and Lovett. Among the other Democrats who backed him up were Representatives Outland, California; Folger, North Carolina; Coffee, Wisconsin, and Sadowski of Michigan. The debate covered ten pages in the Congressional Record (May 17, pp. 4613-23). Representative Kerr (D), of North Carolina, whose subcommittee made the original recommendations to fire the alleged subversives, was a target throughout the discussion.

"If we are going to examine as closely as did the Dies Committee and the Kerr Committee into the views and opinions of employees in the executive branch of the Government, I venture this assertion, that Thomas Jefferson himself, and Benjamin Franklin and John Quincy Adams themselves, could not have stood the test, and that appropriations for their salaries would have been summarily cut off", Mr. Celler declared. "Let me remind you that the Declaration of Independence speaks of 'all men being created equal'. Is there not something collective in this conception? Have we forgotten that John Quincy Adams wished to make our economy collective, and this Republican President - mark the words - sought to develop the national life on a collective, and not on a competitive basis? In other words, if John Quincy Adams today were on our pay roll, the Dies Committee and the Kerr Committee would say his name should be stricken from the payroll because he was a Communist and wanted to destroy the profit system, because he believed in the theory of collectivism."

Representative Outland said he believed Watson, Dodd, Jr., and Lovett "to be able and honorable American citizens doing their best as their consciences dictate to play their part in this all-out war effort.

"If it came down to a question of firing a Communist or a Nazi - dismissing someone like that - I think both I and the gentleman who spoke before me, and the gentleman from New York (Mr. Celler) and every Member of this House would vote unanimously to dispose of any such individual; but let us have proof that they are Nazis or Communists; let us have definite proof; let us not get down to the position now where this Congress is going to start regulating a man's mind - his way of thinking", Representative Sadowski declared. "Whenever any of us become that great and that important - that we can start regulating a man's thought, his way of thinking - he had better resign from Congress."

"The real issue is whether or not this body, that is charged under the Constitution as the keeper of the purse, without whose action not one dollar can go out of the Federal Treasury, can, under that authority, spell out that power to determine who shall be on the pay roll and who shall not", Representative Dirksen said. "Let me say to my friends, to the gentleman from Washington (Mr. Coffee), to the gentleman from Wisconsin (Mr. McMurray), to the gentleman from California (Mr. Ford), and the rest: Would they say that if Mr. Earl Browder had been appointed, that the Congress could not take him off the pay roll? What a strange result that would be. Certainly, I, as a Member of the legislative branch, do not propose to go along with that kind of an interpretation of my responsibility as a Member of a coordinate branch of this Government.

"This body is chargeable under the Constitution, dealing with powers of Congress out of which spring the executive functions. We can destroy every bureau in the executive branch this afternoon, if we can get the Senate to concur in our action. This is the body that has the great residual force in this country today. This is the important body, without which these others cannot exist and cannot carry on their functions. That is the thing we have to keep in mind."

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#### THOMAS HEADS ADVERTISING WAR ACTIVITIES COUNCIL

Gene Thomas, Sales Manager of WOR, has been elected Chairman of the Executive Committee of the War Activities Council of the Advertising Club of New York. He succeeds James Werblow, Sales Manager of Polygraphic Corporation of America, Inc., who remains a member of the Committee and is project director of local participation in campaigns instituted by the Army.

Mr. Thomas hails from Washington, D. C., where he had charge of the Atwater Kent Foundation.

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5/18/43

## FORESEES CONGRESS ASKED TO REVISE RADIO ACT

Discussing the recent Supreme Court ruling with regard to the networks, the Washington Post last Sunday said:

"The regulation of chain broadcasting is such a technical undertaking that few laymen will try to probe to the bottom of the controversy which the Supreme Court finally settled by a 5-to-2 decision last week. But everyone will be interested in the effects of this far-reaching decision on the broadcasting industry. For radio has come to occupy a close relationship to the lives of most of us. We are all vitally interested in its continued operation for the benefit of the public as a whole.

"What the Supreme Court did last week was to give the Federal Communications Commission the green light for enforcement of its policy against monopolistic practices by network systems. This FCC policy does not forbid chain broadcasting. But it does restrict the large networks in imposing their will upon individual broadcasting stations affiliated with them.

"Undoubtedly Congress will now be asked to modify the law so that a few networks may continue to enjoy the shielded privileges which they have held in the past. There are dire predictions of deterioration of radio programs if the regulations are enforced. But we do not believe that such consequences will follow. Broadcasting is a relatively new industry. It can accommodate itself to less monopolistic practices and the end result may be better public service. In any event, the FCC's new regulations should help to keep the field of opportunity in broadcasting open, and that alone is a major consideration in a democracy."

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Because Lowell Thomas laughed for no apparent reason in one of his news broadcasts recently, thousands of telephone calls were received from listeners who wanted to know what he was laughing about.

The BLUE Network's switchboard in Radio City was swamped for nearly forty-five minutes. The callers greeted the incident with good spirit but admitted to an overpowering curiosity.

Norman Siegel, Radio Editor of the Cleveland Press, reported via long distance that his paper and the local BLUE station, WHK, had garnered nearly 8,000 more calls. Ben Kaplan, Radio Editor of the Providence Journal, said pretty much the same thing.

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: : : TRADE NOTES : : :  
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The Henry Hadley Medal "for the greatest service to American music during the past year" was awarded by the National Association of American Composers to Deems Taylor, "primarily for his broadcasts over the Columbia network in connection with the Sunday concerts of the New York Philharmonic Symphony Society".

Citations for outstanding service to American music went to Arturo Toscanini, for his NBC broadcasts of all-American programs; RCA Manufacturing Company, "for its increasing attention to recording of American music in the Victor catalogue"; and John G. Paine, General Manager of ASCAP.

The FM Broadcasters, Inc., re-elected Walter J. Damm (W55M, Milwaukee) as President of FMBI for 1943, with T. C. Streibert (W71NY, New York City) continuing as Vice-President.

There were three changes in the Board of Directors. George Lang (W59C, Chicago) has been named to fill the unexpired term of Carl J. Meyers, now serving in the Navy. New Directors are Arthur B. Church (W9XER, Kansas City) and Walter Evans (W57PH, Philadelphia), replacing John Shepard, 3rd (W43B-W39B, Boston) and Paul Morency (W53H, Hartford, Conn.). Franklin M. Doolittle (W65H, Hartford, Conn.) was elected for another term.

The Federal Trade Commission has accepted from Electrovox Co., 169 Maplewood Ave., Naplewood, N. J., a stipulation to discontinue certain misrepresentations in connection with the sale of Walco phonograph needles made of duraluminum and equipped with a sapphire tip.

Blue Spot Sales, the national Sales Department of the Blue Network will begin publication June 1 of a monthly Flash Bulletin. Edited by Murray B. Grabhorn, National Spot Sales Manager, the Bulletin will be circulated among a selected list of advertising agencies throughout the country.

In answer to a complaint issued by the Federal Trade Commission, United Diathermy, Inc., 1537 Chestnut St., Philadelphia, denies it has disseminated false advertisements concerning the device it sells under the name "United Short Wave Diathermy". The answer asserts that a booklet distributed by the respondent to every potential and actual purchaser, as well as its other advertising matter, contains complete and detailed instructions as to the conditions under which short wave diathermy may be used.

Correspondents are advised that the Heintl News Service in Washington is located in Postal Delivery Zone 8, and should be addressed as "Washington 8, D. C."

Richard Tregashis, INS war correspondent and author of "Guadalcanal Diary" complained that communications in the Pacific is the biggest problem correspondents face. "There is no decent radio outlet anywhere there, except at Pearl Harbor", he said. "The radio available to us had a total capacity of 1,500 words a day and that had to be split up among 20 and 30 writers."

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Fear of imminent attack on the continent has led the Nazis to order confiscation of an estimated 1,000,000 Dutch radios in an attempt to keep Hollanders from hearing and heeding Allied invasion signals, the Associated Press reports. Dutch circles in London said it was an admission of failure of a previous decree, backed by heavy penalties, forbidding listening to non-German stations. Thousands of radios apparently have been in secret operation, they added.

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Funeral services will take place today (Tuesday) for Mrs. Adele Addis Spence, 51, wife of Edwin Spence, former owner and director of Station WWDC, in Washington. Mrs. Spence had been ill for many weeks and had gone to Stuart, near West Palm Beach, for her health. She was a native of Philadelphia. She is survived by her husband and a daughter, Miss Anna Spence.

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"Saul Haas, who owns Station KIRO in Seattle and is the Collector of the Port in that city, is one of the West's most dynamic personages. In his hotel room in Washington last week, Haas quickly placed phone calls for New York, Milwaukee, Seattle, St. Paul, Portland, Los Angeles", Leonard Lyons columnist, writes. "A visitor in his room then picked up the phone, and timidly told the operator, 'Short distance, please.'"

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Winston Churchill's speech on the third anniversary of the organization of the British Home Guard which was made last week from the White House, was transmitted to European audiences by the greatest turnover of short-wave facilities on West-East traffic on any speech ever made in this country. Two OWI transmitters, as well as American Telephone and Telegraph, beamed it to London, whence it was rebroadcast all over the world. The reason for the triple beaming was that West-East short-wave reception is never so good as East-West, making great precautions necessary to get a perfect reception. BBC and the North American networks use each other's facilities interchangeably on public service programs, with no fees charged by either.

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Summing up the African campaign, Hansen Baldwin, military expert of the New York Times writes, among other things:

"Psychologically our tactics and methods have not always been understandable. The military censorship has at times seemed quite unreasonable. It has hurt service morale and caused public confusion. Algiers radio, ostensibly under our control, has been the author of much rumor and many untruths that in the long run have served only to harm our cause. Insufficient effort has been made to improve communications between North Africa and the United States."

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## VICTOR DENIED EXCLUSIVE RIGHT TO USE "RED SEAL"

Federal Judge John L. Woolsey ruled in New York last Thursday that trademarks of the RCA Manufacturing Co., Inc., covering "Red Seal" Victor phonograph records were void.

The court dismissed two actions filed by the corporation which alleged trademark infringement and unfair competition. Actions dismissed were against Decca Records, Inc., and Decca Distributing Corp. and against the Columbia Recording Corp., Columbia Phonograph Co., Inc. and Times Appliance Corp.

RCA's complaints hinged on the red label attached to the center of Victor disc records and to the word "Red Seal", which have distinguished Victor records.

Judge Woolsey ruled that "a trade-mark for a red center of a record, secured, as here, ex parte, or for the phrase 'red seal' also so secured, is far too broad a zone of potential exclusion of others, whether it be viewed as a registered trade-mark or as a secondary meaning for the words 'red seal'."

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## MULLEN PRAISES AMERICAN BUSINESS FOR FREE RADIO

Speaking at the conclusion of the final NBC symphony broadcasts, at which it was announced that Toscanini and Stokowski would again be on the job next season, Frank E. Mullen NBC Vice-President and General Manager, commended the support of radio extended by American business.

"We are able", he said, "to bring you this rich treasure of music, the finest in the world, and all the other pleasures and benefits of radio, because American radio is free. American radio is free in the best and fullest sense of the word. Here, fortunately, we have no fears of an Axis-controlled propaganda machine, debasing radio to ignoble ends and selfish motives.

"Freedom of speech - which includes free radio - is one of the Four Freedoms for which we are fighting. These are the principles of enlightened democracy toward which the whole world looks with hope for the future. In all this the contributions of the artist, musician, the writer and the reporter are great indeed. Also, the contribution of the advertising sponsor of the radio program is important and significant. His support is the very fabric of the American system of broadcasting. His use of broadcasting as a sales force has provided the American people with the fine programs we all enjoy so much. Yes, radio is grateful to you and the audience, to the artist and to the advertising sponsor. Here is American cooperation in the best tradition of free enterprise and public service."

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1531

## SENATE SEEN BACKING HOUSE OUSTING FCC RED SUSPECTS

With a slogan of George Washington, "Put none but Americans on guard tonight" as their rallying cry, proponents of the move to oust Dr. Goodwin Watson and William Dodd, Jr., of the Federal Communications Commission and Robert Lovett, Lieut. Gov. of the Virgin Islands from the Government service predicted that there would be just as overwhelming a vote against these men in the Senate as there was in the House, which was 318 to 62. The House bill would bar the payment of salaries to the three officials who had been held unfit for Government service by a subcommittee of the Appropriations Committee which investigated their alleged affiliation with organizations branded as subversive. The House last session likewise tried to unseat Dr. Watson but the amendment was voted down in the Senate. Proponents of the measure pointing to the split Democratic vote in the House this time appear to feel confident the Senate will concur and that Dr. Watson and his associates will walk the plank.

The House debate occupied the better part of two sessions during which there were few dull moments. The final day's discussion covered 24 pages in the Congressional Record (pp. 4651-4675, May 18). Representative Kerr (D), of North Carolina, Chairman of the Subcommittee, brought in the quotation of our First President, saying:

"I cannot refrain from mentioning a picture I was familiar with when a boy, a long number of years ago. In my grandfather's library there was a large picture of George Washington, and almost every man in this country 100 years ago had in his home a picture of George Washington. I shall never forget that picture. It was a picture of Washington mounted on his white horse at Valley Forge and he was pointing down to one of his generals and giving the following command, 'Put none but Americans on guard tonight.' That command should inspire every true American to be on guard at this perilous period of our national life."

Representative Taber (R), of New York, had previously said that the Congress has the absolute power to say that any man shall not be on the payroll of the Government is beyond question.

"This very question as to whether the Congress has a right to deny an appropriation or take a man off the payroll has been decided as many as three times, twice in an opinion of the Supreme Court, and once in an opinion of the Attorney General", Representative Kerr declared.

Defending the accused officials, Representative Burdick (R), of North Dakota, said:

"This is not the first time that the Appropriations Committee has attempted to write the laws of the country, and there is more danger to the Nation in not curbing this practice than there is from any opinion expressed by either or all of the men involved here.

"If the day ever comes in this country when citizens cannot express their opinions, it will be the beginning of the end of this Government. Legislation will not stop ideas, and the more we attempt to do it the more certain is our final collapse as a nation. If we want to destroy this Government and make it easy for any other scheme of government to take its place, we are contributing to that end in the passage of this amendment."

"Who are these self-anointed liberals and these self-confessed distinguished intellectuals? By what yardstick do they measure their liberalism and their intellectual attainments?", Representative Starnes (D), of Alabama, asked. "Many of these self-anointed liberals would have us embrace communism or some other form of state socialism as an antidote to what they term 'domestic fascism'. What a strange pronouncement we heard on the floor of the House a moment ago by the gentleman from New York (Mr. Marcantonio)."

"I do not doubt that some of these employees have been competent servants insofar as the duties of their particular positions go", Representative Wright (D), of Pennsylvania, observed, "but I am rapidly coming to the opinion that brilliance of intellect is not sufficient in the Government unless you have that brilliance of intellect harnessed to good, ordinary, common American sense, unless you have this brilliance of intellect tempered by a love and understanding of our institutions. I do not feel that such people are capable of guiding the destinies of this great Republic at the present time in which revolution is in the air, at this time when our very existence is being threatened."

The name of Mrs. Roosevelt was brought into the debate by Representative Robsion (R), of Kentucky:

"A number of those in high places in our Government have encouraged these Communist front organizations. The First Lady of the land gave special encouragement to the so-called Youth Congress. Many of the officers and members of this front organization were identified with and active in the Communist Party. It was only recently that the First Lady of the land denounced this particular front organization. One of the serious objections to the activities of the Communists and other subversive groups in this country is that their identities, as far as possible, were concealed. They assume some fine, high-sounding, patriotic name and they carry on their subversive activities under the cover of this name. At one time it was found that more than 6,000,000 people in this country belonged to one or more of these front organizations and subversive groups.

"We brought on ourselves a lot of trouble when President Roosevelt, in 1933, renewed diplomatic and commercial relations with Russia. We opened the gates wide and told them to come in

and they did come in, and they did establish many of these front organizations which for a long time deceived the American people.

"After President Roosevelt recognized Russia, communism grew by leaps and bounds in this country. I have no quarrel with Russia's form of government whatever it may be. That is a matter for the people of Russia themselves. I do strenuously object, however, when they try to foist upon our people their conceptions of government. I have and shall continue to oppose with all of the vigor I have the placing of Communists, Fascists, or Nazis in public office and have them supported by the taxpayers of this country. We have plenty of loyal Americans to hold these positions, and at this particular time no one should hold these offices or be placed on the government payroll with such views as Messrs. Watson, Dodd, or Lovett."

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#### FLY ACCUSED OF MISLEADING CONGRESS IN ENDORSING DODD

Charges were made against James L. Fly of the Federal Communications Commission during the House debate over the alleged subversives Watson and Dodd, Jr., of the FCC and Lovett, by Representative Anderson (D), of New Mexico, who declared:

"I suggest that Mr. Fly has not done the cause of the Federal Communications Commission any good by passing on to the distinguished gentleman from Virginia (Mr. Woodrum) such misleading information over his own signature when by the testimony of Mr. Dodd before our committee, Mr. Fly had never talked to Mr. Dodd and had no personal knowledge whatever of what his answer to the gentleman from Virginia (Mr. Woodrum) correctly should have been."

This referred to an endorsement Mr. Fly had given regarding Mr. Dodd, Jr. containing assertions regarding Dodd which Anderson said didn't jibe with what Dodd, Jr. said when cross-examined by the Committee.

"When asked about this endorsement which Mr. Fly filed with Representative Woodrum, Mr. Dodd, Jr. replied to us that he had a copy of it but was not very familiar with it", Representative Anderson said. "Subsequently he told the committee that the statements that Mr. Fly made were made on what he told Mr. Fly, so that he, Dodd, Jr. was the real author of the letter.

"In Mr. Fly's letter to the gentleman from Virginia (Mr. Woodrum) a statement is made that at a meeting in February 1938, which was an Aid to China rally sponsored by the American League for Peace and Democracy, the William E. Dodd whom the Dies committee had charged as being a sponsor on that occasion was not William E. Dodd, Jr., but his father, Dodd, Sr., former Ambassador to Germany. Yet under questioning before the Kerr committee as to whether the speaker was young Dodd or his father, he replied 'That was undoubtedly me.' I maintain that it was wrong for any son to try to hold



his position in the Government by throwing on to his dead father the reputation for his own acts.

"Take another item in the Fly reply. It referred to a booklet called "These Americans Say", issued by the Coordinating Committee to Lift the Embargo and carried a statement by Mr. Dodd. Mr. Fly says the statement was made not by William E. Dodd, Jr., but by his father. Mr. Dodd told us that he gave Mr. Fly this information. He told the FBI that it was his father, but when he was before our committee under oath and was asked whether he himself had written it, he replied: 'I might very well have written it because I was in favor of lifting the embargo.'

"Take still another item of Mr. Fly's letter that had to do with alleged Communist organization of a party sponsored by the League of Women Shoppers espousing a boycott against Japanese goods. The Fly memorandum says 'Mr. Dodd did attend this party, which was a fashion show held in the home of former Governor and Mrs. Pinchot of Pennsylvania.' Mr. Dodd supplied Mr. Fly with that information. He testified to it before the F.B.I. and when questioned about it under oath by our committee, he said, and I quote him directly, 'I had no connection with that.' 'None whatever?' And his answer was 'No'. So he was told that there was mention of this meeting espousing a boycott on Japanese goods. I asked him, 'You did not attend that?' He said, 'Not that I recall.' I told him it was staged at Governor Pinchot's home. He replied, 'That was here in Washington. I know it was my father. I recall now specifically.'

"I hope you get the significance of that. Mr. Fly was willing to pay Mr. Dodd on the back for his foresight in supporting a boycott against Japanese goods. Mr. Dodd patted himself on the back before the FBI as to his sponsorship of this worthy cause, but when he gets under oath, he has to put the credit back where it belonged, to his deceased father who was not able to defend himself in any other way.

"So we went back at him and said, 'Now, Mr. Dodd, before going further with the list, I would like to remind you that Mr. Fly's reply said you did attend the meeting at Governor Pinchot's place. Previously you said you furnished him with the information. Now you testified that you did not attend the party.' Mr. Dodd asked, 'Governor Pinchot's? He then said, 'I did not attend.' He was asked if Mr. Fly was then just guilty of a misstatement, and he replied, 'I don't know how he could have stated that. There is a possibility of typographical errors.' But it was pointed out to him that he had given the description of the party to Mr. Fly which Mr. Fly had put in his answer, and Dodd commented by saying, 'I am sorry, but I was not there.'"

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The O'Sullivan Rubber Company, Winchester, Va., will present a new program featuring Leon Henderson, former OPA Administrator, on the Blue Network beginning August 14. The program will be the first network radio venture for the company, which has used spot radio advertising.

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## SEES ONLY CONGRESS PREVENTING U. S. RADIO CONTROL

Unless Congress enacts a new radio law, government control of broadcasting in this country is an accomplished fact, a special Legislative Committee of the National Association of Broadcasters announced last Wednesday. The Committee assembled to study the White-Wheeler Bill, which re-establishes the liberties and limitations of radio, and to consider the effect of the Supreme Court network decision of May 10 which "places broad and fantastic powers in the hands of the Federal Communications Commission", the Committee, among the members of which were James D. Shouse, of WLW, Frank M. Russell of NBC, and Joseph H. Ream, CBS, said.

"The Supreme Court decision", it was explained, "hands over to the Commission complete control of broadcasting. This Government agency now has the power, whenever it wishes, to determine what the American people shall and shall not hear, whether it be news, music, drama, comedy or political broadcasts. The world's last remaining system of free radio has been brought under complete Government domination by this decision, a condition which previously has been bitterly deplored by the people and the press of the United States. This result, astonishing to the radio industry and the public alike, emerged from a case purportedly concerned only with the power of the Commission to regulate contracts between stations and networks. The decision went far beyond these issues and constituted an hitherto unsuspected interpretation of 'public interest, convenience and necessity' by the majority of the court, with strong minority dissent. New legislation is the only hope of free radio in America."

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## BIG BOOST IN FARM RADIO BATTERIES

Production of radio batteries has been boosted to a rate of 425,000 a month, the Consumers Durable Goods Division of the War Production Board announced this week. This exceeds the pre-war volume, the Division said in reporting on WPB's program to bring relief to farmers in non-electrified areas of the nation who have felt the battery shortage most severely. These rural dwellers depend upon battery radios for daily war and food program news, as well as for entertainment.

Initiated in mid-March, the battery program, at the present rate of production, and if continued over a twelve-month period would easily cover normal requirements for the 3,200,000 radios that are estimated to be on farms. The present monthly rate - more than double the mid-March output - is 50,000 more than the 1941 average monthly output of 375,000 radio batteries for the 2,700,000 sets estimated on farms that year. It is impossible to state now whether the present rate of production can be continued indefinitely.

Breaking down these comparative figures reveals that in 1941 the production allowed an annual use of 1.4 batteries per radio per year. The current rate if continued, would exceed this allowance, and permit 1.62 battery sets per radio.

This indicates one of the purposes in WPB's program - to accommodate increased daily use of radios. Reports indicate that farm radio listening-in time has increased about two hours a day. The goal of the supply program is not only to meet normal requirements, but to satisfy an abnormal anticipated need for 2.0 batteries per radio per year.

Two factors in this supply problem dim the brightness of today's picture. One is the abnormal backlog of radio battery requirements which has accumulated in the last nine months of curtailed production. It will take some time to balance supply and demand with such an initial handicap.

The other is the uncertainty of maintaining present revived production. Facilities, manpower, and the critical materials that are involved in the production of radio batteries, are subject to prior claimants including the Army and Navy. The present reversion to civilian production is possible through a temporary leg in prior claims. For this reason it is not possible to predict how long production will continue at the present rate, whether it will be increased, or cut back again.

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#### COX ANGERED BY RADIO CHARGE ATTACKS WILL ROGERS, JR.

An idea of the heat that the forthcoming investigation of the Federal Communications Commission may generate can be gained from a fracas on the floor of the House last Tuesday between Representative Cox (D), of Georgia, Chairman of the FCC Investigating Committee, and Will Rogers, Jr., (D), of California, son of the famous comedian.

Apparently Mr. Cox led the attack but evidently the blows were mostly verbal. After the smoke of battle had cleared away, Mr. Cox said:

"The young man (Rogers is 32 years old; Cox 63) said on the radio that I took a bribe. Nobody can take anything like that. I didn't take a poke, but I messed him up a little."

Mr. Rogers said:

"We did not have a fight. It was a tempest in a teapot. Nothing was exchanged but words. I did not accuse him of accepting a bribe." (Clifford Durr, member of the Federal Communications Commission, charged last week in a petition to Speaker Sam Rayburn that Cox had accepted a \$2500 fee from Station WALB, at Albany, Ga. in violation of the law.)

Another version was that Speaker Rayburn was seen leading Mr. Cox out of the lobby and that the latter told the newspapermen:

"He (apparently Rogers) said I was drunk. Humph."

Mr. Rogers, standing nearby, said they had just had another argument. He added:

"I did not mean to imply he was drunk - but did you see him?"

Mr. Rogers said the dispute had just started when he was sitting in the chamber listening to the debate and Mr. Cox sat down beside him.

"He was not his usual, calm, deliberate self", Mr. Rogers said. "I was not able to get my explanation in. I am still at a loss as to what started the argument."

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#### HIGH COURT AFFIRMS KOA'S CLEAR CHANNEL INTERVENTION

Establishing a precedent in the rights of stations to intervene in Federal Communications Commission proceedings, the Supreme Court handed down an opinion in the KOA-WHDH clear channel case entitling KOA, NBC station at Denver, to be made a party to the action. The Commission had appealed from a decision of the U. S. Court of Appeals for the District of Columbia reversing the breakdown of the 850 kc clear channel upon which KOA, Denver, has been the dominant station. WHDH, Boston, first was assigned full-time on the wave and subsequently the Commission authorized WJW, Akron-Cleveland, to operate on the frequency. The Government contended that KOA had adequate opportunity to present its rights whereas the lower court held that the Commission had erred in not giving KOA, through NBC the opportunity to intervene.

The case will now probably go back to the Commission and start all over again so that NBC can become a party. The Supreme Court's decision is a victory for Philip J. Hennessey, Jr., who representing NBC and making his initial appearance in the highest court in the land argued that KOA had never been accorded a hearing despite specific provisions of the statute.

Concluding the majority opinion in the Supreme Court, Justice Roberts wrote:

"In Federal Communications Commission v. Sanders Bros. Radio Station, 309 U.S. 470, we dealt with a similar situation. There the question was whether a rival station, which would suffer economic injury by the grant of a license to another station, had standing to appeal under the terms of the Act. We held that it had. We pointed out that while a station license was not a property

right, and while the Commission was not bound to give controlling weight to economic injury to an existing station consequent upon the issuance of a license to another station, yet economic injury gave the existing station standing to present questions of public interest and convenience by appeal from the order of the Commission. Here KOA, while not alleging economic injury, does allege that its license ought not to be modified because such action would cause electrical interference which would be detrimental to the public interest.

"In view of the fact that Section 312(b) grants KOA the right to become a party to the proceedings, we think it plain that it is a party aggrieved, or a party whose interests will be adversely affected by the grant of WHDH's application, as, indeed the Commission seems to have thought when it first noticed WHDH's application for hearing. We, therefore, hold KOA was entitled to appeal from the Commission's action in excluding it from participation in the proceeding and from the order made by the Commission."

In a thirteen-page dissent (almost twice as long as the majority opinion), Justice Frankfurter wrote, in part:

"To no small degree administrative agencies for the enforcement of public rights were established by Congress because more flexible and less traditional procedures were called for than those evolved by the courts. It is therefore essential to the vitality of the administrative process that the procedural powers given to these administrative agencies not be confined within the conventional modes by which business is done in courts.

"In my judgment the decision of the Court in this case imposes a hampering restriction upon the functioning of the administrative process."

Justice Douglas, dissenting, wrote, in part:

"While I am in substantial agreement with the views expressed by Mr. Justice Frankfurter, there are a few words I desire to add on one phase of the case. \* \* \*

"It is necessary to show in effect that KOA has sustained or is about to sustain some direct and substantial injury (see *Massachusetts v. Mellon*, 262 U.S. 447, 488) - an injury which for the purpose of this case must result from electrical interference. The *Sanders* case and the *Scripps-Howard* case do not dispense with that requirement. They merely hold that an appellant has his case decided in light of the standards of the public interest, not by the criteria which give him a standing to appeal.

"I do not understand that the opinion of the Court takes a contrary view. It only holds on this phase of the case that KOA made an adequate showing under Section 402(b). I disagree with that conclusion."

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## FCC WOULD REDUCE SOUTH AMERICAN MESSAGE TOLLS

The Federal Communications Commission this week released its Proposed Report in Docket No. 6046, in which it was concluded that a substantial reduction should be made in the rates for telegraph messages between the United States, on the one hand, and the countries of South America, Central America, and the West Indies, on the other. The reductions proposed will mean a saving to the users in excess of \$1,300,000 annually.

With respect to the rates for telegrams between the United States gateways and the other countries of the Americas, the Proposed Report treats primarily with the rates of All America Cables and Radio, Inc., which is by far the principal United States carrier handling such messages. It is concluded in the Proposed Report that All America's present rates are excessive, in view of the company's high rate of earnings, and that its rates should be reduced on an annual basis in the amount of at least \$1,320,000 below those in effect during the year 1941.

Three general principles for the disposition by All America of the amount of the reduction are set forth in the Proposed Report. These principles are as follows:

(1) Uniformity of rates to countries within the same geographical region, or the establishment of the same charges for telegraph service between New York City and all points in South America, between New York City and all points in Central America, and between New York City and all points in the West Indies.

(2) Equalization of rates for northbound and southbound messages, or the establishment of the same rates in terms of United States currency for telegraph messages in either direction between the United States and the other countries of the Americas.

(3) Unification of the rates for ordinary and code messages, or the elimination of the present differential of forty per cent between the two classes of messages, rates for ordinary and Government code messages presently being sixty per cent of the rates for ordinary and Government plain language messages, respectively.

It is also concluded in the Proposed Report that the existing differential in landline factors for inter-American telegraph traffic be eliminated and it is suggested that a flat landline factor of 4¢ be applied to all points in the United States beyond the communication gateways, in lieu of the existing variety of landline factors which are fixed by various landline zones. If the carriers are not prepared to adopt such a flat landline factor at this time, the Proposed Report provides that the present landline factors be revised so that they will approximate charges for comparable domestic messages which receive similar handling within the United States.

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It is also provided that through routes be established via San Francisco for handling telegraph traffic over existing radio-telegraph circuits between San Francisco and certain South American points, and that charges for traffic over these through routes should be based on San Francisco rather than New York as a gateway, when such course will produce a lower charge to the public. Provision is also made for the adjustment of the rates of R. C. A. Communications, Inc., and Mackay Radio and Telegraph Company for direct service between San Francisco and South America so that these rates shall not exceed the rates for corresponding direct service between New York City and the same South American points. Similar action is proposed for adjustment of the rates of Tropical Radio Telegraph Company for its direct service between Boston or Miami and points in the other Americas so that these rates will be the same as the carrier's rates for its corresponding direct service between New Orleans and the same points in South America, Central America and the West Indies.

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#### ASCAP SEEKS JUKE BOX REVENUE

Contending that modern juke-box operation in the performance of copyright music without permission of the owner constitutes infringement of copyright, the American Society of Composers has initiated a general campaign to collect royalties for juke-box use of its members' music.

Two suits were returned May 18th in the United States District Court by ASCAP, in behalf of two of its publisher members, Edwin H. Morris and Company, Inc. and M. Witmark & Sons, against two New York taverns which use juke boxes for dancing and entertainment. Both taverns at one time used live musicians and had ASCAP licenses. When their music policy was changed and juke boxes were installed, they cancelled their contracts with the Society. The songs involved were "I've Heard That Song Before" (The Morris Co.) and "Please Think of Me" (M. Witmark & Sons).

It is estimated by ASCAP that there are half a million juke boxes throughout the nation, and that the annual income from these coin-operated machines reaches into many millions. ASCAP's contention is that the exemption of coin-operated machines in the 1909 copyright law did not envision the current juke-box situation, particularly in view of the juke box having in many instances supplanted live musicians. It believes that the juke-box competition with other forms of recorded music and with live musicians constitutes an inequity which the courts should remedy.

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 ::::: TRADE NOTES :::::  
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The NBC has put in applications for reinstatement of commercial television broadcast station building permits at Washington, Philadelphia and Chicago.

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 A new acoustic stethoscope has been developed in RCA Laboratories so sensitive in its range of hearing that it introduces many sounds doctors have never heard. This stethoscope, developed by Dr. Harry F. Olson, promises to widen the study of sound within the human body. The beat of the heart, normal or abnormal, respiratory rattles, peristaltic squeaks, murmurs and groans, all are amplified to facilitate diagnosis, based upon the structure of sound.

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 "This Nation at War" will observe its first anniversary Tuesday, May 25th, at 10:30 P.M. EWT, over the Blue Network with a salute to the radio industry and its contribution to the war effort. Mark Woods, President of the BLUE, will be interviewed by Walter B. Weisenburger, Executive Vice President of the National Association of Manufacturers, which, in cooperation with the Blue Network, presents the series.

Mr. Woods has commissioned Roy Harris, leading American composer and first to write an accredited U. S. fifth symphony, to compose a sixth symphony. The announcement was made following a conference between Mr. Woods, Harris and Dr. Serge Koussevitzky, conductor of the Boston Symphony Orchestra, which will present the new work next Spring.

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 The Fort Industry Company has applied to move the studio of its new station WFTL from Fort Lauderdale to Miami.

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 Allen B. DuMont Laboratories, Inc. - Year to Jan. 2: Net profit after \$60,000 provision for Federal income and excess profits taxes was \$130,164 and net sales totaled \$2,172,824. Allen B. DuMont, President, states that shipments during first quarter of 1943 exceeded \$1,000,000, compared with approximate shipments of \$260,000 for quarter last year. Current assets on Jan. 2 were \$979,381 and current liabilities were \$657,358.

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 The "National Radio Pulpit" will observe its 20th anniversary on NBC Sunday, May 23. David Sarnoff, President of the Radio Corporation of America, will be one of the speakers on the afternoon program.

In 1942, 384,000 copies of radio sermons were distributed to the listening audience upon request. It is estimated that 10,000,000 letters have been received from listeners since the program was inaugurated by the late Dr. S. Parkes Cadman in 1923.

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# HEINL RADIO BUSINESS LETTER

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No. 1532

May 25, 1943.

NO TIME WILL BE LOST AT RMA ONE-DAY WAR MEETING

Every minute will be made to count at the one-day War Production Conference of the Radio Manufacturers' Association to be held at the Palmer House in Chicago, Thursday, June 10th. It will also mark the 19th annual meeting of the Association. The day of the War Conference is timed as follows:

A.M.

10:00 - RMA Board of Directors  
Presiding: President Paul V. Galvin

P.M.

5:00 - New Board of Directors  
Election of Officers and Committee Organization

COMMITTEE MEETINGS

A.M.

9:30 - Export Committee  
Presiding: Chairman W. A. Coogan

Guests: Kenneth Campbell, Trade Relations Advisor,  
Board of Economic Warfare  
Ralph D. Camp, in Charge of Exports, WPB  
Radio and Radar Division  
Franklin Johnston, President, "American Exporter"

10:00 - Credit Committee, Joint Session  
Presiding: Chairman J. J. Kahn  
Western Vice Chairman E. G. Carlson  
Eastern Vice Chairman Henry Pope

10:00 - Engineering Committees  
Presiding: Virgil M. Graham, Assistant Director  
RMA Engineering Department  
L. C. P. Horle, Manager  
RMA Tube Data Bureau

10:00 - Service Committee  
Presiding: Chairman M. J. Schinke

Guest: Frank H. McIntosh, Chief,  
Domestic and Foreign Radio Branch,  
WPB Radio and Radar Division

## LUNCHEON MEETING

P. M.

1:00 - RMA Annual Membership Meeting  
 Presiding: President Paul V. Galvin

Address and Annual Report - President Paul V. Galvin

Annual Financial Report - Treasurer Leslie F. Muter

Address - "The Radio Industry's War Job",  
 Hon. Ray C. Ellis, Director,  
 WPB Radio and Radar Division

Address - "Some War and Postwar Radio Problems"  
 Hon. James L. Fly, Chairman,  
 Federal Communications Commission

Following the Luncheon Meeting, annual meetings of the RMA Set, Tube, Transmitter, Parts and Amplifier and Sound Equipment Divisions will be held.

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## REP. MORRISON ATTACKS, REP. MAY PRAISES, COMMENTATOR

Viciously attacked by Representative Morrison (D), of Louisiana, and congratulated on "being a patriotic American" and for "his frank statements" to the House Military Affairs Committee by its Chairman, Representative May (D), of Kentucky, Drew Pearson, Blue Network news commentator was the central figure in quite a melee on Capitol Hill last week. It was a follow-up of a clash at a House Committee meeting in connection with Mr. Pearson's charge in a previous Sunday night's broadcast that an unnamed member of the Louisiana delegation in Congress had received a "juicy commission" in the sale of a steam boiler put over at a dinner at the famous 2101 R Street house.

At the Committee meeting, Mr. Pearson turned over the name of his informant to Chairman May with a request that it not be made public. Mr. Pearson explained he did not name the member of the Louisiana delegation who was supposed to have received the "juicy commission" during his broadcast because of radio censorship regulations. But added he had reference to no other than Representative Morrison.

"I believe in naming names", he declared, "and I am sorry I couldn't do it over the air."

Here was where Chairman May praised Mr. Pearson for his frank statements to the Committee. Representative Morrison, on the other hand, attacked Mr. Pearson at the Committee meeting and not satisfied with that, several days later indulged in a further tirade

against the commentator on the floor of the House, in which he said, in part:

"Drew Pearson, whom I defined as a slaptrap, fly-by-night columnist, testified under oath to the Committee that he received his first information in connection with this boiler transaction from an anonymous phone caller. The person who informed him of my alleged fee, Pearson said, was an alleged friend of mine, whose alleged name he refused to divulge, allegedly giving same to Chairman Andrew May in executive session. It is my understanding that Chairman Andrew May has refused to give that alleged name to the other members of the committee. Evidently Mr. May is not very consistent, because information that he secured in another hearing approximately 2 weeks ago in executive session was given by him to every newspaper in America that would bother to ask him for it.

"Personally, I know Drew Pearson lied on the radio and I know he lied on the witness stand, which, down where I come from, is perjury, and that the person's name he gave Chairman May was either manufactured and is fictitious, or else he conspired with somebody to agree to give this synthetic and bogus information."

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#### WHITE-WHEELER SENATE RADIO HEARINGS POSTPONED

There was an eleventh hour postponement of the hearings on the White-Wheeler Bill (S-814) to reorganize the Federal Communications Commission which were to have been begun today (Tuesday, May 25). The delay, however, was nothing having to do with the radio situation but simply because the Interstate Commerce Committee of which Senator Burton K. Wheeler (D), of Montana is Chairman, could not reach the radio bill due to the fact that consideration of the Rate Bureau Bill now before the Committee has taken considerably more time than expected. No definite date has been set for the White-Wheeler bill hearings but it is hoped by Committee members that it may be within the next week or two.

Expecting to appear before the Senate Committee and explaining that the White-Wheeler bill is a regulatory measure for communications which separates radio from telephone, telegraph and other utility operations and re-defines the status of American broadcasting, Neville Miller, Chairman of the special Legislative Committee appointed by the National Association of Broadcasters, said:

"The hope of free radio in this country rests heavily on this bill. In view of the fact that the Supreme Court decision of May 10 places broadcasting completely under the domination of a government agency, the Federal Communications Commission, new legislation by Congress is the only means of restoring freedom of speech, as represented by radio, to the people."

The third meeting of the Columbia Broadcasting System's Affiliates Advisory Board was held in Washington on the eve of the date set for the Senate hearings in the expectation that they could also attend the Capitol sessions.

Members of the Columbia Affiliates Board are: Franklin Doolittle of WDRC, Hartford, Conn.; I. R. Lounsberry of WKBW, Buffalo, New York; C. T. Lucy of WRVA, Richmond, Va.; John M. Rivers of WCSC, Charleston, S. C.; Hoyt B. Wooten of WREC, Memphis, Tenn.; Leo Fitzpatrick of WJR, Detroit, Mich.; Clyde W. Rembert of KRLD, Dallas, Texas; C. W. Myers of KOIN, Portland, Oregon, and Arthur B. Church of KMBC, Kansas City, Mo.

William S. Paley, President of CBS, Paul W. Kesten, Vice President and General Manager, and other CBS executives also attended the meeting.

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#### McCLINTOCK BACK IN HARNESS; TO MAKE WESTERN TRIP

Staging a rapid recovery from his recent illness, Miller McClintock, President of the Mutual Network will address the Rotary Club of Philadelphia tomorrow (Wednesday, May 26). Believed to be the result of over-exertion, Mr. McClintock at the time of the NAB War Conference in Chicago several weeks ago, was taken down with what was described as a mild case of pneumonia. At that time Mr. McClintock was just about to leave for the West Coast for a big swing about the country on a speaking trip. This was hastily called off but so satisfactory has Mr. Miller's recovery seemed to be that he now expects to make the Western trip starting within a few weeks.

Mr. McClintock will speak before the Pacific Coast Advertising Association in San Francisco on June 24. On June 27, he will speak before the Rotary Club of Los Angeles. In the meantime, reports have reached the East that Lewis Allen Weiss, Don Lee Network chief, at Los Angeles, who was to have accompanied Mr. McClintock on the first trip, underwent an operation but that he is also recovering rapidly and the hope is expressed that he may be able to join Mr. McClintock after all.

Even during the actual period of illness, Mr. McClintock continued active as was evidenced by a statement from him read by Miss Elsie Dick, MBS Educational Director, at a recent meeting of the Radio Council of New Jersey, in which Mr. McClintock said with regard to radio programming for America's youth:

"The three years of war have conditioned millions of our youth, in their most sensitive period of development, to the inevitable thought that all of life revolves around warfare and the machinery of warfare, rather than production and peaceful pursuits."

"Radio has an unusual capacity as well as an unusual responsibility to balance these psychological attitudes. This responsibility and opportunity lies largely in the fact that the ears of youth are attuned more closely to radio than to any other form of mass expression.

"Nothing could be more disastrous to world peace, to stability in our own nation, than for peace to find a troubled, distorted confused and cynical youth. These are the boys and girls upon whose understanding and ideals the future must be built."

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#### CLARE LUCE OPPOSED FCC HOUSE ALLEGED SUBVERSIVE VOTE

Apropos the rumor that Dr. Frederick L. Schuman, former University of Chicago professor, one of the alleged FCC subversives under fire in Congress had resigned and that Dr. Goodwin Watson and William E. Dodd, Jr. would likely follow suit, is the interesting fact that Representative Clare Luce (R), of Connecticut, wife of the publisher of Life and Time, voted against cutting Messrs. Watson, Dodd, Jr. and Dr. Lovett off the Government payroll.

Mrs. Luce's line of questioning during the House debate indicated that she was opposed to the measure and was as follows:

Mrs. LUCE; Is there any historical precedent in the long life of this body for the Dies committee or the Kerr committee? Has this ever happened before in our Nation?

MR. DIRKSEN. We had the McCormack committee before.

MR. TABER. And also the Fish committee before that.

Mrs. LUCE. I think something new has been put in American life.

MR. DIRKSEN. The gentlewoman from Connecticut is asking whether there was a committee prior to the Dies committee and the Kerr committee?

Mrs. LUCE. Yes.

MR. DIRKSEN. There was.

Mrs. LUCE. Doing a like kind of work?

MR. DIRKSEN. Yes. There was the McCormack committee and before that there was the Fish committee. I think the gentlewoman has in mind whether or not there has been any precedent for the Kerr subcommittee with authority to sit upon these people who have been charged by the Dies committee and then subsequently bring in a resolution to drop them from the pay roll.

Mrs. LUCE. When did the Congress begin to discharge people from the pay roll of the Government?

Mr. TABER. The first one I remember was 21 years ago in the District of Columbia appropriation bill, brought in by the gentleman from Kentucky, Mr. Johnson.

Mrs. LUCE. In the history of our Government?

Mr. TABER. I cannot go beyond that.

Mr. DIRKSEN. I wanted to make it a little more personal by saying that I offered an amendment several years ago for the removal of David Lasser from the pay roll, which was subsequently agreed to by the Senate, and signed by the President.

Mrs. LUCE. Is this a new phenomenon on the part of the American Congress?

Mr. DIRKSEN. I don't think so.

Mrs. LUCE. May I ask for the historical reference?

Mr. DIRKSEN. I am sorry that I do not have that at the moment. I think there are a number of precedents for this kind of action.

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#### JOHN S. STONE, WIRELESS PIONEER, DIES

Credited with having held more than a hundred telephone and radio patents, John S. Stone, 73 years old, past President of the Institute of Radio Engineers, died last week in San Diego, Calif. A native of Virginia, Mr. Stone began his career in the laboratory of the American Bell Telephone Company. He had been President of the Stone Telegraph and Telephone Company, which manufactured and leased wireless telegraph apparatus, and from 1920 to 1935, was an associate engineer in the department of Development and Research of the American Telephone and Telegraph Company.

He was an associate member of the American Institute of Electrical Engineers and a former President of the Society of Wireless Telegraph Engineers.

In 1913 he received the Edward Longstreet Medal of the Franklin Institute and, in 1923, he won the Medal of Honor of the Institute of Radio Engineers for "distinguished service in radio communication".

Mr. Stone received early patents for a system of radio telegraphy in which messages are automatically rendered secret except to the receiving station, and for a system by which ships might determine bearings by radio telegraphic communications with shore stations.

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## HAIL HOUSE JUDICIARY RULING ON COX FCC CASE

Those seeking to put a bonfire under Representative Cox (D) of Georgia as Chairman of the House Committee to investigate the Federal Communications Commission, believed they had gained an important point when Speaker Rayburn referred the petition of Commissioner Durr to the House Judiciary Committee.

Commenting upon this the Washington Post said:

"Speaker Rayburn manifested both tact and good judgment in referring FCC Commissioner Durr's petition in the Cox case to the House Judiciary Committee. No group in the House has a higher reputation for fairness, integrity and a sense of public responsibility than the Judiciary Committee under the Chairmanship of Hatton W. Sumners. The Speaker's selection of the Judiciary Committee to look into Mr. Durr's charges is equivalent to acknowledgment that a serious issue involving the confidence of the public in the House has been raised.

"It is reasonable to assume that the Judiciary Committee will conduct public hearings to get to the bottom of the charge that Congressman Cox has a personal interest in the investigation of the FCC which he is making as a representative of the House. Certainly Commissioner Durr should be given an opportunity to present his case and Mr. Cox an opportunity to explain how he can impartially investigate the FCC after taking a check for \$2500 from a broadcasting station which now has an application for renewal of license pending before the FCC. That check was issued to cover 'legal expenses' shortly after Congressman Cox had importuned the FCC to grant Station WALB its original license. Certainly the whole case demands a public airing, and since the prestige of the House is at stake we are especially pleased to see that the task of giving it such an airing has been turned over to the Judiciary Committee.

"Incidentally, Speaker Rayburn's fairness and good judgment in thus submitting the case to a high-minded and impartial committee puts Attorney General Biddle to shame. The facts about Representative Cox's acceptance of the check in question after he had pleaded the cause of Station WALB before the Commission were laid before the Department of Justice more than a year ago. The law provides a fine or prison sentence for any member of Congress who accepts compensation for any services rendered in relation to proceedings before a Federal department or bureau. The Attorney General has not yet mustered the courage to have a grand jury look into the facts to determine whether the law has been violated."

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## NEW RADIONICS MAGAZINE SCHEDULED FOR JULY 1

A new magazine "Radionics" combined with "Radio News" will make its first appearance July 1. It is announced as having a "Practical, farsighted, progressive, editorial policy covering current progress in Radionics, trends, new applications of the art, and news . . . written by outstanding authorities . . . a minimum of thirty-two information-packed pages. The editorial purpose of Radionics is to further interest in the industry and to aid in its development as an important factor in industry and commerce."

Commander E. F. McDonald, Jr., who has done more than anyone else to popularize the word "radionics" reports:

"I took a vote of the colleges of the country and the results were as follows:

Instructors favoring radionics	134
Instructors favoring electronics	61
Neutral	14

"I also took a vote of the managing editors of the daily press and the results were as follows:

Editors favoring radionics	56
Editors preferring electronics	6
Neutral	6 "

Thus the battle of "radionics versus electronics" goes merrily along.

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## PORTABLE RADIO BATTERY TRANSFER STILL OUT

More flexible control over production of dry cell batteries and portable electric lights operated by dry cell batteries is contemplated by the War Production Board in issuing General Limitation Order No. L-71 as amended. The newly-amended order will eliminate base period quotas to place production on a scheduled basis.

While the revised order now permits production of multiple batteries using small cells, manufacturers still are prohibited from transferring such batteries for use in the ordinary type of portable radios. These small batteries may be sold for use in government short wave radios, in scientific and therapeutic instruments, etc. The clause on this reads that no manufacturer shall transfer

- (1) Any new portable electric lights except pursuant to orders bearing preference ratings of A-9 or higher;
- (2) Any dry cell batteries for ultimate use in any radio set designed primarily for the reception of broadcasts on standard radio wave lengths (550 to 1500 k.c.).

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## BUDGET SLASH WOULD ELIMINATE LA GUARDIA STATION

In slashing \$10,000,000 from New York City's \$735,000,000 1943-4 budget, the City Council struck out the \$106,915 appropriation for WNYC, the Municipal radio station, which Mayor La Guardia, who has been having difficulties with the newspapermen, has been using for Sunday afternoon broadcasts.

Mayor La Guardia has until June 1 to veto the Council's cuts and that body has until June 10 to act upon a veto message. It is regarded as certain that the Mayor will exercise his veto power. At least twenty votes will be required to override a veto and there seemed little probability that they would be mustered.

In an article written just before the WNYC budget was cut, John K. Hutchens, Radio Editor of the New York Times, wrote:

"If they had not heard it before, radio listeners in the five boroughs might have been startled at the suggestion - put forward annually when the city budget comes up for discussion - that the municipal station, WNYC, be abolished. Concerning that formidable fiscal document, too many of those listeners, including this one, are probably less than authoritative, but almost any of them could tell you something about WNYC and the service it performs - a service so steadily fine, and in many ways unique among stations in this area, that the sum listed for it in the proposed new budget, \$106,915, must seem ridiculously small.

"WNYC's budget for the current fiscal year is \$108,619. By July 1, it will have used about \$91,000 of it. In other words, a first-rate local station will have operated for a year on a sum that a network might spend in one season on a single sustaining program."

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"THIS IS CBS, THE COLUMBIA BROADCASTING SYSTEM"

Effective June 1, the system cue on sustaining programs heard over the network will be "This is CBS, the Columbia Broadcasting System".

In announcing the change in cueing, which at present is: "This is the Columbia Broadcasting System", it was said the new form was caused by a desire on the part of network officials to impress on people not closely connected with radio that the call letters, CBS, mean one and the same thing as Columbia Broadcasting System.

This new form of identification of the network will also be used on any sustaining broadcast having middle station breaks. The network identification on commercial programs will remain: "This is the Columbia Broadcasting System."

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 ::: TRADE NOTES :::  
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In a release on the "Estimated Value of Measurable Contribution to War Savings Program by Advertising Media" the total was given as \$88,000,000. Checking on adding machines by staff members of the National Association of Broadcasters showed the total to be \$87,000,000.

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 A new line of radio-noise filters designed to help provide the high-fidelity radio reception necessary in aerial warfare has been announced by the General Electric Company. For use on aircraft electric systems - circuits with such equipment as generators, amplidyne, inverters, and dynamotors - the new filters' high attenuation characteristic results in excellent noise suppression, especially from 200 to 20,000 kilocycles.

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 Leon Decker has been appointed an editorial assistant in the news and special features division of the Blue Network by G. W. Johnstone, Director of News and Special Features.

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 Administration of the WPB programs for civilian radio replacement tubes and parts is not affected by the WPB establishment of a new Office of Civilian Requirements under Vice Chairman Arthur D. Whiteside, the Radio Manufacturers' Association advises. The radio maintenance program is to continue through the Radio and Radar Division, under direction of Chief Frank H. McIntosh of the Domestic and Foreign Branch.

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 The first 50 men were graduated last week from the school on the former Otto Kahn estate at Huntington, L. I. by the War Shipping Administration. A class will be graduated every eight weeks and sent to Gallups Island off Boston, for a future four-months' training. The intention of the school is to develop 3,000 radio operators for maritime service.

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 The Columbia Recording Corporation has secured the exclusive right to record the music of the Philadelphia Symphony Orchestra. The orchestra, it was said, has made more recordings than any other symphony in the world. It is now under the direction of Eugene Ormandy, who took up the baton in 1938.

-----  
 Station KEVR, Evergreen Broadcasting Corp., Seattle, Wash., has been granted consent to transfer of control of Station KEVR from Walter L. Wyckoff and Fred Bianco (transferors) to A. W. Talbot (transferee), by transfer of 950 shares (or 72%) of issued and outstanding capital stock of licensee corporation. The consideration proposed to be paid is \$17,515.

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 Effective June 1, Station WMRN, Marion, Ohio, will become affiliated with the BLUE Network, making a total of 154 Blue affiliates. WMRN will be a bonus station, available to those advertisers who purchase WCOL, Columbus.

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Cash value of Radio's contribution of time and talent to the Second War Loan campaign, April 12 to May 1, reached \$6,262,350. This figure, compiled by the Office of War Information and NAB, embraces the report in numbers of announcements and programs made by the Treasury Department for the same period.

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Participation of all RMA members in the industry's postwar problems and plans has been enlisted by President Paul V. Galvin. Pending a later appointment of a special RMA Committee on Postwar Planning, Mr. Galvin has invited all of its members to submit their suggestions and also information, to be used by and assist the Special Committee, on all future industry interests. Early responses indicate wide interest in future public radio service; transition from war to civilian radio production; policies relating to cancellation of war contracts; disposition of war inventories and also many other transition and peacetime conditions, domestic and export.

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Drew Pearson says:

"Leon Henderson is going on the air sponsored by O'Sullivan's Rubber Heels. Apparently they think rubber is coming back."

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By suggesting a fixture for electrically and mechanically testing a signal selector switch used in radio transmitters in production at one of General Electric's Works, Mrs. Catherine Marchewka has eliminated the possibility of a defective switch going into the final assembly before being detected. The Company paid Mrs. Marchewka \$250 for her suggestion.

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Station WEMV, The WGAR Broadcasting Co., Cleveland, Ohio, has been granted an application by the FCC for construction permit for changes in equipment, frequencies and in type of emission from A3 to special emission for frequency modulation of relay station WEMV.

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Nine members of NBC's International Division, representing an equal number of nationalities, are far apart in their forecasts of the European invasion. Individuals representing German, Italian, Danish, Swedish, Portuguese, Turkish, French, Spanish and English sections of the Division are participating in a pool which will "pay off" when the first wave of United Nations invasion forces lands on the continent.

Writer-announcers in the Italian section named May 15; the Danish section chose June 7; two French news analysts picked June 22 as the important date; an English writer linked the July 4 holiday with the expected big news, and a Turkish broadcaster pinned his faith on August 7. Looking farthest into the future was the German-speaking representative who foresees no action until the Spring of 1944.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.  
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## NAB SEES U.S. RADIO GRAB; FLY SAYS IT'S LOT OF HOOEY

Sending an S.O.S. to the industry, the National Association of Broadcasters warns that the recent Supreme Court decision places in the hands of the Government (the Federal Communications Commission) complete control of broadcasting in the United States; as completely as that in foreign countries.

Chairman James L. Fly of the FCC denies this, saying that the broadcasters well know the Commission does not intend to take over broadcasting control and that a false impression is being given by "people that are used to spreading poison and crying havoc to create a whale of a big scare."

"The whole hullabaloo about the rules and the Supreme Court decision sustaining the rules is just another effort on the part of the big dominant interests to avoid reasonable regulations", Chairman Fly declared, "and the suggestion that that sort of regulation which restores a common range of freedom to the individual stations is a step toward Government ownership or control is just a lot of hooey. And I can't think that that sort of an argument would be put out by people who are wholly aware of all the circumstances. The stations certainly have nothing to be afraid of. They have a greater degree of freedom than they have ever had before and they have a greater degree of protection of their own interests and of their own rights to control their own business than they have ever had before."

An interpretation of the Supreme Court decision, which the National Association of Broadcasters issued, stated:

"The decision, which was expected to deal only with the Commission's right to enforce eight disputed rules governing the contracts between stations and networks, went far beyond that issue and conferred upon this government agency powers over radio broadcasting as complete as those existing in many foreign countries.

"Thus overnight American radio, under the law as interpreted by the Court, has lost all the characteristics of freedom so vital to our two-party political system and so essential to American democracy.

"Under the Radio Act of 1927, and under the amended Act of 1934, the Federal Communications Commission was given regulatory power over the technical aspects and physical allocations of radio frequencies. For ten years the Commission did not seek to stretch its powers into the field of program content or business operations of the broadcasters. Five years ago the Commission began a gradual effort to encroach upon these other fields. The fight against this

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encroachment culminated in the surprising decision of the Court, which, in one sweep, granted the Commission not only the specific powers it sought, but unlimited power over every aspect of this great medium of mass communication.

"Lawyers for the radio industry, reading and re-reading the decision, can find no limits placed on the Commission's power to control programs and business operations of the broadcasters. The concept of absolute government-dictatorship over broadcasting is plainly set forth in the Frankfurter decision. \* \* \*

"The control of what the American people hear on the air, under the language of this decision, passed from the American public whose wishes have determined the programs broadcast daily by over 900 radio stations - into the hands of a single all-powerful Commission whose edicts are final and conclusive.

"A searching analysis of the decision indicates that indirectly or directly:

The FCC can tell broadcasters what must be broadcast whether it be news, public discussion, political speeches, music, drama or other entertainment.

The Commission can likewise enforce its edicts of what may not be broadcast in any one of these fields.

The Commission can regulate the business arrangements by which broadcasters operate and direct the management of each individual radio station. It can issue or deny licenses based upon business affiliations.

"This is not the kind of radio that the country wants and needs. The remedy is squarely up to the Congress. Mr. Justice Frankfurter said in his opinion that 'the responsibility belongs to the Congress for the grant of valid legislative authority'. The question of the authority of the FCC is now before Congress in both the Senate and the House, through a bill introduced in the Senate by Senator Wallace H. White, Jr., of Maine, and Senator Burton K. Wheeler of Montana, and in the House by Representative Pehr G. Holmes, of Massachusetts."

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NOTE: THERE WILL BE NO ISSUE OF THE HEINL NEWS SERVICE ON TUESDAY, JUNE 1ST ON ACCOUNT OF THE MEMORIAL DAY HOLIDAY.

R. D. H.

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## SENATORS AGAIN OPPOSE BAN ON FCC OFFICIALS' PAY

The Senate has apparently balked, as it did on a similar measure last session, in striking from the Deficiency Appropriation Bill a House approved provision barring from Federal payrolls, Dr. Goodwin Watson and William E. Dodd, Jr., of the Federal Communications Commission and Robert M. Lovett, Government secretary for the Virgin Islands. The House action was taken after a special Appropriations Subcommittee, headed by Representative Kerr (D), of North Carolina, had upheld the Dies Committee in its charges that the three men were "subversive".

The first snag the House measure encountered was when the Senate Appropriations Subcommittee failed to endorse it last Tuesday. The next day this action was sustained by the full Appropriations Committee. Senator McKellar (D), of Tennessee, said the erasure of the restriction did not necessarily constitute an endorsement of the three men. Mr. McKellar explained that members of the Committee "expressed not much sympathy for such men in the Government service" but wanted to submit the matter to the conference on the bill between the House and the Senate.

Accordingly the measure was passed along to the Senate which is expected to vote on it at an early date. If the Senate sustains the Appropriations Committee, the fate of Messrs. Watson, Dodd and Lovett will then be up to the Conference.

In the meantime, it was learned that Frederick L. Schumann, political analyst of the Foreign Broadcast Intelligence Service of the FCC, who also was "on trial" with the Watson-Dodd-Lovett trio, had resigned from the Commission about two or three weeks ago. This was just after he had been cleared by the Kerr Committee. His resignation was said to have been put in before he paid his respects to the Kerr Committee in so blistering a fashion that there were immediate cries to put him on "trial again". However that talk died out, the apparent reason being that Mr. Schumann thinking his fate was sealed had evidently decided to beat them to it by resigning. It was said to the contrary that quite independent of the investigation, he had intended to go back to Williams College but did not want to resign under fire or until he had been cleared of the un-American charges.

Chairman Fly said that "we were all sorry at the decision Mr. Schumann felt he had to make". When asked if there was any chance of Dr. Watson resigning, Mr. Fly said: "I am quite sure that he plans to stay on. I do hope he will stay as long as he possibly can."

Told that Mr. Ickes took the view that any action such as cutting off a person from the payroll would be unconstitutional, and asking for his opinion, Mr. Fly replied:

"I think there is a serious question as to the validity of any such provision."



Asked if he would contest such an action, Mr. Fly said it would be helpful if there could be an adjudication of that issue. Mr. Fly said the Commission had taken no action and planned no action as far as Dr. Watson was concerned but he did say they were going to make an investigation of the misleading reports which Representative Anderson (D), of New Mexico, charged Chairman Fly had made to the House Committee based on conflicting statements made by Mr. Dodd, Jr. (See Heintz News Service Release May 21, Page 3). It was revealed that Mr. Dodd had also been called on the carpet by the Commission in that connection. According to Representative Anderson, Mr. Dodd told one story to Mr. Fly, quite another to FBI, and still another to the Congressional Committee, and that Mr. Fly, without investigating or trying to verify the Dodd statements, had passed them along to the Congressional body as his own.

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#### McCLINTOCK CALLS ADVERTISING EFFECTIVE WAR WEAPON

Staging a quick comeback from his recent illness at Chicago, Miller McClintock, President of the Mutual Broadcasting System, addressed the Rotary Club of Philadelphia last Wednesday. Press associations carried generous accounts of his speech featuring Mr. McClintock's recommendation that official citations of merit - comparable to the Army-Navy "E" awards for production achievements, be given by OWI to advertisers and advertising agencies for war work.

Mr. McClintock urged all advertisers, national and local, not only to continue their efforts but expand them.

"You hold a most effective tool, one that has been fashioned out of Democracy. Through your advertising, it is within your power to tell the men, women and children of this country what they need to know in their minds, to feel in their hearts, to do with their hands. Don't let this war end without doing your share in guiding the minds, hearts and hands of America to hasten the day of universal peace."

Mr. McClintock pointed out some of the successful results of war effort campaigns devised by advertisers in cooperation with The Advertising Council and O.W.I.

"A radio and newspaper campaign for sugar rationing helped secure for the O.P.A. the registration of 91 per cent of the population. When the Government needed more student nurses, 17,514 applicants responded to recruiting broadcasts. By the same method recruiting for the Coast Guard and Marines was stepped up 40 per cent and in the Signal Corps by 800 per cent."

Mr. McClintock stated that although only 50 per cent of all broadcasts are sponsored, it is this 50 per cent that supports virtually the entire structure of broadcasting.

"Since sponsored network shows usually have far larger listening audiences than sustaining programs, it was clearly evident that they offered the best facilities for disseminating war information", he said.

Mr. McClintock explained that when rubber czar William Jeffers spoke on a sponsored program, 21,000,000 listeners heard his speech. Another equally important Government official, speaking on a sustaining broadcast, reached only 8,400,000 listeners.

"This advantage of a ready-made audience, intangible though it is, cannot be measured in terms of dollars, although millions of dollars and the total skill of advertising agencies went into its creation", he said.

Mr. McClintock gave credit to the O.W.I. Allocation Plan, the Advertising Council and the cooperation of advertisers and broadcasters for the stepped up efficiency of radio war information.

"Prior to the network allocation plan early in 1942, there was no coordination of war information policies, either within the government or among the broadcasters", he said. "The result of this lack of planning was confusion, rather than crystallization of the many government problems. Radio listening began to show an alarming slump."

Mr. McClintock said that if it were not for the present systematic radio plan, "I sincerely believe the structure of American radio as we know it today might have broken down."

Today, the network head explained, there is a smoothly integrated machine putting into action the resources of 70 network clients, 38 national spot advertisers, every radio station and network in the country.

"It has made possible 362,000,000 aggregate listener impressions a week in behalf of the war effort", he said.

Mr. McClintock praised those radio sponsors who often gave over complete broadcasts of costly network shows to the nation's government leaders in many cases eliminating all commercial announcements.

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#### RIGHT TO FIRE FCC ALLEGED UN-AMERICANS TO BE DEBATED

The right of Congress to disregard appointive powers of the President of the United States will be fully discussed by four Congressmen on the "American Forum of the Air" to be heard over WOR-Mutual Sunday, May 30, at 8 P.M. EWT.

The debate, entitled "The Power of Congress to Discharge Officials", will be based on the Kerr Committee's recent action in

recommending the ousting of Dr. Goodwin Watson, William Dodd, Jr. and Robert Lovett.

Representative Joe Hendricks (D), of Florida, and Representative Clinton P. Anderson (D) of New Mexico, will speak in defense of the rulings of the Kerr Committee. Representative George E. Outland (D), of California, and James F. O'Connor (D), of Montana, will speak in opposition.

The Washington Post, which has been waging a war on the Committee's action, said:

"The prestige of Congress was enhanced by the action of the Senate Appropriations Committee on Wednesday in striking down the House-enacted rider barring salary payments to three Federal employees. We hope that the Senate as a whole will uphold this decision and insist upon it when the deficiency appropriation bill goes to conference with the House.

"It will be no remedy for Congress to review again the evidence assembled by the House Kerr Committee against the three proscribed individuals or to go into another protracted investigation of their pasts. The Congress cannot properly take action against them in any way save through formal impeachment proceedings. The attempt to remove them from office without judicial trial, as the Post has previously pointed out, violates the constitutional prohibition against bills of attainder and usurps the authority of the executive branch of the Government. This contention is now supported by an opinion of the Attorney General who, on Wednesday, flatly called the House rider unconstitutional.

"That it is also unwise and absurd was made clear by the testimony of Secretary Ickes before a Senate subcommittee respecting Robert Morse Lovett. The House action was patently a product of resentment and irritation, supported only out of a sense of fraternal loyalty to Congressmen Dies and Kerr. The Senate, happily, is now in a position to save the House from the consequences of its intemperance and impatience. It can do so by throwing this rider into the discard where it belongs. Congress can best retain popular respect not by seeking to rule the executive branch but by confining its activities strictly to its own jurisdiction."

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#### WHITE-WHEELER HEARINGS LATTER PART OF JUNE

Senator Burton K. Wheeler (D), of Montana, said that the hearings on the White-Wheeler radio bill recently postponed on account of the necessity of considering legislation which had been introduced before it, will start the latter part of June.

New interest has been taken by the industry in the bill since the Supreme Court action giving the FCC such broad powers. The Wheeler-White bill would reorganize the Commission and clip its wings generally.

A meeting of the Board of Directors of the National Association of Broadcasters, has been called to be held next Thursday and Friday, June 3rd and 4th at the Hotel Statler in Washington, D. C. At that meeting the Board will give careful consideration to the provisions of the White-Wheeler Bill, proposed amendments to the bill and to the effect of the recent decision of the Supreme Court.

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#### NEW RATING FOR RADIO TUBES

Radio tubes, the manufacture of which is restricted by limitation order L-76, will be produced to fill orders carrying a minimum rating of AA-1 instead of A-1-J, under the terms of an amendment of the order issued today by the War Production Board. Tubes listed in the order consist largely of obsolete types.

The higher rating brings L-76 into line with L-265, which permits the manufacture of electronic equipment to fill orders rated AA-4 or above. By requiring a higher rating for the manufacture of the tubes specified in L-76 than for the electronic equipment covered generally by L-265, loosening of the restrictions in L-76 is avoided.

The amendment consists of a change in the definition of "preferred orders", enumerating the classes of orders which may be filled.

Condenser tubes have been exempted from the limitations on deliveries of brass mill products from warehouse stocks, the War Production Board also announced today.

Under Controlled Materials Plan Regulation No. 4 brass mill warehouses may deliver up to 500 lbs. on single deliveries of any one item on authorized controlled materials orders or on orders rated AA-5 or higher. Such deliveries may not exceed 2,000 pounds in any month.

Condenser tubes previously were exempted from the 500 pound limitation on single deliveries. Supplementary Brass Mill Direction 1-a, issued today, further exempts them from the monthly limitation of 2,000 pounds.

Inventories of electrical wholesalers were 44 per cent less during the first quarter of this year than in the comparable quarter of 1941, but sales fell off only about 9 per cent over the same period, members of the Electrical Wholesale Distributors' Industry Advisory Committee were informed at their first meeting with officials of the Wholesale and Retail Trade Division, War Production Board.

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## HOOVER-FOR-SENATOR RUMOR AROUSES RADIO SPECULATION

The report that if Senator Hiram Johnson (R), of California resigns, the Governor would appoint former President Herbert Hoover to the Senate to fill his unexpired term, caused considerable conjecture in broadcasting circles in the Capital. This would mean an additional radio pioneer and champion in the upper branch of Congress. It was during Mr. Hoover's term as Secretary of Commerce and under his early guidance that radio developed from dots and dashes to what it is today.

A close friend of the former President told this writer that he believed nothing would please Mr. Hoover more than to be appointed to the Senate, but added: "I don't believe that it could come about through Senator Johnson for these reasons (a) Though just out of the oxygen tent and because of his age, 77 years, his health will probably never again be robust, Senator Johnson is recovering and probably will not resign; (b) Senator Johnson, I believe, would like to resign but is dependent upon his salary; (c) if Senator Johnson did resign, the present Governor has another man he wants to appoint and is unfriendly to Mr. Hoover."

A Western Senator, commenting upon the report that Mr. Hoover might come in via the Johnson route, laughed and said: "If anything could bring about the recovery of Hiram Johnson, it would be the thought that Hoover might be appointed to fill his unexpired term in the Senate. That would cure him in a hurry because the two men love each other not at all."

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## U. S. EMPLOYEES TALKS AND TRIPS COST DRAW BYRD ATTACK

Senator Byrd's Committee estimating that \$100,000,000 a year is spent by U. S. employees in travel and communications, has demanded immediate retrenchments.

Between July 1, 1942, and January 1, the Committee reported, executive departments and agencies, exclusive of the War and Navy Departments, spent \$15,573,833 on telephonic and telegraphic communications and \$35,672,853 on travel, \$2,640,208 for airplane trips.

The Committee stated that \$4,147,941 was spent on telephones operating on local stations, while long distance toll charges amounted to \$3,538,024. Other items included \$3,590,717 for telegraph and cable messages, \$1,482,096 for teletype; \$1,830,610 for "special services", \$725,468 for postage.

Senator Byrd said in 6 months the FCC had spent \$21,304 on travel.

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Station WJZ has for the 15th successive month shown a gain over the same month of the previous year in its local and national spot sales, according to figures released by the station.

The War Production Board has ordered the Major cable companies to ship a definite amount of copper cable into their regular warehouses each month. This step was taken to forestall any possible shortages in either emergency or regular production requirements for cable in the mining industry. Results from the order should be evident as soon as shipment can be made to the respective warehouses in June.

The Army-Navy Production Award for meritorious services on the production front has been won for the second time by the Zenith Radio Corporation of Chicago, and the White Star has been added to the Army-Navy "E" flag awarded the company on November 7, 1942.

Commander E. F. McDonald, Jr., Zenith President, said: "This time we will not pause, even briefly, to hold ceremonies. Let us celebrate this second award by redoubling our efforts."

Daily radio talks by Government officials to housewives and a "house-to-house" appeal against black market buying were measures recommended by Mrs. Roosevelt to alleviate the food situation.

A portable radio transmitter dropped from a British plane, which had flown 5000 miles in the search, to 19 survivors of a ship torpedoed in the North Atlantic, provided the means whereby a destroyed was directed to their rescue, the Air Ministry in London reported. It was the first time that the apparatus, about the size of a home coffee grinder, had been used for this purpose. The equipment automatically sends out S O S signals when a crank is turned.

Six leading figures of the radio industry will address the second annual NBC-Northwestern University Summer Radio Institute from June 21 through July 31. Speakers will lecture at seminars to be held Tuesday nights on the college campus and the talks will be designed to give students a general picture of the industry.

Clarence L. Menser, NBC Vice-President in Charge of Programs, will be the first seminar speaker June 28. He will discuss "Network Programming"; Philip H. Cohen, of the OWI, June 29 - topic "The Relationship of Government and Radio in Wartime"; John J. Louis, Vice-President of Needham, Louis & Brorby, Inc., July 6 - "The Place of the Advertising Agency in Radio"; Herbert Hollister, owner of Station KANS, Wichita, Kans., July 13 - "Local Station Operation"; Wynn Wright, July 20, Production Director of NBC's Eastern Division, on Production problems; Clifton Utley, news commentator, July 27 - "Radio on the News Front".

A Supreme Court jury in New York disagreed in a \$300,000 suit brought against the RCA Manufacturing Co. by Adriana Caselotti, voice of Snow White, and Harry Stockwell, voice of the prince in Walt Disney's movie "Snow White and the Seven Dwarfs", who charged that phonograph records were made of songs in the cartoon feature film and that "several million records were sold in violation of an agreement to render songs and dialogue for the picture only".

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Col. William F. Repp, 66 years old, Vice-President and a Director of the International Telephone and Telegraph Corporation and President of its South American subsidiary, who had played an important part in the development of telephone communications in South America, died Tuesday night in New York.

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After a year and a half of reserch on problems of the post-war world, the Columbia Broadcasting System is ready to translate these findings into terms of actual radio production. Robert Lewis Shayon has been selected to produce these programs, designed to give the average American a clearer understanding of the kind of world in which he can expect to live after the war.

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Acting as a result of a personal request from Governor Dwight H. Green, Station WLS, Chicago, on Thursday, May 27, broadcast from Beardstown, Illinois, a word-picture account of the flood situation in that region.

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The Army-Navy "E" Flag has been awarded RCA Laboratories, described as the most modern center of radio-electronic research in the world, at Princeton, N.J. In conferring the award, James Forrestal, Under Secretary of the Navy, said:

"The high accomplishment of your men and women of the RCA Laboratories is inspiring. Your record will be difficult to surpass. Yet the Army and Navy have every confidence that it was made only to be broken."

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#### FEARS CONTROL OF PRESS AND RADIO BY BLOWS AT ADS

A new threat at the freedom of the press and radio was seen by Representative Halleck (R), of Indiana. He said Thursday that Government administrative agencies may attempt to control the press and radio by cutting down their advertising revenue.

Sponsor of the House-approved resolution calling for the investigation now under way of OPA restrictions on brand names by a sub-committee of the Interstate Commerce Committee, Mr. Halleck, who is being spoken of as a Senatorial candidate, said:

"Is it possible that the philosophy behind many of the OPA regulations is actually a concealed attempt to hamper the activity of the press and of the radio? We all know that advertising enables the press and the radio to be self-supporting, but where can this advertising come from if OPA drives trade-marked and branded merchandise out of the market?"

Mr. Halleck's statement followed testimony before the sub-committee by George S. McMillan, Secretary of the Association of National Advertisers, that manufacturers and distributors of branded and trade-marked merchandise pay for most of the advertising that supports a free press and a free radio.

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## FM IS CLASSICAL MUSIC AUDIENCE STUDY SHOWS

The average frequency-modulation radio set owner in the Schenectady area tunes in 2.9 hours per day and prefers classical music, according to a study announced recently by R. S. Peare, Manager of General Electric's broadcasting.

The study revealed that 76 per cent of the FM set owners tune in frequently on Station W85A, Schenectady, during the 7 to 10 P.M. period, 37 percent during the 6 to 7 P.M. period, and 15 per cent during the 3 to 6 P.M. period.

Classical music was the program preference of 96 per cent of the audience. Next in popularity were news and news commentators, enjoyed by 89 per cent; opera, 72 per cent; and popular music, 65 per cent.

In answer to the question "What programs would you like to hear more of on W85A?" orchestral music took first place. Other programs in order of their desirability were: popular music, 14 percent; opera, 13 percent; news and commentators, 12 per cent.

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## NEW TYPE LIFEBOAT RADIO EQUIPMENT SAVES 84 SEAMEN

Radio's vital wartime role of saving life at sea is sharply emphasized in the story of 84 men who recently returned to New York after their ship, the SS Stag Hound of the United States Line, was torpedoed and sunk off the coast of South America.

Adrift several hundred miles at sea in two lifeboats, which lost sight of each other, the Stag Hound crew maintained voice communication by radiotelephone, and contacted four potential rescue vessels in the two days that elapsed before they were picked up.

Both the Stag Hound's Captain, Harold T. McCaw, and radio operator, Edward F. Wall, credited the lifeboat's special radio equipment - a combination radiotelegraph-telephone unit, powered by hand-cranked generator built by the Radiomarine Corporation of America - with effecting their rescue.

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