# HEINL RADIO BUSINESS LETTER

# 2400 CALIFORNIA STREET

# WASHINGTON, D. C.

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

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No. 1460

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September 1, 1942.

WAY NOW SEEN CLEAR FOR U. S. EXPORT ADVERTISING

With the special ruling permitting the deductibility for Federal income tax purposes of expenditures for advertising and with radio and other advertising down in volume Corrie Cloyes, of the Department of Commerce in the FOREIGN COMMERCE WEEKLY calls attention to what he says is an unusual opportunity for manufacturers to resume their export advertising.

"Export advertising by United States manufacturers has taken a decided drop since the early part of this year," Mr. Cloyes writes. "One of the prime reasons for this has been a fear that good will or institutional type of advertising, on products unavailable for delivery, might be construed to be a means of reducing taxes.

"This fear has now been dissipated by the Treasury Department. In a special ruling, the Department endorses the use of export advertising within proper bounds. At the same time, it rules that such expenditures are deductible for Federal incometax purposes. Announcement of these important rulings was made in a recent letter from John L. Sullivan, Assistant Secretary of the Treasury, to Nelson Rockefeller, Coordinator of Inter-American Affairs.

"With the tax deduction matter thus officially clarified, the way is open for a renewal by United States manufacturers of customary advertising schedules. That this should be done is evidenced by the estimated loss by publications and radio stations in the other Americas of approximately 40 percent of advertising revenue formerly received from United States firms. The revenue from advertising placed locally has declined 35 percent, and that from here approximately 5 percent. The latter is falling off at a rabidly increasing rate.

"Results of such a further decline would be:

"First, many friendly newspapers and radio stations might have to cease operation, thereby eliminating important avenues for conveying sales information to a great market.

"Second, many friendly newspapers and radio stations would no longer be able to afford the services of United States newsgathering associations.

"The Coordinator's office cites a few samples of advertisements appearing in the United States which are considered ideally adaptable for export use and which also strengthen the 'Good Neighbor efforts. These include advertisements on Buick, Chevrolet, General Motors, Ford Motor Co., General Electric, Air Transport Association, Consolidated Aircraft, Martin Aircraft, North American United States Steel, Bethlehem Steel, Anaconda Copper, Aluminum Co. of America, United States Rubber Co., and Philco Corporation.

"An advertisement on Aeronca headlined 'Ode to Mr. Moto!' is given as a case in which an advertiser is already running duplicates of United States advertisements in the Spanish editions of Aero Digest. Other airplane manufacturers are reminded by the Office of Coordinator of Inter-American Affairs that 'when the war is over our capacity to produce planes will be so great that the export market will become a great battlefield for sales. It would seem that the airplane manufacturer who starts today to build a demand for his ship will have an outstanding lead over all competition. At least one of these great American manufacturers who starts today to build a demand for his ship will have an outstanding lead over all competition. At least one of these great American manufacturers should be preparing the Latin Americar market.'

"These manufacturers are further informed by Coordinator Rockefeller that the 'newspapers, radio stations, and business and trade publications in the Americas, with few exceptions, have been most friendly to us. These same publications and stations have been and must continue to be important media to you for the transmission of your sales messages to the consumers in the territories they serve.!"

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## FCC HOLDS UP RADIOPHONE BAN

The Federal Communications Commission has postponed for a month the effective date of the order banning all non-government business or personal radio-telephone calls, outside the Western Hemisphere, except those to England.

The amended regulation: (1) No non-governmental business or personal radio-telephone call shall be made to or from any foreign point outside of the Western Hemisphere except England, unless such call is made in the interest of the United States or the United Nations and unless an agency of the United States Government sponsors such call and obtains prior approval therefor from the Office of Censorship; Provided, however, That this provision shall not apply to American press calls or radio broadcast programs, or to such other press calls and radio programs as may be specifically approved by the Office of Censorship.

(2) No calls of any nature, over the radiotelephone circuits under the jurisdiction of the United States, no matter where such calls may originate, unless sponsored and approved as provided in paragraph (1), shall be permitted to, from, or on behalf of, the following thirteen countries: Egypt, Finland, France, Iceland, Iran Ireland, Latvia, Lithuania, Portugal, Spain, Sweden, Switzerland, and Turkey.

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(3) Personal calls other than those prohibited in the foregoing paragraphs may be completed between two points in the Western Hemisphere.

(4) All non-governmental point-to-point radiotelephone service between the United States and Australia be, and it is hereby, designated for termination and, effective midnight September 30, 1942, is terminated, except as to the transmission of duly authorized radiobroadcast programs.

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## FTC QUERIES MORE CIGARETTE BROADCAST CLAIMS

American Cigarette and Cigar Co., Inc., manufacturer and distributor of "Pall Mall Cigarettes," and The American Tobacco Co., manufacturer and distributor of "Lucky Strike Cigarettes," are charged in complaints issued by the Federal Trade Commission with misrepresentation in the advertising of their cigarettes.

American Cigarette and Cigar Co., Inc., with offices in New York and its principal place of business at Durham, N. C., is charged with having disseminated in magazines, newspapers and by radio broadcasts and other means advertisements representing:

That finger stains of persons using Pall Mall cigarettes become much lighter or disappear completely when Pall Mall cigarettes are smoked exclusively; that it has been established as a scientific fact by independent research that with users of Pall Mall cigarettes there is noticeably less finger stain or no finger stain at all; that the throats of Pall Mall smokers are protected by Pall Malls.

In truth and in fact, the complaint charges, none of these representations is true.

The complaint further charges that Pall Mall cigarettes are manufactured in the United States and sold in packages referred to as "regular" Pall Mall and in cardboard boxes which are branded "Georges." On the container containing the regular brand under the wording "Pall Mall Famous Cigarettes" there appears a coat-ofarms with three crowned figures, similar in design, form and pattern to the coat-of-arms of the royal family of Great Britain and to other distinctively English coats-of-arms. Upon the face of the Pall Mall "Georges" container, in addition to the coat-ofarms, there appears another heraldic emblem displaying three crowns, and upon the inside lid of the cover of the container appears the following:

#### THE FAMOUS

# PALL MALL

These famous cigarettes contain exclusively the finest grades of imported Turkish tobaccos. They constitute the original blend made in

# 9/1/42

London and in the United States. Pall Mall Famous Cigarettes may be purchased at the principal clubs, hotels and cafes of the United States, France and England, on the Trans-Atlantic Steamship Lines and at

# 60 PALL MALL LONDON, S.W. 1

The complaint charges that through use of these statements and depictions, and other similar representations not specifically set out, the respondent has represented that the cigarettes are of English origin and manufacture; that they have received the endorsement or seal of approval of the royal family of Great Britain or a member thereof; that the cigarettes are made in London, and that the respondent maintains a factory or store at 60 Pall Mall, London. All of these representations, the complaint continues, are false and misleading.

The American Tobacco Co., with its principal offices in New York, is engaged in the manufacture and processing of tobacco products, including cigarettes branded "Lucky Strikes," also known as "Luckies." In the conduct of its business, the complaint continues, the respondent has disseminated in magazines, newspapers and by radio broadcasts advertisements representing:

That Luckies are toasted; that among independent tobacco experts, buyers, auctioneers and warehousemen, Luckies have over twice as many exclusive smokers as have all other cigarettes combined; that Luckies are less irritating to the throat than are competing brands, because Luckies are toasted; that all of the tobacco used in Lucky Strike cigarettes is better and higher priced than the tobaccos used in competing brands of cigarettes; and that the respondent, for the manufacture of Luckies, buys the cream of the tobacco crop and the tobacco bought by the respondent for the manufacture of Luckies is better and higher priced than the tobacco used in the manufacture of competing brands.

In truth and in fact, the complaint charges, Luckies are not toasted; among independent tobacco experts, buyers, auctionners and warehousemen, Lucky Strikes do not have twice as many exclusive smokers as have all other cigarettes combined; Luckies are not less acid than are other popular brands of cigarettes; other popular brands of cigarettes do not have an excess of acidity over Lucky Strikes of from 53 to 100 percent, nor any other percentage; Luckies are as irritating to the throat as are competing brands and do not offer throat protection and are not easy on the throat; the tobacco used in Lucky Strike cigarettes is not better and is no higher priced than are tobaccos used in competing brands; in smoking Luckies one does not have protection against throat irritation or against coughing; Luckies do not contain less nicotine than do competing brands of cigarettes, nor does the smoke from Luckies contain less nicotine than that of other brands; the American Tobacco Company for the manufacture of Luckies does not buy the cream of the tobacco crop and the tobacco bought by the respondent

for the manufacture of Luckies is not better than and is no higher priced than is the tobacco used in the manufacture of competing brands of cigarettes; the tobacco used in the manufacture of Lucky Strikes is not made of lighter and finer tobacco than that used in the manufacture of competing brands; the leaf of the tobacco used in their manufacture is no milder than the leaf used in competing brands and the respondent pays no higher prices than do its competitors to obtain the finer, lighter and milder tobaccos; the better grades of tobacco are not purchased only by the respondent but are purchased also by the manufacturers of competing brands, and in general the representations made by the respondent and the implications and intendments thereof are inaccurate, deceptive, false and misleading.

# CORRECTION

In our release of August 28 in the story captioned "Senate Investigation of Petrillo Demanded", it was stated that the resolution demanding the investigation had been introduced by Senator Clark of Missouri. This was incorrect. The resolution was introduced by Senator D. Worth Clark, Democrat, of Idaho.

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#### DAILY RADIO COLUMN IS PAID SPACE

A new idea in radio promotion in Philadelphia has been advanced by WCAU, with the inauguration of a daily radio column, as paid advertising, in the Philadelphia Inquirer.

Titled "This Is Radio" and assembled by the station's publicity staff, the column maintains the news-room approach. Its items are not devoted exclusively to WCAU and CBS, but draw from the Mutual and the Red and Blue Networks, as well as from rival local studios.

In treatment of news, typography and general format it has the style and appearance of regular editorial copy, and already the station has received compliments for its new feature. With no Philadelphia newspaper running a daily column, WCAU believes that the reader interest inspired by its rather indirect promotional scheme will rebound not only to its own advantage, but to that of radio in general.

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The Bell Telephone Laboratories in New York City was among a group selected as meriting the Army-Navy Production Award.

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## RADIO SENATE NOMINEE FACES STIFF ELECTION FIGHT

Apparently Foster May, in charge of special events at WOW, Omaha, who won the Democratic nomination for the U. S. Senate in Nebraska, defeating Representative Harry Coffee of that State, has a hard fight ahead of him. Mr. May is entirely a product of the radio. He has twice before been beaten for the Congressional nomination.

May is said to have the support of organized labor and was all out for Roosevelt and a platform to win the war. In an off year and with a light vote he polled about 40,000 ballots.

Another radio man from that state is Karl Stefan, of Norfolk, Neb., who was successively telegraph operator, reporter and radio news commentator.

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#### G.E. PUTS OUT TWO NEW RADIO TUBE CHECKERS

Two new radio tube checkers, one a portable model in a wood case with brown leatherette cover, the other a counter model enclosed in a metal case, grey in finish, have been announced by H. J. Mandernach of the Renewal Tube Sales Section, General Electric Radio, Television and Electronics Department, Bridgeport, Conn. They are available only on orders carrying at least an A-1-j preference rating.

These new tube checkers, known as Models TC3 and TC3P, will take care of all present tubes and any tubes that may be announced in the future. This is made possible through the use of a special switching system that provides any voltages that may be necessary to test the tubes. The instruments also provide a triple test for output and a thorough check for short.

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#### BLUE NET APPEAL BRINGS TEN MILLION IN BOND PLEDGES

An unparalleled example of direct selling over the radio was the feat of the Blue Network in its 7-hour, coast-to-coast program last Saturday night, obtaining \$10,666,000 in War bond pledged. The Treasury said that the final total of pledges would be much higher since the amount announced represented only pledges received during the broadcast period.

It was one of the most successful drives in the history of broadcasting. Among the stars contributing their talent were: Amos n' Andy, Orson Welles, Jane Cowl, Margo, Edward G. Robinson, Frank Black and the Symphony Orchestra, Meredith Willson, Fanny Brice, Bob Burns, Dinah Shore, Carl Sandburg and such "name" bands as Vincent Lopez, Tommy Tucker, Xavier Cugat, Glen Gray and Paul Whiteman.

Station WMAL, the Blue Network outlet in Washington, obtained more than \$88,000. The largest single pledge by WMAL during the 7-hour performance by topflight radio stars was for a \$10,000 bond. There was one for \$5,000 and 23 for bonds of the \$1,000 denomination.

One man telephoned he was purchasing a bond in the name of his dog, and a woman stated that the appeal of Amos n' Andy convinced her she could stretch her budget to buy another certificate.

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# STAGE HANDS ASK \$229 BILL FOR "COMMAND PERFORMANCE"

William Bennett, business agent of the Washington local of the Stage Hands' Union was said to have admitted that a bill for \$229 had been prepared for the services of stage hands who set up the "props" for the "command performance" broadcast at the National Theater in Washington, D. C., last Sunday night by a galaxy of Hollywood stars.

A check at the radio branch of the Bureau of Public Relations of the War Department, which arranges the command performances in co-operation with the Hollywood Victory Committee, failed to disclose whether the bill had been received there.

At any rate, it was said, the War Department has no funds with which to pay it.

At the War Department it was said that 28 of these command performances had been given previously but the only expense had been for materials used in recording the program for later radio broadcasting to America's fighting men in all parts of the globe.

Services of the Washington stagehands, it was learned, included the hanging and operation of backdrops, the placing and removing of chairs on the stage and the manipulation of stage lights.

The men worked at a rehearsal, it was said, and returned to repeat their activities at the regular show.

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#### MARINES EPIC AT SOLOMONS DESCRIBED BY EX-RADIO EXEC

One of the first news bulletins distributed by the Marine Corps under its new system of having action in the field described by experienced reporters in the service "fighting reporters" was ar account of the Marines' landing in the Solomons by Sergt. James W. Hurlbut former publicity director for CBS Station WJSV in Washington. The story written by Mr. Hurlbut of action at Guadalcanal was released by the Navy Department. Sergt. Hurlbut, who served in the marines from 1933 to 1936, re-enlisted here last May 8, and eight days later "was out of the country," his wife Sue, an assistant statistician for the Labor Department, said at her home in Arlington, Va.

At the time of his re-enlistment he was lieutenant in the Arlington Company of the Virginia Protective Force, a civilianmilitary company. During the early days of newscasting, Sergt. Hurlbut did an 18-hour daily grind preparing Washington news for broadcast.

At the same time, he was doing public relations work as a sideline and eventually took over that assignment for the radio station. His earliest newspaper experience was with the circulation department of the Washington Post. Later he studied journalism at Northwestern University.

Mrs. Hurlbut knew nothing of her husband's location, she said until news releases of the Pacific victories disclosed him as one of the combat correspondents.

"Jimmie is extremely conscientious and in his letters never mentioned locales and customs of the natives for fear that I might be able to place him," she said.

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## JOHN F. ROYAL WEDS ENGLISH STAR

John F. Royal, vice-president of the National Broadcasting Company, was married last Saturday to Leonora Corbett, star of Noel Coward's current stage play, "Blithe Spirit". The actress, born in England, came to the United States last year.

Mr. Royal, born in Cambridge, Mass. in 1886, began his theatrical career as a public relations man with B. F. Keith in Boston and became prominent as a Keith executive. He entered the radio business as vice president and general manager of Station WTAM at Cleveland.

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#### NATIONAL MUSIC CLUBS CONDEMN PETRILLO CURB

There was a flare-up in the music world when the National Federation of Music Clubs passed a resolution at Portland, Me., last Monday condemning James C. Petrillo, president of the American Federation of Musicians. Copies were forwarded by air mail to President Roosevelt and Mr. Petrillo.

Thirty-four state presidents present at the meeting also sent telegrams to the President.

Mrs. Guy Patterson Gannett of Portland, Me., president of the music group, said the resolution and the telegrams were the first step "to arouse the full membership of 450,000 men and women of voting age in the organization to the gravity of the situation created by the Petrillo ban, and to seek their aid individually, as well as collectively, to have the ban removed."

The resolution read as follows:

"Be it resolved that the board of directors of the National Federation of Music Clubs condemn the ban placed by James C. Petrillo, president of the American Federation of Musicians, on recordings and urge its entire membership to express this condemnation and disapproval to the local unions on the ground that such a ban is detrimental to the morale of the nation at war, which needs the comfort and pleasure given by music in home and wherever recorded music is used.

"And, be it further resolved, that a copy of this resolution be immediately transmitted to the president of American Federation of Musicians, Mr. Petrillo, with the information that it represents the viewpoint of an organization composed of at least 450,000 citizens who regard Mr. Petrillo's action as the most serious blow thus far struck at American musical culture."

Following a report from San Francisco that Petrillo was trying to stop overseas broadcasting by KGEI, General Electric Pacific Coast short-wave outlet, Robert S. Peare, manager of the station said:

"As we understand the ban, it has no bearing on the programs of KGEI, which is a wholly non-commercial short wave station broadcasting, under the guidance of the Office of War Information, to the armed forces in the Pacific and peoples of Australia and the Orient.

"The announcement of the ban specifically exempted programs for soldiers and we have had the cooperation of unions in New York, St. Louis and other cities in arranging several outstanding programs recently.

"Recordings are a necessity for the overseas audience, as the time difference between the station and the audience is often as much as eleven hours."

Neville Miller, president of the National Association of Broadcasters, declared in New York that composers were feeling the effects of the Petrillo ban.

"So far as can be ascertained, not a single work completed after the recording ban went into effect has been published," Mille: said, "and such works as have been accepted are being held back in the hope that the order will be rescinded."

"Consequently, the composer has already directly felt the first impacts of the ban."

Union musicians who looked forward to making recordings for all or part of their compensation have been deprived of this source Miller added. He said the "detrimental effect upon the art of music and upon radio will be increasingly evident."

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#### ADVERTISING OFFICIALS ARE SURVEYED BY WOR

To determine the interest and needs of advertising executives in radio promotion and research, Paul Stewart & Associates following the plan developed by Joseph Creamer, Director of WOR's Fromotion Department, arranged an independent research of advertising leaders. The group interviewed consisted of 35 selected agency executives and prominent advertising managers; among them were: J. M. Allen, Radio Director, Bristol-Myers Co.; Linnea Nelson, Radio Timebuyer, J. Walter Thompson; and Carlos Franco, Director of Station Relations, Young and Rubicam.

The interview questions were divided into three main parts: (1) In view of present conditions, what type of advertising and promotion do you feel a radio station should conduct in order to be of the greatest benefit to you? (2) What type of research should a radio station conduct at this time to be of the greatest beenfit to you? (3) General comments and suggestions were sought as to station activity which could be indulged in during the war.

The answers were unanimous in decrying the absence of sufficient factual data. The value of good promotion was recognized, but it was contended that the material needed must be factual, local in color, dated, file-sized, and above all, concise. Most of the men interviewed were fed up with trick advertising; they criticized the preparation of costly material, said they were wearied by the regularity of promotional boasts minus the data to back the boast. In addition, they objected to the subtle knocking of competing stations.

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Many of industry's Fall promotional campaigns, scheduled to get under way next week, have been rescued at the last minute from sharp slashes, reports last week indicated, the New York Times said and the outlook for advertising is somewhat brighter than it was a few months back. In general, budgets are lower than those of a year ago, but the loss for the final four months of this year is not expected to exceed the 9 to 10 percent of the first eight months

Of the four major media, radio made the best showing. There was a 7.5 per cent decline in newspaper linage. Magazines were hit the hardest of these media, the loss running to about 13 per cent.

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No. 1461

September 4, 1942.

#### EFFORT INCREASED TO JAM UNITED NATIONS BROADCASTS

Germany and Italy are now making unusual efforts to jam the foreign language programs of the United States and Great Eritain by deliberately interfering by broadcasting disturbing noises at the same time on the same wavelength. This has been going on in varying degree for a long time, but more recently it began to be very conspicuous, and at the present moment the Nazis and the Italian Facists have large staffs of technicians employed specially on this job. "London Calling", the magazine published by the BBC, states and continues:

"This is one of those very obvious points about propaganda warfare in Europe that are sometimes overlooked outside Europe. A man cannot simply go to a microphone and address the people of Europe as a man can go to the microphone and address the people of the United States or the people of South Africa or Australia. The Axis Governments and their Secret Police are forcibly preventing, or rather trying to prevent, the people of Europe from listening to any radio stations other than Axis ones; and further, the Axis engineers have innumerable stations used solely to broadcast disturbing noises to make broadcasts other than the Axis ones unintelligible. For anyone in Occupied Europe, or in Germany or Italy, to listen to the BBC or to American short-wave stations requires not only an interest and a desire to listen on his part. It requires great courage to take the risk of imprisonment in a concentration camp or even death, and it requires great skill in the actual listening; in distinguishing the speakers voices amid the miscellaneous noises produced by the Axis jamming stations.

"The way in which the Axis technicians do their jamming is this. Either they turn over to this purpose some ordinary radio station which they do not otherwise require, or else they set up special jamming stations of various sizes. Some of those are large and powerful; some are small; some are small enough to be moved about in vans. The sounds generally used in order to jam are either rapidly repeated morse code, or a rapidly repeated series of musical notes, or a noise like the bubbling of air through water. The Italians use a peculiar guggling noise of their own.

"The carrying power of jamming stations is very varied. Short waves, medium waves, and long waves behave very differently. The areas they affect are different one from another, and each affects a different area at night from that which it affects in daytime. The result is extremely complicated and irregular, but to sum it all up, the effect on the listener almost everywhere in Europe is to make listening at best difficult. There is always some Axis jamming station that can interfere with his reception to some extent, probably to a very great extent indeed. Still, determined listeners in Occupied Europe learn to listen to the BBC news and talks even through very intense jamming. A report came to us a month or two ago about a man who had escaped from Germany to a neutral country. He wanted to listen to the BBC news in German, and he asked the man he was staying with to tune his set to London. His host did tune in, but the jamming was so severe that he was going to switch off when the escaped German said: 'No, leave it. It's quite good compared with what I am used to,' and he went on listening to it; and he understood it all in spite of the jamming.

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"The BBC in its European transmissions frequently gives advice to its listeners on how best to defeat jamming. There are many technical devices, but in the end the two qualities that enable the listener in Occupied Europe or in Italy or in Germany to listen to the BBC are his skill and perseverance in training himself to understand human speech amid the confused noises of jamming; and his courage in risking imprisonment or death from the Nazi police.

"Now, if the Germans and Italians and Frenchmen, and others, had found by experience that they could trust the Nazi broadcasts, then they would not struggle against such severe practical difficulties, and they would not run such grave personal risks to listen to the BBC.

"And further, the fact that the Axis governments are taking so much trouble, and spending so much money on men and apparatus in trying to jam the BBC, shows how well they now realise that their own broadcasts are just not being believed.

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## FCC ACTION

Station KPQ of Wenatchee, Wash., has been granted a modification of a construction permit to reduce power from 5 kilowatts to 1 kilowatt and to make changes in directional antenna system.

KICA, Western Broadcasters, Inc., (assignor), Hugh DeWitt Landis (assignee), Clovis, New Mexico, has been granted consent to assignment of license for station KICA for a total consideration of \$16,000.

The Crosley Corp., Cincinnati, Ohio, W8XAL, has applied for extension of special experimental authorization to operate on 6080 kilocycles, 1 kilowatt, sharing time with WLWO, and AO and Al Emission for identification purposes only.

Pacific Coast Broadcasting Co., Pasadena, Calif., KPAS, has applied for modification of construction permit which authorized construction of new standard broadcast station for approval of directional antenna for day and night use as now adjusted and extension of commencement and completion dates.

Bamberger Broadcasting Service, Inc., New York, N. Y., W71NY, has applied for license to cover construction permit which authorized construction of new high frequency broadcast station.

KMPC, The Station of The Stars, Inc., Beverly Hills, Calif., has applied for modification of construction permit which authorized increase in power, installation of new transmitter, directional antenna and move of transmitter for adjustment of directional antenna system and extension of completion date.

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#### ASCAP TO APPEAL WISCONSIN SUITS

The American Society of Composers, Authors and Publishers will take an appeal in the Milwaukee injunction suits against six Wisconsin tavern keepers and dance hall operators. The Society sought to enjoin them from playing ASCAP music but the suits were dismissed last Saturday in a decision handed down by Judge Lewis B. Schwellenbach, of Spokane, Wash., who was called in to hear the cases last June when Judge F. Ryan Duffy disqualified himself and withdrew after declaring that he had been accused of prejudice against the plaintiff

ASCAP in its appeal will again maintain that the Wisconsin statute imposing a state tax on music licensing fees is unconstitutional, and that even if the tax were constitutional a state law cannot interfere with a federal statute, in this case, the copyright act.

Judge Schwellenbach upheld the constitutionality of the Wisconsin state law, which requires ASCAP to pay the state 25% of its gross revenues. The court found that neither ASCAP nor the suing publishers had complied with the statute, a fact that had previously been conceded by E. F. Hartman of Chicago, general western counsel for ASCAP, and Robert A. Hess, local counsel, who all along had contended that the Wisconsin law was unconstitutional.

In dismissing the ASCAP suits, which had asked damages of \$250 each in six cases, in addition to the injunctions for alleged playing of copyrighted music without payment of the customary fees to ASCAP, Judge Schwellenbach said:

"I cannot permit this court to be used to further a deliberate violation of a statute of the state of Wisconsin."

Fred R. Wright, legal representative for the Wisconsin Tavern Keepers Assn., which fought the ASCAP suits, moved for the dismissal, claiming that ASCAP had not complied with the law that provides that no one may issue licenses to play copyrighted music in Wisconsin until that person or corporation obtains a license from the Wisconsin secretary of state.

Mr. Wright asserted that the decision, as he interpreted it, meant that ASCAP could not prosecute anybody for playing its music

in Wisconsin unless it obtained a license from the secretary of state as the law requires. Hess said he did not believe the decision was that farreaching, but wanted time to study it further, and declared that an appeal would be made as a matter of course.

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# RCA MANUFACTURING CO. ARRANGES \$60,000,000 WAR LOAN

To finance war production contracts, RCA Manufacturing Company, Inc., has arranged with Bankers Trust Company and 34 other banks for a \$60,000,000 credit for a term of three years. Arrangement for this credit has been made under a regulation of the Federal Reserve which authorizes guarantees by the War and Navy Departments and the Maritime Commission of loans made to facilitate war production.

At the time of the announcement of the regulation which became effective last April, the Federal Reserve System stated the objective as follows: "to facilitate and expedite production for war purposes by arranging for the financing of contractors, subcontractors, and others engaged in business or operations deemed by the armed services and the Maritime Commission to be necessary for the prosecution of the war."

This loan is the largest of its kind so far negotiated in the New York Federal Reserve District. The present intent, according to the announcement, is to make use of the entire sum in connection with the performance of war production contracts. The interest rate on the used portion of the credit will be two and three-quarters per cent (2-3/4%) per annum.

New York: Bankers Trust Company, The Chase National Bank, Guaranty Trust Company, The National City Bank, Central Hanover Bank and Trust Company, Irving Trust Company, Manufacturers Trust Company, The New York Trust Company, J. P. Morgan & Company, Incorporated, Chemical Bank & Trust Company, Bank of the Manhattan Company, The Marine Midland Trust Company, Bank of New York, The Commercial Nation al Bank and Trust Company, The Public National Bank and Trust Company Chicago: The First National Bank Continental Illinois National Bank and Trust Company, Harris Trust and Savings Bank, and Philadelphia: The Philadelphia National Bank, Pennsylvania Company for Insurance on Lives and Granting Annuities.

Also Indianapolis: American National Bank, Fidelity Trust Company; San Francisco: Bank of America National Trust and Savings Association, Crocker First National Bank. Pittsburgh: The Union Trus Company, Farmers Deposit National Bank, Mellon National Bank. St. Louis: Mercantile-Commerce Bank & Trust Company. Boston: The First National Bank, The National Shawmut Bank. Camden (N.J.): First Camden National Bank & Trust Company. Cleveland: The National City Bank Lancaster, (Pa.): The Conestoga National Bank, Lancaster County National Bank, and Harrison (N.J.): Harrison National Bank.

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# HEDY LAMARR INVENTS RADIO REMOTE CONTROL DEVICE

It was something out of the ordinary when the National Inventors Council of the Department of Commerce was asked to pass upon a radio remote control device invented by Hedy Lamarr, movie beauty. For military reasons the exact nature of the new gadget has not been divulged nor whether or not it has real value.

Bing Crosby, radio and film star, likewise has an interest in inventing. This prompted him to set up the Crosby Foundation, as a private clearing house for inventors.

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#### REV. THOMSON NEW CANADIAN BROADCASTING MANAGER

The Rev. Dr. James S. Thomson, CBC Governor and president of the University of Saskatchewan since 1937, has accepted the post of general manager of the Canadian Broadcasting Corp., it was announced by Rene Morin, chairman of the CBC Board, following a meeting of the board of governors. A recommendation that his appointment be confirmed will now go to the Dominion Government for action.

Major Gladstone Murray, head of CBC since its inception, will be left in charge of the creation and development of programs and will have the title of director-general of broadcasting for Canada. Major Murray, however, will continue on his current \$14,000 yearly salary.

Justification for the shakeup is based by the board on the report of the special House of Commons committee, which vindicated criticisms by late Governor Alan Plaunt and suggested relief of Murray's post as general manager. Committee deemed Murray's expense bills "excessive".

An action not recommended by the House committee, but taken by the Board of Governors, is a sizable increase reported to be made in the salary of assistant general manager Dr. Augustin Frigon, who will remain as director of the French network despite important criticisms from the province of Quebec. He will also continue as financial controller of the corporation.

As to the problem of improving French network broadcasts, significance is seen in the fact that Hon. Philippe Brais, of the cabine of Provincial Premier Adelard Godbout, has been appointed vicechairman of the War Information Board announced by Premier Mackenzie King this week.

While final decision has yet to be reached on some matters, it is believed that Murray may move his headquarters to Toronto. Change, will become effective November 2.

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#### NO ISSUE LABOR DAY

Because of the closing of most of the government offices on Labor Day, Monday, September 7, the Tuesday issue of this service immediately following will be omitted.

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## MR. FLY STILL HASN'T FLOWN BACK

There continued to be considerable mystery about the absence of Chairman James L. Fly of the Federal Communications Commission. The general impression was that he had quietly slipped away on a vacation.

If so, he wasn't the only one. The public is given the impression that high government officials are continuously in Washington in the sweltering heat breaking their backs with work trying to win the war.

The truth of the matter is that a large number of them are not even on the job. This writer had the experience on a recent Thursday of calling up 10 government officials in a row and not a single one was in town. In some cases it was frankly stated they were away on vacations. The official explanation however was invariably "away on secret war business".

When Chairman Fly will return is still apparently uncertain, He is said to have told someone on the Hill that he would be gone two months but the opinion around the Commission seemed to be that he would return after Labor Day.

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#### LOUIS RUPPEL JOINS CROWELL-COLLIER

Effective October 1 Louis Ruppel, Columbia Broadcasting System public relations head, will become executive assistant to Thomas Beck president of the Crowell-Collier Publishing Company. Mr. Ruppel's new duties will be in a general advisory capacity due to his wide experience in the publishing and radio business.

Mr. Ruppel was formerly managing editor of the Chicago Times where he was credited with being largely responsible for the success and growth of that paper. He was closely associated with Franklin D. Roosevelt when the latter was governor of New York.

Mr. Ruppel has been with Columbia about three years and not long ago there was a report that he would come to Washington as one of the right-hand men to Elmer Davis, director of the Office of War Information and former CBS commentator.

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# RECORDERS AND BROADCASTERS TO STAND PAT ON PETRILLO

According to manufacturers of records and the broadcasters, James C. Petrillo expected them to come to him for terms, but if latest advices are correct they have not done so -- though a month has passed since his edict went into effect banning the making of records by union musicians for broadcasting purposes. It is said that they are well content to await the threshing out of the issues in the courts. The anti-trust suit brought against Mr. Petrillo will be argued in the Federal Court in Chicago Wednesday, February 16

One of the latest references to Mr. Petrillo appeared in an editorial in the current issue of the <u>Saturday Evening</u> Post "Free Labor must Win" which read:

"Free Labor Will Win is the slogan the National Administration suggests for Labor Day, 1942. Everybody agrees. Free Labor must cutdistance its best mark of the past or we shall be done with Labor Day forever. To remain free, labor must share the general sacrifices needed for victory.

"Such fervor will be honestly meant, but it will have greater influence if words are accompanied and followed by even more evidence of good faith than we have had in the past. If one bull-fiddle play er should arise from the ranks of the American Federation of Musician to denounce Mr. James Caesar Petrillo's activities, or if one prominent leader of labor should deplore the recent mess at Pontiac, Michigan, where a defense factory was closed because of a jurisdictional dispute among the organizers of chain-store clerks, the effect would be electrical. Labor Day speeches are a dime a dozen, but evidence of understanding that free labor implies responsible labor is more important."

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# DO SENATORS GET AS MANY LETTERS AS RADIO STATIONS?

Broadcasters might compare their station response to the mail received by the more important United States senators. The latter information has been made public for the first time by Senator Tydings (D) of Maryland. The purpose, he said, was to "show what Senators claim they are receiving in the way of mail, and what they have actually received over a period of seven weeks".

Senator Tydings' table covered senatorial mail receipts from January 8 to February 28, inclusive, a period in which, he said, the mail was running a little below normal and far below receipts of the last few days when constituents by the tens of thousands have been writing on labor, the war effort and economy.

The table showed that in the 51 days, the total for all Senators was 452,710 letters. Senator Brooks (Republican), of Illinois, led the list with 20,486 pieces of first-class mail, or an average of 401 letters a day. He was more than 33 1/3 per cent ahead of his nearest competitor, Senator Mead (Democrat), of New York, who received 13,295 letters, or an average of 260 a day.

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Others were Senators Connally, of Texas, 219 letters a day; O'Daniel, of Texas, 204 letters, Walsh, of Massachusetts, 184 letters; Pepper, of Florida, 180 letters; Tydings, 163; Wagner, of New York, 156, and Byrd, of Virginia, 154. All of the last named are Democrats.

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#### WHO THOUGHT UP THE QUIZ SHOW?

Raising that point John Hutchens, Radio Editor of the New York Times, last Sunday wrote: "This isn't the \$64 question but it is one many people have tried (unsuccessfully) to answer".

"It was five years ago that questions and answers became a real factor in network broadcasting", Mr. Hutchens continued, "beginning with the arrival of 'Professor Quiz' on a national hookup in the spring of 1937. Last fall, according to trade rumors alon, Radio Row, the quiz show momentum was due to expire. It did not. Even now, with some of the quiz programs on Summer vacation, you can turn the dial at almost any hour between 10 A.M. and midnight and hear some one asking some one else a question.

"There is a legend that a man from Rockford, Ill., once went to Chicago and tried to sell an idea for an interview program, long before 'Vox Pop' started asking questions and getting answers in 1932 He was told to go home to Rockford. There ought to be a plaque for him some day.

"Two thousand dollars a week is a large budget for even a leading half-hour quiz show, as compared with \$10,000 for a variety program that might not rank appreciably higher in the audience survey ratings.

"For this comparatively small outlay the return in popular interest is enormous. The 'Truth or Consequences' office says that in less than two years it has received 800,000 letters submitting questions and consequences. Eight million questions have been sent to the Chicago headquarters of the Quiz Kids. Fifteen thousand letters a week pour into the 'Information Please' office, averaging four questions each.

"The Quiz Kids have been a phenomenal hit, after overcoming a popular belief that no group of children could be so intellectual, and that the program must surely be faked. If they had any doubts about it, a group of University of Chicago professors learned better. In a test which, fortunately for the professors, was not broadcast. the Quiz Kids won by a score of 275 to 140. Later the professors turned the tables on the kids and won by five points."

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WOULD SHORT-WAVE JAPS "GOLDEN LESSON" BACK TO THEM

A writer in the <u>Washington Post</u>, Clarke Kawakami, suggests that our short-wave stations continuously flash the Japan "golden lesson" back to them as a reminder of their present conduct. For this he gives the following explanation:

"In 1882 the Emperor Meiji, whom all Japanese revere as one of the greatest and wisest rulers in their country's history, issued a rescript laying down five basic principles of conduct to be followed by all officers and men of Japan's fighting services. That document, about 2000 words in length, has for 60 years been the official Bible of the Japanese army and navy, and even today every soldier and sailor in the Mikado's forces is expected to know it from memory.

"Although officially entitled Gunjin Chokuyu or 'The Imperial Precepts to Soldiers and Sailors,' the rescript is more familiarly referred to among Japanese as the Kinka Giokujo or 'golden lesson and precious-stone rule.' In simple, ringing words that even the dullest farm-boy recruit can understand, it exhorts members of the armed forces to cultivate the five virtues of loyalty, propriety, valor, righteousness and simplicity. In short, it is Bushido, the ancient 'way of the warrior,' dressed in modern garb.

"It is pertinent, then, to re-examine the Imperial Rescript and to hold it up before the whole world as evidence that Japan's fighting men, under their present leadership, are violating almost every tenet of the code they are sworn to obey. As a propaganda weapon to undermine Japanese morale, nothing that our political warfare experts can devise would be half so effective as this small document. It nee only be read in the Japanese original, without comment, at the close of every short-wave broadcast beamed to the Far East. No Japanese listener could fail to catch the point."

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## 20 PROGRAMS TAKE 125-STATIONS UNDER NBC'S NEW PLAN

Twenty national programs, sponsored by fifteen different advertisers, have now signed under the National Broadcasting Company's Full-Network Plan and have contracted for the NBC network of 125 stations. The company announced:

"By taking 125 stations, a number of these advertisers will effect an immediate saving; some will be increasing their former station lineup to a larger extent with slight increases in expenditures, and others are making substantial budget increases in order tuse 125 stations. We fully expect that before long most of our evening advertisers will be using 125 stations."

# RADIO WORKS WITH THE ARMY

Elliott M. Sanger, General Manager of Station WQXR, wrote the following letter to the Editor of the New York Times:

"This is in reply to the letter written you by Miss Joan Hansen about radio helping during blackouts.

"From the description of the programs Miss Hansen evidently was listening to WQXR. The reason she received no blackout instructions from us or any other station is because the radio stations were not ordered by the Army to do so. There is complete co-ordination between radio and the Army during practice blackouts in preparation for actual raid conditions. The plan of the recent unannounced blackout apparently was to rely upon siren warnings, without any help from the radio.

"Miss Hansen may be sure that the radio stations of New York are a vital part of the air raid precautions system and when blackout instructions via radio are needed she will get them."

Miss Hanson's letter follows:

"I should like to suggest a rather elementary addition to the procedure adopted in blackouts here, whether practice or grimly necessary.

"Tonight at 9:30 the sirens began to shriek and a bland voice on my radio told me that I ought to join the roster of distinguished people who use a soothing lotion after shaving. While the siren moaned on the same or another suave voice told me I should have the treat of listening to the music of Old Vienna.

"This gave me an authentic shudder, and I'd already put the lights out. As I am equipped with adequate blackout facilities, I am typing this at 9:40 and the radio has just finished a spirited polka and is giving me an equally spirited minuet.

"If the blackout is seriously meant, couldn't the radio stations be informed, all within a minute, and announce it to their listeners and then continue with their inspiriting tunes?"

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Speaking of mail, Arthur J. Metzler of WOR's Mail Room said:

"One listener wrote to us: 'I am an ardent listener to your station, but lately I've missed your program, "The Witches Tale".' That show has been off WOR for almost five years. Another was addressed to 'Lone Ranger, Many Apples, Many Sodas.' We finally figured out the writer meant, 'Minneapolis, Minnesota.'" TRADE NOTES :::

The Sparks-Withington Company, manufacturer of radio and allied appliances, issued its report for the fiscal year ended on June 30. It showed a net profit of \$679,845, after charges and reserves for Federal income taxes and a provision for war-time and post-war adjustments. This is equivalent to 73 cents each on 900,674 shares of common stock, after annual dividend requirements on the 6 per cent preferred shares. For the year to June 30, 1941, net income was \$96,591, or 8 cents a common share.

The directors have declared a dividend of 25 cents a share on the common stock, payable on Sept. 15 to stockholders of record of Sept. 5. This is the first payment on this stock since 1931.

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Liberty Broadcasting Corp., operating Radio Station WAGA, Atlanta, Ga., engaged in selling the use of its radio transmittal facilities and power, stipulated with the Federal Trade Commission to cease representing that WAGA has more listeners in Atlanta than any other radio station or that, when operating as authorized in its construction permit, it can be heard without interference over the entire State of Georgia; or misrepresenting through exaggeration the number of prospective purchasers who listen to the station.

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Every time the Germans sink a ship they strike two strokes on a gong. This is broadcast to their enemies by short-wave. Recently the gong strokes announced 18 ships sunk in one evening.

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In a booklet entitled "A March ... and a dance," CBS has reprinted two letters to the Editor of the <u>New York Times</u>. One was from Frances Morehouse, of Shafer, Minn., in which she criticized the wartime activities of the radio industry. The other was a reply by Davidson Taylor, Assistant Director of Broadcasting for CBS.

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An amendment to make clear that maximum prices for all radio apparatus and parts covered by Price Regulation No. 136 are those charged by sellers on March 31, last, was issued by OPA.

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The Vacuum Tube Division of the General Electric Radio, Television and Electronics Department will henceforth be known as the Electronic Tube Division, according to a recent announcement by Dr. W.R.G. Baker, Vice President in charge of the Department.

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

2400 CALIFORNIA STREET WASHINGTON, D. C.
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No. 1462

# PETRILLO ENDS CINCINNATI CONSERVATORY BROADCASTS

Adding another scalp to his belt, James C. Petrillo, President of the American Federation of Music, forced the Cincinnati Conservatory of Music to cancel its ninth season of broadcasts which was to have started over the Columbia Broadcasting System Thursday, October 1st. Mr. Petrillo gave the same reason for the Cincinnati edict that he did for the National Music Camp at Interlochen, Michigan, that "it is the national policy of the American Federation of Musicians to permit only union musicians to broadcast."

George H. Klusmeyer, Manager of the Conservatory, said:

"Since it is necessary for our students to have the opportunity of playing standard literature to enable them to build up their repertoire, or ultimately becoming professional musicians, and since the broadcasts have materially contributed to their education, it would seem the union's national policy in respect to broadcasts will limit the scope of our educational activities."

The phrasing of the Union's order led officials to believe that Mr. Petrillo intended to eliminate all non-union programs, which would involve broadcasts by many other schools of national prominence. Heretofore the union has shown some willingness to compromise issues if a union "stand-by" band were hired.

Indicating that the labor leader was clamping down tighter, the National Association of Broedcasters made it known in New York last Wednesday that Petrillo had revoked union permits to make electrical transcriptions which are used once in broadcasts, then destroyed.

TheAAssociation declared in a statement, adopted at a meeting to consider the action, that it was "another act of agression against wartime morale and communications in the United States."

"Mr. Petrillo's action", the statement said, "is motivated only by the desire to make his dictatorship over the field of music all-inclusive."

It was said at the Senate Interstate Commerce Committee this (Friday) morning that it had not been decided when the Petrillo hearing would begin - whether it would start Monday, September 14th, as scheduled tentatively, or go over until later in the week, possibly Thursday. Senator Worth D. Clark, of Idaho, (D), who introduced the resolution which authorized the investigation, is head of the Senate sub-committee which includes Senators Hill (D.), Alabama; Andrews (D), Florida; Gurney (R.), South Dakota, and Tobey (R.), of New Hampshire. Immediately following on the schedule is the Government suit next Wednesday September 16th, but a postponement is being sought on this because of the absence from the United States of Joseph A. Radway, General Counsel of the American Federation of Labor, now in London.

The <u>New York Times</u> landed on the Music Czar with this editorial, "Petrillo Rides Again":

"Mr. Petrillo's conquests, like those of every dictator, only whet his appetite for further conquests. This private individual, having ordered a school band off the air, having ordered the country's musicians not to make records to be played over the radio or in public places, has now placed a ban even against the manufacture of electrical transcriptions intended for use only once on the radio. True, on July 31, Mr. Petrillo in a letter to Elmer Davis, Director of the OWI, wrote: 'Electrical transcription for radio, used as intended - only once - is not detrimental to the American Federation of Musicians if destroyed after such use.' But that was only what he thought a few weeks ago; he has now changed his mind. Anyway, who is going to stop him from telling the American people just what he will let them hear and just what he won't let them hear?

"The Department of Justice has brought suit against Mr. Petrillo under the Sherman Anti-Trust Act, but he doesn't appear to be worrying. Why should he? Hasn't the Supreme Court already decided that labor unions enjoy sweeping immunities from the anti-trust acts, and even from the Federal Anti-Backeteering Act? Didn't the Supreme Court even go out of its way, when the question was not directly before it, to declare that it is quite in accordance with the latter law for Mr. Petrillo to force the employment of a 'stand-by' orchestra, which must be paid even though it is not used? Did not the Supreme Court blandly refer to all this as 'traditional labor union activities'? Has either Congress or the Administration raised a hand to change the law?

"Personal indignation against Mr. Petrillo is as futile as it is foolish. He is, in a sence, performing a public service. He is showing just what can be done by a labor union leader under the present state of the law. His dictatorial powers are merely the logical end-product of the Administration's labor policy to date. It is that policy which has placed these powers in his hands.

"No one would wish to prejudge the Department of Justice's legal case against him. The Supreme Court, notwithstanding its previous decisions, may interpret some existing law to mean that at least some of Mr. Petrillo's activities are out of legal bounds. But the law and its interpretation will have to be radically revised from that of the recent past if the irresponsible private dictatorship of the Petrillos is to be brought to an end." The <u>Washington Post</u> had this to say about the latest move of the labor leader referred to as "an ambitious little tyrant who has seized the opportunity offered by our lop-sided labor legislation and a timorous Congress to establish himself with a dictorial power over a great industry".

"Whatever the faults of Mr. Jimmy Petrillo - and doubtless like the rest of us he is not without them - he cannot justly be accused of excessive caution. Indeed, the military bigwigs who are still debating the how and when of the second front ought to pay a little more attention to the methods of that grand strategist and master of phonopolitics, Mr. Petrillo. Jimmy is not afraid of any second fronts, third fronts or fifteenth fronts. In the midst of a life-and-death struggle against juke boxes, musical recordings and amateur concerts, Jimmy has taken time out for an aggression against a brand-new enemy - namely, the transcribed radio program. This means a program, which, instead of being broadcast at the time of performance, is recorded on discs and broadcast later. If Jimmy gets his way, as he probably will, since there seems to be nobody in or out of the Government as powerful and determined as himself, a good many popular programs must go off the air, including 'The Aldrich Family', 'The Goldbergs', and 'Singin' Sam'. \* \* \* Indeed, if old Homer himself were now alive and should offer to broadcast over a national hookup the while 'Iliad' in the original Ionic dialect, with lyre accompaniment, Mr. Petrillo would certainly order the program canceled and would almost as certainly be obeyed.

"But just what Jimmy expects to gain from his latest move, beyond, of course, the mere animal pleasure of throwing his weight around a little more, is not excacly clear. We do not see, for instance, how it will make any more jobs for members of Jimmy's union."

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## N.Y. STATIONS O.K. IN FIRST REAL AIR RAID TEST

The New York radio stations gave a good account of themselves in what was thought to be the city's first real air-raid alarm last Monday morning when watchers sighted a plane that they were not able to identify. Although the test proved to be pretty much of a fiasco, otherwise (except in the eyes of Mayor LaGuardia), the broadcasting stations which run all night proved to be on their toes despite the early hour in the morning when the alarm was sounded and all closed down promotly.

WABC, CBS outlet, went off the air at 2:32:17 A.M. and resumed its broadcast at 2:34:32 A.M. WOR of the Mutual network was off from 2:33:40 to 2:35:20, while WNEW was silent from 2:32:10 to 2:37:10. NBC and the Blue were likewise not caught napping.

Telephone switchboards of the broadcasting stations were swamped with what was said to be an all-time record of newspaper calls in a short period.

# NEW RULES TO CURB UNAUTHORIZED GOVERNMENT PROGRAMS

No longer will Government radio programs run wild or will it be possible for any Government official with a brain-storm to put on a program anytime he wants to attract attention to himself. In accordance with an order just issued by Elmer Davis, Director of the Office of Information, all plans or proposals for new or continuing series or for individual radio programs developed by or for the national headquarters of the several Government agencies for local stations or networks will be submitted to William B. Lewis, Chief of the Radio Bureau, OWI. for clearance.

In a letter to sponsors and advertising agencies, Mr. Lewis explains:

"These new procedures are effective October 1, 1942, and give detailed instructions for clearance of all radio proposals developed by and for Government agencies.

"This regulation is established (1) because radio time is limited; (2) to insure uniformity of Government war policy to the end that the public is not confused by overlapping and conflicting statements issued from several sources."

The order just issued by Mr. Davis follows:

A. <u>New Radio Programs Proposed by Headquarters of Government</u> Agencies.

1. Plans for new radio programs will be submitted in writing to the Chief of the Radio Bureau with a complete statement, including

- (a) The purpose of the program or series;
- (b) The proposed method of presenting the program, whether over a network, through local stations, live or by transcription;
- (c) The cost of the program and by whom such costs are to be paid;
- (d) The date proposed for release of the individual program together with a copy of the script;
- (e) The date proposed for the initiation of a series, the proposed length of the series, and a sample script together with the name of the writer.

2. Programs approved for network use will be submitted by the Office of War Information to the networks for consideration. OWI will promptly inform the sponsoring Government Agency of the disposition made of the proposal.

3. Programs approved for transcriptions will be given a war information priority rating and the use of such programs will be scheduled in accordance with such ratings.

4. After approval of the basic plans, each script in the series, whether live or transcribed shows, will be submitted to the Radio Bureau, OWI. for clearance.

5. Requests for time for a single broadcast by a speaker may be handled directly by the several Agencies with the networks or stations. In accordance with OWI regulation #1, such speeches will continue to be cleared by the Chief of the Bureau of Publications and Graphics of the OWI.

6. The distribution of all radio scripts and transcriptions will be handled by the Radio Bureau of the OWI unless otherwise approved by the Chief of the Radio Bureau of OWI.

# B. <u>Government Material Supplied by National Headquarters to</u> Established Radio Programs

1. Proposals by Government agencies for the inclusion of official material in established programs, commercial or sustaining, will be submitted to the Radio Bureau, OWI. At the discretion of the Radio Bureau this material will be channelled to the proper outlets. Producers of radio programs seeking specific information or assistance from a Federal Agency, will be referred directly to the information division of the proper agency; OWI shall be informed of the assistance or information supplied.

2. Proposals by private organizations, networks, or sponsors for Federal agency collaboration in developing single programs or series of programs will be cleared with the Radio Bureau, OWI, by the agency concerned.

3. Allocation Plans (for placing Government messages on commercial and sustaining programs) will be continued by the Radio Bureau of OWI.

# C. <u>Government Radio Programs Now on the Air, Produced by</u> or for National Headquarters

1. All Federal Departments and agencies will submit scripts of all broadcasts to the Radio Bureau, OWI, for clearance.

2. Beginning October 1, the Chief of the Radio Bureau, OWI, will hold conferences with representatives of Federal Departments and agencies now broadcasting programs to review the importance of such programs to the war effort.

# D. Radio Activities of Government Field Offices

1. Government radio material placed on local stations by or for the field offices of the several agencies will be cleared through the field offices of OWI. However, all instructions sent by the national headquarters of the Government agencies to field offices regarding the use of radio will be submitted for clearance to the Radio Bureau, OWI. 2. Proposals originating with field offices for new regional or national network programs or proposals for the inclusion of official material in established regional or national network programs, commercial or sustaining, will be submitted to the information headquarters of the agency concerned for clearance with the Radio Bureau, OWI.

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## MCDONALD SEES GREAT FUTURE FOR RADIO

In the leading editorial of the first issue of "Zenith Radiorgan", described as "the national field newspaper of Zenith men and women everywhere", Commander E. F. McDonald writes:

"I make the prediction that radio's future will be even more brilliant in the home, more important to our whole world economy than has been its past.

"One thing is certain. Radio will revolutionize and speed the great new form of transportation . . . aviation!

"Radio has never been universally necessary in transportation before. In automobiles, on trains, it has been entertainment. In ships it has been a great aid but not essential.

"But today - for the future - in that great, new universal transportation that is forming itself, the airplane - radio is essential as the engine itself.

"Airplanes and radio are two of the four great industries that will lead this country back to business normalcy after the peace is won. The two others are chemistry and the automobile.

"I believe in this bright future for radio so strongly that I am asking our management to make it a part of a great Zenith advertising campaign to extend over the next year or so, so that every individual composing the great American public will be made conscious of this future.

"Home radio, too, will benefit by all that electronic development produces.

"The great commercial family which has made the radio industry what it is today, may indeed look forward to greater things than we have yet seen in radio."

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#### ROOSEVELT AS A RADIO WRITER

Drew Pearson, in his syndicated column "The Washington Merry-Go-Round", writes:

"The American public doesn't hear much about the short wave radio broadcasts which send a constant stream of United States propaganda into Axis countries. Still less does it know that recently President Roosevelt himself personally dictated one of the most effective of these broadcasts.

"Briefly summarized, here is what Roosevelt dictated:

"In 1918, the Assistant Secretary of the United States Navy was riding through Brittany when his pilot car, driving ahead of him, bumped into a priest.

"The Assistant Secretary of the Navy went to the assistance of the priest and offered to take him to a hospital. But, brushing off his clothes, the priest said he was not hurt. The Assistant Secretary then offered him compensation. The priest replied that never would he accept any compensation from so fina an organization as the United States Navy.

"'So the Assistant Secretary then asked if there was anything which was particularly needed in his church.

"The priest replied that for some time he had been trying to complete a leaded window in his chapel. So the Assistant Secretary took out his check book and wrote a check for \$200.

"'A year later word was received that the window had been completed, and that a candle was burning in it in memory of the United States Navy and all it represented.

"'Six years later another letter came saying that the candle was still burning. Other letters have followed. And that candle is still burning - unless the Nazis have put it out.'

"Note - The author of the radio script did not say so, but the then Assistant Secretary of the Navy is now the President of the United States."

Mr. Pearson also had this to say of what he called "Elmer Davis' tough job":

"Government friends of Elmer Davis are both sympathetic and skeptical over his decision to go on the air once a week to report to the Nationa.

"They figure that this is a case of a shoemaker reaching for his last. Davis, none too happy with the difficult job of running the Office of War Information, and hamstrung on a lot of his ideas, has now decided to go back to the radio broadcasting which made him famous. This time he will speak not for a sponsor but for the Government.

"Unquestionably his broadcasts will be a hit - at first. But the job of originating news which molds the destiny of a nation, rather than commenting on news which already has been originated, may be a tough assignment."

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# RCA COVERS SELF WITH GLORY IN WAR MERIT AWARDS

In the first awards of Certificates of Individual Production Merit to 17 persons serving as "soldiers of production" in the war plants, six went to the RCA Manufacturing Company. Included in these was the only woman in the United States to be thus honored - Mrs. Smith Lewis, formerly of the RCA Indianapolis plant. In addition to this Arthur Waggoner, also of the RCA Indianapolis plant, was awarded a certificate of honorable mention.

A complete citation of the RCA winners follows:

Mrs. Bonnie Lee Smith Lewis, Indiana, a former employee of the RCA Manufacturing Co., Inc., plant in Indianapolis, suggested the use of a motor-driven wire brush wheel for removing burrs found on the moulded clamping nut of a sound-powered telephone.

Stanley Crawford, New Jersey, a material inspector in the RCA Manufacturing Co. plant at Camden, designed a new type of caliper for determining the wall thicknesses and relationship between a cored interior and the outside surface of castings.

Benjamin Willet, New Jersey, an instructor in the crystal laboratory at the RCA Camden plant, designed a new jig utilizing a diamond-charged saw for slitting quartz crystals. The jig reduced breakage by 75 percent.

Joseph Frank Eckert, Jr., New Jersey, an X-Ray operator at the RCA plant at Camden, suggested a new method to obtain a maximum number of radio quartz crystals from the extremely limited amount of raw material.

Edward Spencer Hoffman, Private, United States Air Corps, formerly a supervisor in the transformer department of the RCA plant at Camden, constructed a small lot of transformers with silicon steel in place of the nickel steel. The transformer passed all tests. As a consequence, 3,000 pounds ofnickel has been saved and production has flowed smoothly.

Albert Peter Ruggieri, New Jersey, a spot welder at the RCA Camden plant, suggested the use of a redesigned aluminum bracket in place of a more complicated bracket of stainless steel with a high chromium content in production of radio equipment.

Arthur Waggoner, Indiana, a finisher for the RCA Manufacturing Co., Indianapolis, devised a new method of finishing diaphragms for soundpower telephones made for the Navy. It accomplished a 44 percent increase in production and an estimated annual saving of 1,100 man-hours.

The Certificates and letters of Honorable Mention have been sent to the Labor-Management Committees in each of the plants and the formal presentation ceremonies are left to their discretion.

# 

9/11/42

## TELLS HOW RADIO BROUGHT \$10,303,369 IN ONE NIGHT

The story of how the Blue network broke all records in its seven-hour all-star program is told in a pamphlet entitled "They pledged America - \$10,303,369", which goes on to say:

"The program started at 9 o'clock. By 10:30 orders for War Bonds had totaled \$3,500,000. This was announced on the air, and the announcement had an electric effect. In another half hour the total had climbed to \$4,500,000.

"And on through the night - Blue Network Station switchboards all over the country were jammed with telephone orders -Western Union machines clicked furiously with orders, penny postcards flooded the mail boxes from Maine to California.

"Here is the result: a total (up to 4 A.M. EWT, Sunday, August 30) of \$10,303,369. And by mail, the orders are still coming in."

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## LA STAYO, HEAD OF WAAT, NEWARK, DIES

Paul H. La Stayo, President and General Manager of the Bremer Broadcasting Company, operators of radio station WAAT at Newark, N. J., died in Jersey City last Saturday, after a year's illness at the age of 44.

Mr. La Stayo was one of the pioneer radio station operators in New Jersey, becoming Secretary of the broadcasting company at its founding in Jersey City in 1926. He had been President and General Manager since 1929. Radio Station WAAT moved from Jersey City to Newark several months ago.

Before joining WAAT, Mr. La Stayo was with the National Cash Register Company's Newark office in the Sales and Promotion Department. He was born in Weehawken, N. J., and had resided in Jersey City for the last twenty years.

Mr. La Stayo was a member of the National Association of Broadcasters, the Bayonne Kiwanis Club, the Yountakah Country Club at Nutley, N. J., and the Jersey City Tuna Club.

He leaves a widow, Margaret Carroll La Stayo; a son, Paul H. Jr., a daughter, Margaret Jean; his mother, two sisters, and a brother, all of Jersey City.

#### \* \* \* \* \* \* \* \* \*

9/11/42

TRADE NOTES

The Senate Finance Committee turned down the House approved increase from 10 to 15 percent in the tax on international telephone, telegraph and cable messages. This was done at the request of the Federal Communications Commission, which thought the tax would discourage proper international relations.

James L. Fly, Chairman of the Federal Communications Commission, returned to Washington today (Friday, September 11th), after an absence of several weeks.

The Office of War Information has announced that topflight radio artists of the country had offered their services to the Government in war work under the direction of the OWI.

A three-way plan, under which the talent of these stars will be utilized, was submitted to OWI by Kay Kyser, who is forming a "Committee of 25" leading radio performers.

Acceptances have been received by OWI from Jack Benny, Edgar Bergen, George Burns, Gracie Allen, Nelson Eddy, Clifton Fadiman, Jean Hersholt, Frank Morgan, Hal Peary, Lanny Ross and Major Bowes. Others invited by Kyser were Mr. and Mrs. Goodman Ace, Fred Allen, Amos and Andy, Bob Burns, Eddie Cantor, Bing Crosby, Bob Hope, Andre Kostelanetz, Fibber McGee and Molly, Edward G. Robinson, Red Skelton, Kate Smith, Fred Waring, William Abbott and Lou Costello.

An amendment to make clear that maximum prices for all radio apparatus and parts covered by Maximum Price Regulation No. 136 are those charged by sellers on March 31, 1942, was issued September 2 by OPA. The Amendment became effective September 8,'42.

Applications were filed in Washington by three FM station owners for licenses to cover installations now on the air, in accordance with recent wartime revisions in FM regulations announced last month by the Federal Communications Commission.

last month by the Federal Communications Commission. The three are W45CM (WBNS, Inc.) of Columbus, Ohio; W65H (WDRC, Inc.) of Hartford, Conn.; and W71NY (Bamberger Broadcasting Service), New York City. Special wartime licenses are now being granted to FM stations under waivers of certain operating standards demanded in the original FM regulations established by the FCC two years ago. Applicants for these licenses, however, must show that shortages of materials and personnel are responsible for their inability to meet all service specifications set forth in their construction permits.

According to Drew Pearson, Nelson Rockefeller, who is 34 years old, has been debating military service. Mr. Pearson adds: "Though Rockefeller has five children, they are not exactly dependents. But friends have persuaded him that coordinating Inter-American Affairs is a wartime essential."

President Roosevelt drew a rating of 50.3% for his "Fireside Chat" Monday night, according to the C. E. Hooper survey. That represented an estimated audience of 37,362,400 listeners. The Chief Executive's rating on his broadcast address last Thursday ('3) by the International Student Assembly in Washington was rated at 19%, according to the Hooper dopesters, while the radio audience for his Aug. 31 speech at the dedication of the new Naval Medical Center, at Bethesda, Md. was given a 19.3% figure by the same survey.

Lehman E. Otis, former News Editor of the United Broadcasting Company, has joined CBS as a writer in the News Room.

Action by the Federal Communications Commission:

WRNL, Richmond Radio Corp., Richmond, Va., granted construction permit to make changes in directional antenna for nighttime use; KWG, McClatchy Broadcasting Co., Stockton, Cal., designated for hearing application to make changes in transmitter and antenna and increase power from 100 to 250 watts; KROY, Royal Miller, Sacramento, Cal., designated for hearing application for construction permit to install a new transmitter and increase power from 100 to 250 watts.

Applications Received: <u>WPTZ</u>, Philco Radio and Television Corp., Philadelphia, Pa., modification of construction permit which authorized construction of new commercial television broadcast station requesting extension of completion date to 12/1/42; <u>WLW</u>, The Crosley Corp., Cincinnati, Ohio, construction permit to increase power from 50 kc. to 650 kw., make changes in transmitter of W8XO for use by WLW and install directional antenna for night use Amended to request modification of license instead of construction permit to operate with power of 50 kw night and 500 kw. daytime using the transmitter licensed to W8XO; W59C, license to cover construction permit which authorized construction of new high frequency broadcast station.

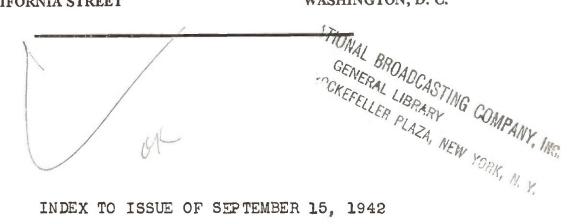
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Says the Gossip from Gotham" column in the <u>Weshington</u> <u>Post</u>: "In the room from which the President broadcast the other night, he watched the various announcers who were introducing him over their hookups. Each announcer broadcast, separately: "The President of the United States." After Mr. Roosevelt heard each deliver this line separately, he told them: "Boys, next time get together." . . . Orson Wells, who recently returned from South America, has lost none of his excitement. The <u>Saturday Evening Post</u> is bidding for his services on that magazine's forthcoming radio series . . . The new 6-nights-a-week radio series for Coca-Cola will be broadcast from the Army camps in the outlying districts - camps which are off the usual entertainment route. X X X X X X X X X X X X - 11 -

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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No. 1463

# MR. FLY ASSURES CONTINUITY OF BROADCASTING SERVICE

At a press conference upon his return to Washington held yesterday (Monday) after an absence of several weeks, Chairman James L. Fly of the Federal Communications Commission discussed his trip and talked informally on various subjects.

"I had a very interesting trip", Mr. Fly said. "I was quite encouraged over the inspection of a number of our field stations, particularly the work of our Radio Intelligence Division in the field of monitoring and radio intelligence generally. I think we have succeeded in establishing a pretty comprehensive and efficient group of facilities and they are splendidly staffed. The people of those stations are on the job. They have their hearts and souls in it and are really doing a swell job and tied in well from the military point of view, and I am very optimistic about the work that is being done.

"Meanwhile a couple of the problems have been receiving attention and perhaps I ought to assure you that the two serious problems - one, as to manpower generally in the communications industry, and the other, as to the assurance of continuity of broadcasting service - that is, in terms of necessary equipment - they have been given very active consideration and a great deal of progress has been made. You are all familiar with the questionnaire on the tube supply which was sent out to all the standard broadcast stations by the Board of War Communications. Now, we have very splendid cooperation from the industry on that. The returns are in and they have been tabulated and a report is now in the hands of the Domestic Broadcasting Committee. I understand that that Committee will meet some time this week and will make recommendations to the Board. The data provided by the report is really very helpful because it goes pretty thoroughly into the status of tube supply amongst all of the broadcasters and will afford a very substantial basis for such action as the Board may take or such recommendations as it will want to forward. Needless to say, tubes are consumable and in substantial quantities, and there is the crux of a pretty serious problem. However, it ought to be made clear that up to the present time the WPB has been able to supply all stations with the necessary tubes. I think there is no doubt from informal information which we have that they can continue to do that for a limited period - perhaps I should say for a substantial period if the conservation of materials is practiced judiciously.

"However, there is our big question mark - that is, the ability of WPB to make tubes available indefinitely. Military requirements are great. Silencing of any station is not an immediate prospect but the need for conservation is immediate. It is present and it is urgent. I cannot but feel some concern about the statements that have been made in places by subordinate officials as to what broadcast service is essential and as to what broadcast service is to be maintained. I think I can fairly say that you may safely disregard all such statements. I am confident that for a substantial period the means can and will be found to maintain all the present broadcast service, and in any case the substantial reducation of broadcast service is not to be decided by isolated subordinate officials. That raises a question of national public policy and it will be decided as a matter of national policy. I have every confidence that problems will be worked out and give industry the continuity and security which it deserves. As you know, different means have been suggested for the conservation of materials, and all of those will be considered by the Board of War Communications when it receives the recommendations of the Domestic Broadcast Committee.

"The problem of manpower for the entire communications industry has been given extensive study and received the cooperative attention of the industry and of the various Government agencies concerned - Board of War Communications, War Manpower Commission, Selective Service, U. S. Employment Service. As you know, a questionnaire covering this field was sent out by the BWC to all the companies, including wire, radio, and the communications companies in general. That information is coming in in pretty good shape. The biggest companies have, of course, the most extensive job, but they will all be in very shortly, and when that information is received and broken down, it will be referred to the respective committees of the BWC for their advice and recommendations.

"The problem of possible shortage and the rate of turnover, possibilities of recruiting the various training programs existing and those that may be possible, will be given consideration. I believe we will get some substantial and constructive results out of this whole study. The communications industry need not feel that this work will be slowed down. It will move along expeditiously and I hope thoroughly and constructively. As you know, the Commission has had a substantial inquiry of the conditions in the telegraph industry under way for some time, and I understand this work is gotten up in good shape and it ought to be before the Commission perhaps within a week."

"You say you did not have any immediate prospect of silencing radio stations?" Mr. Fly was asked.

"That's right", he replied.

"Is there a prospect of limiting the service?"

"None whatsoever", the Chairman answered. "I think some of the competitive sources might like to think so, but that is not true."

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# JOLLIFFE PROMOTION TO RCA MFG. V-P SEEN AS GOOD MOVE

Washington friends of Dr. Charles B. Jolliffe welcomed the news that he had been appointed Vice-President and Chief Engineer of the RCA Manufacturing Company at Camden, N. J. Dr. Jolliffe, who despite his many achievements is only 48 years old, has been holding down two other very important jobs - Assistant to the President of the Radio Corporation of America, and Chief Engineer of the RCA Laboratories.

One looking at Dr. Jolliffe, large and jovial, very much like former President Taft at that age, would never take him for a technical man. Far from the dreamer type of scientist, Dr. Jolliffe always comes through with a clear cut reply which even such a writer as this one is invariably able to understand. Never known to seek publicity for himself, he is always most helpful to those desiring information in his particular field.

Dr. Jolliffe was born at Mannington, West Virginia, was graduated from West Virginia University with a B.Sc. degree in 1915, and achieved the M.S. degree at West Virginia in 1920, and the honorary degree LL.D. from his Alma Mater in 1942. He was awarded the Ph.D in 1922 at Cornell University where he was instructor of Physics from 1920 to 1922. From 1922 to 1930 he served as a physicist in the Radio Section of the Bureau of Standards, where he developed a standard for measuring the accuracy of broadcasting stations in holding to assigned wavelengths. He left that post in 1930 to accept the appointment of Chief Engineer of the Federal Radio Commission, the position he also held under the Federal Communications Commission in 1934.

Dr. Jolliffe resigned his FCC position in November 1935 to join the engineering staff of the Radio Corporation of America as Engineer in charge of the RCA Frequency Bureau. In 1941, he was appointed Chief Engineer of RCA Laboratories, and early in 1943 his appointment as Assistant to the President of RCA was announced. Dr. Jolliffe has attended many international radio conventions as a delegate of the United States and as a technical adviser. Presently he is serving on several Government wartime committees that pertain to radio communications and research. He is Vice-Chairman of Division C of the National Defense Research Committee of the Office of Scientific Research and Development; Secretary of the Industry Advisory Committee of the Defense Communications Board, and has served on other Committees of the Board. He is also a member of the Engineers Defense Board.

"Dr. Jolliffe enters the manufacturing organization of RCA at a time when the plants are geared to all-out wartime production", said G. K. Throckmorton, Chairman of the RCA Manufacturing Co. Executive Committee. "His valuable engineering experience in the fields of radio and electronics, together with his outstanding qualifications as an administrator are expected to contribute greatly to wartime radio manufacturing, and in planning for the post-war period. Dr. Jolliffe's home is at Princeton, N. J., where he lives with his wife and two daughters, Jane and Julia. He is a member of Phi Beta Kappa and Sigma Xi.

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#### KNOX AGAIN HOLDS RADIO AND PRESS CONFERENCES

After denying himself to them for such a long time that he was dubbed "Santa Claus" (who only appears in public once a year), Secretary of the Navy Knox is resuming his conferences with radio and press representatives. He will now see them twice a week. Mr. Knox had cancelled these conferences because of the criticism that Government high officials were talking too much.

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# GANNETT ASKS "WHOLE TRUTH" COMMUNIQUES

Frank E. Gannett, publisher of the Gannett newspapers, said in a Blue Network broadcast last Sunday night that the people could depend on finding the truth in official statements but "what we cannot depend upon is that it is the whole truth".

Mr. Gannett declared that newspaper and radio people had "bent over backward in their effort to meet suggestions from the Office of Censorship, to avoid any appearance of hampering the military services" but that the editors were "irritated by partial reports, by reports withheld beyond the period when they could be any possible aid to the enemy."

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# FTC CAUTIONS ON SHORT-WAVE DIATHERMY DEVICE

George S. Mogilner and James Walker, trading as Merit Health Appliance Co., 707 South Hill St., Los Angeles, engaged in the sale and distribution of a therapeutic device designated "Merit Short Wave Diathermy", have been ordered by the Federal Trade Commission to cease and desist from false advertising and misrepresentation of their product.

In advertisements in newspapers, by radio broadcasts and other means, the Commission finds, the respondents have represented that unsupervised use of their short wave diathermy device by the lay public for self-diagnosed conditions through self-application in the home constitutes a competent and effective means and method for the treatment of numerous ailments, including rheumatism, arthritis, neuritis, and other ailments and for the alleviation of pain resulting from such conditions, and that such use of the device is entirely safe and harmless.

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# I. T. & T. GETS NEW RADIO BLIND LANDING SYSTEM

The International Telephone and Radio Manufacturing Corporation has secured the rights of a new system for blind landing of airplanes invented by Andrew Alford of New York (Patent No. 2,294,882), The plane is guided along an easy curve nowhere too steep, and the wheels touch the ground at the lowermost horizontal part of the curve. This guidance is provided by a radio antenna system located to one side.

These objects are obtained by an antenna system which spreads out the radiation in the form of a hollow cone, like the top of a funnel, and the radiation is narrowly confined to the surface of this cone.

According to the inventor his device provides the ideal path for a landing airplane. It is nearly straight and not too steep in the upper reaches, and curves gently to the horizontal near the ground. The aviator has only to keep his antenna in the radiation and when he reaches the lowest point his wheels, which are considerably below the antenna, will touch the ground. However, he must come in on the regular beam, which will guide him from afar to a position centrally over the runway. When he strikes the conical radiation, he will know it is time to descend.

Previous landing paths guided by radio, the inventor states, have either been straight, which means that the airplane strikes the ground at a sharp angle, or parabolic. This curve, he says, is all right at the landing end but too steep up above.

The Wesinghouse Company has secured the rights to a cathode-ray oscilloscope invented by Donald G. Little of Baltimore (Patent No. 2,295,412). This gives the pilot of an airplane continual indication of the direction if incoming radio signals and of the proper functioning of the apparatus.

In the ordinary direction finder, the loop is turned until the incoming signal is reduced to a minimum or to silence, which might also mean that the receiver has ceased to function. In the present invention the loop is revolved continually, and a normal wave pattern of circular form is thrown on the oscilloscope screen so long as the apparatus functions.

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The Saint Denis and Tananarive radio stations operated by the Vichy French at Reunion Island and Madagascar have been following a pro-Axis line, according to a monitoring report received here by the Federal Communications Commission a few hours before the announcement that the British forces were attacking the western coast of Madagascar.

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# FRONT SEATS AT PREMIUM FOR SENATE PETRILLO SHOW

Music will be dispensed with, nevertheless the "Standing Room Only" sign will be hung out early when the Senate Interstate Commerce sub-committee, headed by Senator Clark (D.), of Idaho, begins its preliminary Petrillo inquiry next Thursday, September 17, Mr. Petrillo, "himself, in person" is expected to be the biggest drawing card but the Senators, always the best showmen on the Hill, so as to sustain the interest, will hold him for one of the last witnesses. Petrillo will probably therefore not make his appearance on the witness stand until next week sometime.

The first witness Thursday will be Elmer Davis, head of the Office of War Information, who had his ears pretty well pinned down sometime ago when single-handed he tried to put the little music dictator in his place. Then Friday will come James L. Fly, Chairman of the Federal Communications Commission, who Petrillo likewise told where to get off. When Mr. Fly was asked about his forthcoming appearance, he said:

"Mr. Petrillo is still with us. You know the status of that matter. At least at the moment there is legislative consideration of it. The problem itself has become more extensive and, if anything, more serious. Under the present conditions there is a serious question as to whether our broadcasting services and other public services, which after all are a part of the over-all war machine, will be able to move along in the national public interest, or whether it is going to be continually hampered by monkey wrenches thrown into the machine room."

"Will you speak from a written statement before you are questioned? Or will you ad lib?" he was asked.

"Well, I generally prefer to move along informally. I just don't know what will be done in this case. We are getting up some data and exhibts which will be available. I doubt, however, if I will read a prepared statement", the Chairman replied.

In the meantime the music war appears to have opened on an entirely new front. Further broadcasting by the Eastman School of music at Rochester will not be permitted, because of the policy laid down by Mr. Petrillo, according to Dr. Howard Hanson, Director of the School.

Many members of the Eastman School Symphony Orchestra, composed of 120 instrumentalists, are students who do not belong to the Musicians' Union, Dr. Hanson said, and therefore are subject to the Petrillo radio prohibition.

At the same time Dr. Hanson revealed that the Eastman-Rochester Symphony Orchestra and the Rochester Civic Orchestra would be heard over the air in a series of concerts this season, beginning in October. Broadcasting by these orchestras without conflicting with the Petrillo policy was made possible, he said, by the fact that the sixty members of both, some advanced students at the school, are members of the union. The Eastman-Rochester Symphony also records for Victor.

The newspapers continued to take a lively interest in the case, the <u>Washington Post</u> saying:

"The latest edict of James C. Petrillo, the A. F. of L. radio dictator, which would restrict the use of radio transcriptions, has radio people in the Federal service worried. In the first place, the Government is by far the largest user of radio transcriptions. The transcriptions are made by the hundreds here at Government studios. War bonds, Army and Navy openings and much other vital war information is publicized through transcriptions. Many of the transcriptions have music and Petrillo tells the radio stations what music it can play and when. You can be sure the Government will crack down on the labor czar if its toes are stepped on."

Someone wrote to the New York Times:

"Is nothing sacred from Mr. Petrillo?

"I find it almost impossible to believe that there isn't some one or something in our country that can stop such unbridled domination of what can be at least described as an educational aid. That he should dare to prevent an Army band from performing should surely have been enough to prove the danger to come from his power.

"Abroad we are fighting against dictators of another sort, who ban a particular composer or type of music. Here at home we can boast of a man who can, at will, ban not only any form of music but the musicians themselves."

The hearing on the motion for an injunction against the American Federation of Musicians and Mr. Petrillo scheduled in Chicago for September 16 in the Federal District Court has now been postponed until October 12.

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## BBC INSTRUCTS GERMANS HOW TO GET SHORT-WAVE

A BBC German-language broadcast recently gave instructions on how to convert the standard German radio set, the "people's receiver" into a short wave receiver.

The Germans are prohibited under penalty of death from listening to foreign broadcasts, but the BBC said, "We have been asked repeatedly" for the necessary instructions. The only material needed, said the broadcast, heard in the United States by CBS, is a cardboard tube and a few yards of insulated wire. It promised to repeat the instructions periodically.

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# SENATOR WALLACE WHITE MOPS UP OPPONENT

Senator Wallace White of Maine (R.), in the election yesterday (Monday), according to early returns, mopped up his opponent Fulton J. Redman (D.) by an almost 3-1 vote. With 461 of 625 precincts tabulated Senator White had 69,242 votes to Redman's 26,833.

Senator White, co-author of the Radio Act, is the best informed man on the subject of radio and communications in Congress. Serving as a member of the House from 1917-31, he has been in the Senate ever since. His connection with radio began when he was on the House Committee on Merchant Marine and Fisheries which handles radio matters in the House and of which he later became Chairman. In the Senate he is a member of the Interstate Commerce Committee which concerns itself with radio and communications in the upper body.

In 1924 Senator White was a delegate to the Pan American Electrical Communications Conference in Mexico City. The next year he attended the International Telegraph Conference in Paris. In 1927 he went to the International Juridicial Conference in Wireless Telegraphy at Geneva, of which he was later elected President of the American Section. Senator White was Chairman of the U. S. delegation to the International Communications meeting in Copenhagen in 1931, also Chairman of the U. S. delegation at the Telecommunications Conference in Cairo in 1938.

It is a coincidence that with the return to the Senate for six years of Mr. White, comes word that former Senator C. C. Dill, co-author with Senator White of the Radio Act of 1927, has won the Democratic nomination for Congress in Spokane. The opinion seems to be that Mr. Dill has a pretty good chance to return to Washington.

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## RCA DECLARES QUARTERLY DIVIDENDS

Quarterly dividends on the outstanding shares of Radio Corporation of America \$3.50 First Preferred stock and outstanding shares of "B" Preferred stock, were declared last week by the Board of Directors, and announced by Lieut. General J. G. Harbord, Chairman of the Board.

The dividend on the First Preferred stock is  $87\frac{1}{2}$  cents per share, and the dividend on the "B" Preferred stock is \$1.25 per share.

These dividends are for the period from July 1, 1942 to September 30, 1942, and will be paid on October 1, 1942 to stockholders of record at the close of business September 21.

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TRADE NOTES

In furtherance of the discussions held with the Office of War Information in Washington last week, the Inter-Allied Information Committee will continue to perform the following services: Maintain in New York a clearing-house for research and reference with respect to documentary material obtained from information services of the United Nations; publish a monthly periodical containing texts of speeches, statements and other documents of the United Nations; and coordinate, prepare, and make available material from United Nations sources for radio, films, photographs, exhibits, press, and other information media. It is understood that the policy and program of the Inter-Allied Information Center shall be consistent with those of the Office of War Information and that the OWI will be represented in connection with all of the Committee's activities.

Press associations, newspapers, and radio broadcasting stations are exempted from a War Production Board order recently issued placing further restriction on telephone installations. Additional service will be available to the exempted list, as needed, because subscribens of the classes named are engaged in work "related to direct defense, public health, welfare or security", WPB explained.

Former Congressman and Interior Under Secretary John J. Dempsey, who recently received the Democratic Nomination for Governor of New Mexico, is the father of William J. Dempsey, former General Counsel of the Federal Communications Commission.

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A resolution introduced by former Congressman Dempsey was responsible for the creation of the gallery for radio correspondents in the House. Formerly there were only press galleries at the Capitol for newspapermen but now there are galleries in both the House and Senate for radio news correspondents.

A set of films released through the Bureau of Aeronautics Training Film Unit has been obtained for the library of the Thomas S. Lee television station W6XAO, Los Angeles. The two introductory films show the WEFT (wings, engine, fuselage and tail) system of aircraft identification, which depict basic, special and particular characteristics of aircraft. This station presents programs each alternate Saturday evening, with television test patterns, or test film transmissions.

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Sidney Strotz, NBC Vice President in Charge of the Western Division, Hollywood, represented the radio industry at the annual meeting of the American Council of Public Relations, San Francisco.

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The Office of War Information has announced a new series of brief war messages for farmers beginning today (September 15) on the National Farm and Home Hour, Blue Network daily program. Three special three-minute spots will be broadcast regularly each week. To introduce the series to the radio audience, William B.

Lewis, Chief of the Radio Bureau of the Office of War Information,

will deliver a brief talk on the first broadcast. One of the war messages each week will cover problems of the home front: rationing, control of the cost of living, labor supply, and similar subjects.

After nine months of war, 291 men from R.C.A. Communications, Inc. serve in the Nation's armed forces.

Creditors of the Don Lee Broadcasting System need never worry about getting their money. This concern is so punctilious about paying bills that it sends the checks by air mail. ------

OPA has postponed for a month, or until October 1st, the effective date of the machinery price regulation on sales or deliveries of storage batteries. The date originally was September 1, but the office wanted more time in which to complete studies of cost factors in the manufacture and sale of the batteries. Sales at the retail level are not involved, as they are covered by GMPR.

Shortwave radio programs in Swedish and Spanish are being beamed to South America in experiments conducted by the Swedish Broadcasting Company, to ascertain the best wavelength, direction of aerial, and strength of signal. Officers of Swedish ships engaged in safe conduct trade through South American ports, are checking on the reception. Swedes living abroad had asked that a more powerful sending unit be installed.

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A contingent of 470 young women will be assigned to Madison, Wis., about November 1 to take a Navy radio training at the University of Wisconsin. The school will be the only one of its kind in the country, Lieut. Comdr. Elmer H. Schubert has said. The students will be between 20 and 30 years of age and

will enlist in the V-10 group of the new Naval Reserve. Qualifications call for high school graduates who are physically fit.

William B. Ziff, author of the new best seller "The Coming Battle With Germany", who was once publisher of <u>Radio News</u>, says: "The only way we have of winning is to get at the enemy

and hit him hard. The only way we can get to him is through the air." 

A radio news report from Berlin giving full details, within 48 hours, of the seizure of a German business house in Managua, has given rise to a belief that a secret Axis radio station is operating in Nicaragua. If a clandestine radio is operating in this Caribbean nation, it is logical also to suppose that it relays all possible information on Caribbean ship movements.

Volume VII in the series of radio educational volumes by Dr. Carroll Atkinson, Director of the Nelson Memorial Library, Detroit under title, "Radio in State and Territorial Educational Departments", is just off the press.

The other titles were published during the 1941-42 school year. The first seven have been by Dr. Atkinson with Volume VIII by Dr. A. A. Reed, Deputy Commissioner of Education for Nebraska, to be issued within a few months.

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# DETECTOR SPEEDS RADIO TUBE PRODUCTION

Increased production of high-power radio tubes being built at the Westinghouse Lamp Division for the armed forces, has been made possible by the development of a mechanical detector that automatically sorts filaments by spectroscopic analysis, Dr. Harvey C. Rentschler, Director of the Division's Research Laboratories, has announced.

Known as a thorium detector, the device was invented by Dr. N. C. Beese, laboratory staff physicist. It is credited with cutting hours and guess-work from the necessary testing of wires before they are used in radio tubes.

"Government requirements for radio transmitters, detector and receiving tubes necessitate, in some cases, pure tungsten wire", Dr. Beese explained, "and in others thoriated tungsten wire. These filaments when heated produce the necessary electrons for power.

"If the tubes are made with the wrong kind of wire they fail by burning out in short periods of time", the physicist added.

Introduction of a small percentage of thorium into a tungsten wire increases its ability to emit electrons and gives increased efficiency to certain types of tubes, Dr. Beese said. The different tubes require the tungsten or thoriated tungsten filaments for maximum efficiency, but they are not interchangeable.

The thorium detector, with the aid of a spectroscope - the optical instrument used in observing visible images of the color spectrum - detects the presence of any appreciable amount of thorium in tungsten wire.

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# BULB COMPANY ANSWERS FTC COMPLAINT

Duo-Tint Bulb & Battery Co., Inc., and Carrie Riggs, Helen Corts and Dalton W. Riggs, officers of the corporation, 4431 North Racine Ave., Chicago, have filed answer denying charges of misrepresentation made in a Federal Trade Commission complaint issued against them.

The answer admits importation of electric light bulbs from Japan in the past but asserts that none have been received by the respondent since June, 1941. All the bulbs imported from Japan had the word "Japan" stamped on the base part of the bulb but the answer denies that the respondents made a practice of assembling the bulbs in boxes or pasteboards in such a manner as to conceal from view of prospective purchasers that part of the bulb on which the word "Japan" was stamped or that the bulbs were distributed in commerce without any markings to inform purchasers that they were of Japanese origin.

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

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No. 1464

# HIGHER COURT REVERSES FCC IN KOA CLEAR CHANNEL CASE

A decision handed down by the U. S. Court of Appeals for the District of Columbia reverses the action of the Federal Communications Commission in excluding the appellant from participation in the proceeding of placing WHDF, of Boston, with 5 KW power on a clear channel with KOA, a Class I 50 KW station of Denver. It was a decision of great importance to the broadcasting industry and a victory for the National Broadcasting Company, licensee of KOA. Also NBC's counsel, Duke M. Patrick and Philip J. Hennessey, Jr., who appealed the case to the District Court a year ago last April.

The District Court's reversal of the FCC was likewise a victory for FCC Commissioners T.A.M. Craven and Case, who had protested against the action of the Commission in placing WHDF on KOA's clear channel, declaring: "This discrimination is inequitable and not in accordance with the best administrative and judicial practices."

Concurring in the conclusion that the appellant not only had the right to appeal to the Court but also the right to intervene in the proceeding, were Chief Justice Groner and Associate Justices Rutledge, Vinson and Stephens. Dissenting were Justices Miller and Edgerton.

The majority opinion written by Mr. Justice Rutledge was a lengthy one of which portions follow:

"The Communications Commission deals with highly technical and complex engineering and economic functions and relations, a highly organized and crowded industry serving primarily a public interest, but strongly affected with private incentive. Its functions are both regulatory and quasi-judicial. Its action in a single case often affects many persons, station licensees and others. Its hearings therefore tend to be many-party ones, in which each one appearing seeks as large a participation as possible. Often cer-issues affect some, but not other parties. Yet once a party has come in, his tendency is to have a hand in all that goes on. Crossexamination especially lends itself to abuse in such a situation. So does the opportunity to present expert testimony. Consequently, in contrast with the fundamental right to come in, to be present as a party and be heard, much in the way of discretion must be conceded to the Commission in controlling the extent to which parties may be allowed to participate. The Commission's objective of keeping the hearings within manageable bounds is to be achieved, therefore, not as has been attempted by excluding persons who rightfully should come in, but by controlling through reasonable regulation the extent to which they may take part. As to this the Commission has and rightfully may exercise much authority in various specific ways."

- 1 -

"It is not necessary to extend the discussion further. Appellant has shown sufficiently its right to come in. It should have been allowed to do so, as a party to the proceeding, not merely as a friend of the Commission or a member of the public. That is true, notwithstanding the extent of participation actually allowed may have been been substantially all that a party was entitled to have, though by this statement it is not intimated that this was true. That question need not be determined. It is one thing to be present as a party, and as a matter of right. It is another to appear upon favor or by sufferance. It is still another to be heard in a particular fashion or at a particular time or stage. \* \* \*

"Without attempting therefore to blueprint the procedure to be followed with respect to the extent of appellant's participation in another hearing, we may leave such matters to the Commission's judgment, where they properly belong, subject only to compliance with the basic requirements of fair play and adequate opportunity to be heard.

"For the error in excluding appellant from participation as a party in the final and controversial stage of the proceeding, contrary to the requirement of Section 303(f) of the Act, the order must be reversed, with directions to afford appellant opportunity for hearing in accordance with the provisions of that section."

Chief Justice Groner and Mr. Justice Vinson in a separate opinion concurred in the conclusion of Judge Rutledge that appellant had not only a right to appeal to the District Court under Section 402(b)(2) of the Communications Act, but also the right to intervene in the proceeding before the Commission.

"We are, therefore, in agreement with Judge Rutledge that the case should be reversed and remanded for further hearing", they stated. "There was no default in this case."

Mr. Justice Stephens also concurred in the conclusion of Judge Rutledge that the case should be reversed and remanded for further hearing and said that he, too, was in agreement of the views expressed by Judges Groner and Vinson.

Mr. Justice Miller dissenting said: "I find no substantial allegation of injury in any of the appellant's reasons for appeal. Surely it is not enough, to secure standing to appeal on the basis of affectation of interest or aggrievement, that electrical interference will occur beyond that previously occurring. Surely some injury, actual or anticipated, should be the minimum requirement. And if injury has occurred or is threatened, what other test or measure of its substantiality could there be than that it is financial?

"It is apparent in the present case, therefore, that unless electrical interference was likely to result in financial injury appellant was not an aggrieved or affected person within the meaning of the statute. And if financial injury was likely to result, the licensee could have spelled out that fact in his reasons for appeal. It imposes no undue burden upon one who seeks judicial review of the Commission's decision, to require that he specify clearly, unequivocally, precisely, the nature of his alleged injury. This, appellant has failed to do. Consequently, I would dismiss the appeal."

# Judge Edgerton dissenting said:

"I find nothing in the Communications Act which required the Commission to give appellant a hearing; quite the contrary. Yet the Commission gave appellant a hearing. It violated neither the Act nor due process. \* \* \*

"It may be that appellant was, as a matter of due process, entitled to some sort of hearing. The Commission's proceedings had a fact-finding aspect, and were more likely to affect appellant's interests than those of any other person. But appellant was not entitled to a hearing which should include 'the incidents of a trial in court'. Persons may be 'heard' without being 'permitted to intervene, and thus become perties'. Appellant was entitled to no more than a hearing reasonably adequate to protect its interests and reasonably practicable for the Commission and the public; in other words, to a fair opportunity to bring its facts and arguments to the Commission's attention. It had such a hearing - whether of right or of grace we need not inquire. Pursuant to the Commission's Rule 1.195, it was given an opportunity to appear and present evidence. It chose not to do so. It was permitted to, and did, file a brief and make oral argument. Nothing more was required. It was not formally a party, and some aspects of a trial at law, including opportunity for cross-examination, may have been absent. To rule as the majority of the court in effect do, that the Commission's To rule, action was therefore erroneous, is to cramp the administrative process by forcing it into the very mold which it is designed to avoid. Since the Commission had to decide primarily a question of policy and only incidentally a question of fact, the technique of a trial would have been clumsy and wasteful."

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# FELDMAN LEAVES NBC SPECIAL EVENTS POST TO AID BBC

Arthur S. Feldman, Supervisor of Special Events for the National Broadcasting Company, has been granted a leave of absence, to work with the British Broadcasting Corporation in England on programs to be short-waved to the United States and other parts of the world from the ever-increasing number of United States troops stationed in the British Isles. He will work with the Department of Outside Broadcasts of BBC, which corresponds to NBC's Special Events Division.

In his new post, Mr. Feldman, who is only 27 years old but who has been with NBC for 7 years, will be in close contact with the staff of Lt. Gen. Dwight B. Eisenhower, Commander of the American troops in the British Isles. He will be available, on an advisory basis, to other departments of BBC and will be an official consultant to Lt. Col. E. M. Kirby, Chief of the Radio Section of the Public Relations Branch of the U.S. War Department.

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# NO MORE AMATEUR LICENSES TO BE ISSUED

The Federal Communications Commission has discontinued the issuance of new, renewal, or modified amateur station licenses until further order of the Commission. This action has been taken in view of the many difficult administrative problems which have arisen in connection with the issuance of amateur station licenses as a result of the war. Inasmuch as many licensees are in the military services or engaged in war industries in various parts of the country, it is impossible for such station licensees to exercise proper control of transmitting apparatus and the control of the premises upon which such apparatus is located as required by the Rules and Regulations Governing Amateur Radio Stations and Operators.

Commission Orders No. 87 and 17 A adopted in December and January respectively, require complete cessation of all amateur radio operation in the interest of national security. The Commission, however, continued to renew and modify existing amateur station licenses in view of possible utilization of such stations in connection with Civilian Defense activities. The establishment of the War Emergency Radio Service, however, will provide Civilian Defense and State Guard organizations with the desired emergency communication in connection with national defense and security. The Commission will continue its policy in regard to the issuance of new or renewed amateur operator licenses or modification of such licenses for change in operator privileges. The holder of an amateur operator license desiring to maintain his amateur status should submit application for amateur operator and amateur station license renewal in accordance with the Rules.

With respect to amateur station licenses which are valid as of the date of adoption of Order No. 87-B and are not revoked prior to their expiration, it is contemplated that the licensees thereof, who maintain valid amateur operator licenses, will be granted appropriate amateur station authorization when amateur stations are again allowed to be operated, subject to the filing of such additional applications as may be required. It is further contemplated that the future operation of amateur stations will be authorized upon such bands of frequencies as may then be allocated to the amateur service.

Insofar as it is possible and practicable to do so, the call letters of outstanding amateur station licenses will be reserved for assignment to the present station licensee upon proper application when licensing of amateur stations is resumed.

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# U.S. COURT REFUSES TO VACATE RCA CONSENT DECREE

Judge Albert B. Maris in the U. S. District Court at Wilmington, refused to vacate a 10-year old consent decree between the Radio Corporation of America and the Government. This action by the Court is not only of interest to the radio industry but is of great importance to other industries as it may affect the permanence of all consent decrees made during the past 20 years.

The opinion of Mr. Justice Maris follows:

"The Government has moved to vacate the consent decrees which were heretofore entered in this suit pursuant to formal written stipulations of the parties. The motion is based upon the sole ground that in the opinion of the Department of Justice the decrees do not now promote the public interest. The motion is vigorously opposed by the defendants. It presents the question whether a consent decree may be vacated solely upon the ground stated and without proof of any change in circumstances since its entry. A subsidiary question is whether the decrees conferred benefits upon the defendants. If they did, the Government concedes that its motion must be denied. After full consideration I have reached the conclusion that the first question must be answered in the negative and the second in the affirmative. I shall state briefly my reasons for reaching these conclusions.

"A consent decree, although based upon an agreement of the parties rather than a finding of facts by the Court, is not a mere authentication or recording of that agreement. It is a judicial act and, therefore, involves a determination by the chancellor that it is equitable and in the public interest. The fact that the court may consider the opinion of the Department of Justice to the same effect does not mean that the court has abdicated its power, or failed to carry out its responsibility, to make an independent determination of the propriety and equity of the decree proposed by the parties. For as the Supreme Court pointed out in Appalachian Coals, Inc. v. United States, 288 U.S. 344, 377, a suit for an injunction under the anti-trust laws is governed by the same principles which are applicable to suits for equitable relief generally. It is fundamental to our form of government that in such suits, as in all other matters brought before them for judicial action, the courts must act 'in accordance with their own convictions, uninfluenced by the opinions of any and every other department of the Government'."

"I think it is clear, as Justice Frankfurter suggested in a dissenting opinion in Chrysler Corporation v. United States, 316 U.S., that the modification or vacation of a consent decree previously entered involves the same duty of the court independently to determine that the action is equitable and in the public interest. Accordingly I cannot accede to the contention of the Government that the sole basis of the consent decree was the Attorney General's representation to the court that it would provide suitable relief concerning the matters charged in the petition, and that consequently his present representation that it no longer serves the public interest requires the court, in the absence of some benefit to the defendants, to vacate the decree without evidence or agreement.

"Furthermore I am satisfied that the defendants derived substantial benefit from the consent decrees. It has been held that such a decree in an anti-trust case binds the Government as well as the defendants even though it later appears that it was inadequate when entered, for the agreement upon which it is based is within the power of the Attorney General to make and his authority to determine what relief will satisfy the requirements of the law 'includes the power to make erroneous decisions as well as correct ones'.

"In the present case the Attorney General determined that certain relief short of that prayed for would satisfy the public interest and he agreed to the entry of decrees terminating the suit by granting that relief. Since these consent decrees are based upon an agreement made by the Attorney General which is binding upon the Government the defendants are entitled to set them up as a bar to any attempt by the Government to relitigate the issues raised in the suit or to seek relief with respect thereto additional to that given by the consent decrees. This is a very real benefit of which they would be deprived were the Government's motion to be granted.

"I do not overlook the fact that consent decrees may be set aside for lack of actual consent to the decrees as entered, for fraud in their procurement, or for lack of Federal jurisdiction. No such ground for vacating them is asserted here, however. Likewise I fully recognize the power of this court to modify the decrees upon a showing of a change in circumstances since their entry requiring such modification. It would seem, however, that such modification must be consistent with the purpose of the original decrees and calculated to effectuate and not thwart their basic purpose.

"The motion to vacate the consent decrees heretofore entered herein is denied."

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RICHARDSON, NEW NBC LONDON MAN, GETS CAPITAL SEND-OFF

Stanley P. Richardson, Special Advisor on short-wave to the Office of Censorship, who has just been made Manager of the London office of the National Broadcasting Company, received a fine send-off from his colleagues and top public relations executives in the Army, Navy and Marine Corps at a party given last Wednesday afternoon by Frank M. Russell, Washington Vice-President of NBC. Mr. Russell was assisted by Carleton D. Smith, presidential announcer and Manager of WRC, and his assistant Fred Shawn. Also present was J. Harold Ryan, Assistant U. S. Censor in charge of Radio.

Mr. Richardson, a native Virginian, was with the Associated Press many years in Washington and later was secretary to Ambassador Joesph E. Davies.

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# NO SECOND PRIZE IN THIS WAR, NELSON TELLS RCA WORKERS

In an address over the Blue Network and the National Broadcasting Company, Chairman Donald M. Nelson of the War Production Board spoke to a Labor-Management Committee rally of the RCA Manufacturing Co. at Camden, N. J., and to Labor-Management Committees of the War Production Drive, declaring that in this war we'd have to win - that there is no second prize. Mr. Nelson offered congratulations to five men and a woman of the RCA who were seated on the platform at Camden who had received the Certificates of Individual Production Merit that the Government for the first time in history now accords. Chairman Nelson said:

"A great crowd of war workers assembled by a Labor-Management Committee in our eastern workshop at Camden, N.J. shows me we have come a long way in the past half year toward attaining our goals and that whole-hearted teamwork of men and management which is essential to victory, but I am aware, too, that we still have far to go. We have not won this war. We are not even winning it - yet.

"Last Spring President Roosevelt directed that I 'bring home to labor and management alike the supreme importance of war production'. This was undertaken through a War Production Drive. I invited the men and women at the machines and in management to form themselves in the American way into Labor-Management Committees and to get on with the job. Labor and Management accepted the invitation. They did get on with the job. They accepted that invitation in such a manner that tonight on this network as a guest of the Camden, N.J. Labor-Management War ProductionDrive Committee of RCA Manufacturing Co. I can address three and one-half million workers enrolled in similar committees in 1500 war plants from Maine to California, and can report on their work to the Nation.

"Tonight I can tell them that these efforts have been effective. The last summary showed that war production has been driven up from Pearl Harbor by 350 percent. That is a good record but not good enough. In this game we are playing for keeps.

"No matter what was the shade of our personal opinions on the domestic questions which once worried us, we are now all of one mind. No matter what our status in peacetime America, we are all enlisted for the duration in the ranks of the defenders of democracy in a global war.

"Six months ago when the soldiers of production started mobilizing in the War Production Drive, they were asked to take on certain essential tasks. All of these tasks were intended solely to aid in producing more to win the war. But in order to get these tasks done, both Labor and Management in war plants were asked to work together through joint committees. Fairly and properly represented, Labor and Management were requested to discuss and settle differences, and to work together for the common cause of producing what we must have to survive. "This has been done. It has not been done in every instance. You have read of the exceptions where Americans fought each other instead of the Axis. You know the rising temper of the country toward such performances. But we must not confuse the exceptions with the general rule. I am glad to report tonight that interferences with production because of disputes between labor and management have been exceedingly rare in this production drive.

"Where formed, committees were asked to see that each worker know just what his particular task was contributing toward the war. Many workers in our hurriedly reassembled war economy are disturbed and think something is amiss when they find themselves performing the same task this year as last. But many a peace-time job has become a war-time task."

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#### PAUL M. HOLLISTER NEW CBS VICE-PRESIDENT

Paul M. Hollister has been appointed Vice President of the Columbia Broadcasting System in Charge of Advertising and Sales Promotion, according to an announcement made by Paul W. Kesten, CBS General Manager.

Mr. Hollister's career includes a substantial total of agency experience in the H. K. McCann Company, Batten, Barton, Durstine, and Osborn, and J. Stirling Getchell, Inc., the vice-presidency of which he resigned last month. Mr. Hollister was also Executive Vice President and Publicity Director of R. H. Macy and Company for eight years.

"CBS has known and dealt with Mr. Hollister for many years past", said Mr. Kesten's statement, "both as collaborator in his agency and retail connections, and as friendly competitor when he was a director of a New York radio station. His knowledge of practical radio goes back to its early days. He has had a hand in evolving certain of radio's progressive forms, and he knows selling from both sides of the retail counter. As a creative advertising man, CBS has regarded him as one of the leaders in his profession."

Mr. Hollister started his new duties September 15th.

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Vincent Callahan, Director of Radio and Press for the Treasury's War Savings Staff, states: "Radio Bond sales by stations that have reported to date are more than satisfactory. As of September 12, returns had been received from 148 stations. These stations reported a total of \$2,441,530.37 - or an average of roughly \$160,000 per station reporting during the month and a half that the plan has been in operation."

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## PETRILLO ON SENATE GRILL NEXT WEEK - MAYBE

The Senate sub-committee investigating the Petrillo ban adjourned today (Friday) after a two-day session until 10:30 o'clock Monday morning. Thurman Arnold #1 trust buster will probably appear at that time. There still seems to be some uncertainty if and when Mr. Petrillo will appear, but it was said that he might be put on the grill early in the week. There was no question as to the desire of the Senators to get at him.

The first witness was Elmer Davis, Director of War Information, who went over pretty much the same ground as he did in his recent letter to the Music Federation head.

"A policy which threatens the continuance of many of these stations is injurious to the national system of communication and may seriously hamper the work - for which this office (OWI) was established - of informing the people about the status and progress of the war effort and the war policies, activities and aims of this government", Mr. Davis said.

Mr. Davis declared that he had appealed to Mr. Petrillo with the approval of the War and Navy Departments, the Marine Corps, the Coast Guard, the Treasury Department, the Office of Civilian Defense and his own organization, and said that while it resulted in one small concession from the union leader, this was later revoked.

"There are more than 150 communities in this country", he said, "which are not within the jurisdiction of any local union of the American Federation of Musicians but which are served by as many or more radio stations. Many of the stations are in small communities in which there are few if any unemployed union musicians. These stations are dependent on recorded music to hold their audiences, without which they would be unable to keep going.

"This office has a direct and vital concern with the maintenance of the radio coverage in this country. It is one of the most important media for the conveyance of war information in general to the people, and may become of still greater importance when there is occasion for an emergency message from the national leadership."

Chairman James L. Fly declared that the Petrillo edict perils 40 percent of the radio programs.

"Already the radio stations are confronted with a shortage of the skilled personnel and certain critical materials and items of equipment necessary for continued operation. An industry struggling with these difficulties is now faced with the drying up of the source of over 40 per cent of its programs. This presents a serious problem which not only must be solved but must be solved quickle", the Chairman said. Mr. Fly presented charts, compiled from questionnaires returned by 796 of the Nation's 890 stations, to show how extensive the radio broadcast industry is dependent on phonograph records and electrical transcriptions.

The charts showed that 76 percent of the total broadcast time of the average station is devoted to musical programs. Of this musical time, 55.9 percent is devoted to recorded music and 44.1 percent to live music, which means 42.6 percent of the total broadcast time is devoted to recorded music.

"True, the stations have a supply of records on hand, and they also have available to them the services of the transcription libraries. But this doesn't solve the situation. Recordings will wear out. And of immediate importance stations will lose their audiences if they can't get new tunes."

Mr. Fly said that "whereas a goodly number of network stations will be seriously and in some cases grievously affected by the ban, the great bulk of the non-network stations face the drying up of the source of most of their program material."

As "the composite picture of the station that is going to take the full force of this blow", Mr. Fly said: "He is the fellow who isn't on a national network; his power is 500 watts or less; he is located in a city which has a population of less than 50,000; his total annual time sales are less than \$75,000; and after he pays his expenses he has either lost money or has a net income for the year of less than \$5,000, and he still has to pay his taxes."

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# U.S.O. GIVES PORTABLE RADIO HIGH SERVICE GIFT RATING

A tabulation of a survey made by the Department Store Economist, compiled from 1000 questionnaires filled out at U.S.O. headquarters by soldiers and sailors to determine among 50 gifts such as stationery, shirts, playing cards, etc. what they desired most as Christmas presents, showed portable radios to be the third highest with a percentage of 70.1%. The highest was cigarettes, with 79.4%, and waterproof wrist-watches, 75.7%. Books received a rating of 40.7%, portable phonographs 32.7%, and magazine subscriptions 47.7%.

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In the period from July 24 to August 31, NBC teletype operators handled 76,000 messages without an error. During that time, according to Harry A. Woodman, Manager of the Traffic Department, every message reached its destination and none was garbled in transmission.

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

Charles B. Brown, network Sales Promotion Manager, has been appointed NBC Director of Promotion and Advertising. Joseph  $\Lambda_{\star}$  Ecclesine will take the position vacated by Mr. Brown. Frank E. Mullen, NBC Vice-President and General Manager, announced the changes. \_\_\_\_\_

War Production Board Chairman Donald M. Nelson Thursday announced creation of a supreme command to keep America's war-goods manufacture in high gear and the selection of Charles E. Wilson. President of the General Electric Co. to head it with the title of Vice Chairman of WPB. \_\_\_\_\_\_

Mrs. Dorothy Hall, wife of Lieut. Commander Hall, USN, retired, of New York, amateur short-wave operator who in 1938 established communication with the isolated inhabitants of Pitcairn Island, in the South acific, will teach Morse code operation at Washington Square College, New York University. A class of 100 pupils, all potential Signal Corps members, will start Sept. 22. The course is open to all men and women who have high

school diplomas, including two years of mathematics. A one-time mechanic for the New York Telephone Co., Mrs. Hall discovered via her elaborate short-wave set, that false rumors of a typhoid epidem-ic cut off Pitcairn Island from the world. The British government then sent help in time to save the inhabitants.

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The appointment of Francis C. McCall as Manager of the News and Special Events Department of the NBC, to be in active charge until a successor is named to A. A. Schechter, was announced this week.

Advertising executives, agency writers and producers, net-work executives and representatives have been invited by the Office of War Information to a meeting today (Friday) at 3:30 P.M. in NBC Studio 6B, Radio City, to hear addressed by William Lewis, OWI Chief of Radio; Chester LaRoche, Chairman of the Board of Young & Rubicam, and Kay Kyser. The OWI expects to hold similar meetings in Chicago and Hollywood.

Wendell L. Willkie carried out an unscheduled mission on his current tour in the Middle East, according to the Associated Press. Mary Brock, National Broadcasting Co. reporter at Teheran, Iran, reported to her home office that she was among diplomatic and military officials who greeted Willkie's plane at the airport. Willkie at once sought out Mrs. Brock and said:

"Your husband (Ray Brock, New York Times correspondent) at Ankara asked me to give you his love. In fact, he told me to kiss you.

Mrs. Droch J satisfactorily on spot. " X X X X X X X X X X X X Mrs. Brock's cable added: "Mission carried out most

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# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1465

September 22, 1942

# ELECTRIC BULB CUT SPEEDS RADIO TUBE PRODUCTION

About 325,000 square feet of floor space will be made available for production of radio tubes and other electronic devices for the Army and Navy, plus about 400,000 additional square feet in warehouse space, as a result of a War Production Board simplification order whereby less than half of the various types of electric light bulbs and lamps currently produced will be manufactured after November 1. Also this will release approximately 1,300,000 man hours of direct labor for production of radio vacuum tubes and other war products.

Moving to conserve materials and production capacity in the incandescent and fluorescent lamp industry, the WPB in their order L-28-a stipulated that types of bulbs now made be reduced from 3500 to 1700. The cut will be accomplished through elimination of almost 2000 lamps of varying voltage, wattage, color, and other construction specifications.

There will be no curtailment in the total production of electric bulbs as a result of the action. It is expected that adequate supplies of the permitted types will be produced to compensate for those which will no longer be made.

It had been previously announced that through an order to be administered by the Radio and Radar Branch of the WPB that electronic devices involving the use of vacuum or gaseous tubes would be brought under further control.

Limitation Order L-183, effective October 3, covers considerably more ground than L-44, issued last Spring, which prohibits cnly the manufacture of civilian radio receiving sets. Although none of the provisions of the latter order is affected, the new order extends coverage to everything else used in the electronic field from microphones to antennae, and including tubes, parts and complete equipment.

It provides that no one may manufacture, fabricate, assemble or produce electronic devices in excess of a minimum inventory required to meet deliveries on orders rated A-3 or higher. Inventories are permitted up to a 45-day supply, but may not in any case exceed  $12\frac{1}{2}$  percent of total 1941 sales.

L-183 further provides that no transfers may be made except on orders rated A-3 or higher. Where the manufacture, assembly, production or transfer of electronic equipment for specific purposes is governed by other limitation orders, the latter orders shall apply, as in the case of L-44. Specifically excepted from the provisions of L-183 are electronic devices used in hearing aids, telephone and telegraph equipment, medical and therapeutic equipment and light and power equipment.

Other types of devices covered by the order include blackout controls, signal equipment, traffic counters, color sorters, thickness indicators, remote control apparatus, door openers, radio repair and replacement parts, etc.

All of these items utilize vacuum tubes and parts similar to those used in radio equipment for which there is a great demand by the military services. The order is designed to prevent production of non-essential electronic devices so that necessary parts will be available for direct military use.

The order makes no change in the manner in which a person buys replacement tubes and parts for his home receiving set. No rated order is necessary. However, distributors of such parts may now obtain them only through the use of Form PD-1X, the usual distributor's application for preference ratings.

Supplies of repair and replacement parts and tubes for this purpose are allocated to distributors on the basis of past sales. These items may then be resold to civilian consumers without ratings.

Material for maintenance and repair and operating supplies for essential civilian communications services may be obtained through the use of preference rating orders applying to the specific end use, such as P-129, covering radio communication. All other uses of electronic equipment must be approved through the medium of PA-1A or PD-200 and other forms of rating applications. Manufacturers of electronic equipment will continue to get their supplies of raw materials through PRP.

It is estimated that approximately 500 manufacturers producing about 700 items will be affected by the order. Since a large portion of the electronic equipment covered by the order is used for essential requirements, it is not expected that raw materials savings will be great. However, the limitation on the manufacture of some less essential devices will effect some saving. Primarily the order is intended to channel equipment to essential uses.

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"When the radio is turned on, it is a battle between popular music and news", "Private S.K." writes in the <u>Nation</u>. "That there is a battle shows that there is a group of men who care. Today it is popular music that wins. With the right kind of leadership news would win every time."

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# ASCAP MODIFIES PERFORMING CREDITS METHOD

At a meeting of the Publishers Classification Committee of the American Society of Composers in New York, the present method of allocating performance credits was modified as follows to become effective as of the first quarter of 1943:

1. The amount allocated to seniority is changed from 20% as heretofore, to 15%, with no ceiling. Seniority is to commence after two years of membership.

2. The amount allocated to availability is to remain as heretofore - 30%. Availability is to be classified by twelve publisher members of the Board, instead of the present elected 7.

3. The amount allocated to performance is to be increased from 50% as heretofore, to 55%. In determining performance credits, the following values are to be given: (a) Performance on a night commercial rate program - one point; (b) Performance on any other commercial rate program - 3/4 point; (c) Performance on a sustaining program at any hour of the day or night - 1/2 point.

(d) Theme Songs - A theme song will only receive one credit on one program, irrespective of the number of uses on that program, as follows:

A theme song on a commercial rate program will receive the same credit as any other song on such commercial program.

A theme song on a sustaining program will receive 1/10th of a point, irrespective of the hour or day of the week when such program is given.

(e) Copyright arrangements - All works in the public domain - The Committee recognizes that these arrangements are of different character and are consequently entitled to different treatment, as follows:

The least important of these arrangements is of the type of "Home, Sweet Home"; "Old Black Joe", etc. This type of arrangement will receive l/lOth of a point, irrespective of the program on which it is used.

The next classification will embrace arrangements usually orchestral in character, which represent the expenditure of substantial money by the publisher. It is not necessary to name illustrations, but all publishers recognize that frequently a very large work is condensed into form making it performable by small orchestras. Each such arrangement when submitted to and approved by the Classification Committee is to receive 1/5th of a point, irrespective of the program on which it is used.

The third classification will include works which, although based on public domain numbers, contain so much new material as to justify their classification as new works. This classification will include works such as "Reverie", based on Debussy and "Concerto for Two", based on Tschaikovsky. These works will receive the performance credit to which they would be entitled as new works, based on the program in which they are used.

(f) Symphony and symphonic works - 3 points, irrespective of the programs on which it is used.

(g) Background cue music, as hereinafter defined, shall be entitled to one-twentieth of a point credit. By background cue music is meant music written primarily for use as background or bridge music or excerpts from musical works other than well-known and recognized original musical compositions when used as background or bridge music (or similar uses) in dramatic programs, or programs of a similar character. In case there shall be any question as to whether any particular use or uses shall come under this category, the Classification Committee shall decide.

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# NEXT MOVES IN PETRILLO FIGHT UP TO SENATE AND COURTS

Senate hearings in the Petrillo case were recessed last Monday with the appearance on the witness stand of Joseph Padway, counsel for the American Federation of Musicians, who vigorously defended the music Czar's patriotism and the latter's motive in warring on the broadcast stations.

Senator Worth D. Clark (D.), of Idaho, will now make every effort to have the Senate pass his resolution for a more thorough investigation of the American Federation of Musicians in the hope that it may result in remedial legislation. Messrs. Padway and Arnold stated that they would do all they could to expedite Court action scheduled for October 12 in the Federal District Court in Chicago for a preliminary injunction against the ban. To the disappointment of Capitol Hill, Mr. Petrillo himself did not put in an appearance at the Senate hearings but no doubt will be the central figure in later proceedings.

Counsel Padway said the Union's ban against recordings and transcriptions for radio stations and "juke boxes" had been voted unanimously by the union at conventions and that the union was not "dominated in any way" by its president.

Mr. Padway testified that the union "never refused the President, the Army, the Navy or any military agency when they requested music for soldiers or for patriotic purposes". He added that no organization in the country was more patriotic and that the union musicians had "given hundreds of thousands of dollars of their time" free to Army and Navy programs.

Mr. Arnold termed the union's action an attempt to destroy "small independent radio stations, small restaurants and hotels, juke box operators and manufacturers, as well as manufacturers of phonograph records and electrical transcriptions, because they have adopted new inventions for the rendition of music."

The head of the Justice Department's Anti-Trust Division reviewed legislation dealing with attempts to prevent restraints of trade by labor organizations. He said the Supreme Court had left undecided three questions: Whether a union could use coercion or destroy an independent business not directly employing union members.

Whether it could prevent voluntary groups who do not seek employment "from rendering services without pay".

Mr. Arnold said the questions had nothing to do with "wages hours, health, safety or the right of collective bargaining" and the ban was "against the selfish interests of labor as a whole".

In the Petrillo ban, he declared, "the object sought is an alliance between broadcasters and others in order to keep mechanical music off the market except at prohibitive terms."

"We intend to argue and we believe the court will hold that this is a combination of a labor group with a non-labor group which puts the case beyond the exemption of the Sherman Act", he said, adding that there was no Supreme Court decision dealing with the questions.

Senator Clark, remarking that "time was of the essence", asked Mr. Arnold if he did not believe that whichever way the decision went and appeal would be taken, involving delay and continuation of the present situation which, the Committee had been assured by Elmer Davis of the Office of War Information and James L. Fly, Chairman of the Federal Communications Commission, not only "struck at the heart of broadcasting" but was inimical to the nation's war effort.

Mr. Arnold conceded it was impossible to predict when the case would reach the Supreme Court. The action of the Committee in no way interfered with the Government case, but he suggested that it would be difficult to enact legislation dealing specifically with the issues involved.

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# RCA LABORATORIES TO BE DEDICATED NEXT SUNDAY

Invitations have been issued for the dedication ceremonies of the RCA Laboratories at Princeton, N. J., next Sunday, Sentember 27, at 11:30 A.M. This will be followed by a buffet luncheon.

Special arrangements for guests have been made on the trains leaving the Pennsylvania Station in New York and the Broad Street Station in Philadelphia respectively at 10 A.M. Trains returning to New York and Philadelphia will leave Princeton Junction about 3:50 P.M.

For the information of motorists, the RCA Laboratories site is near the Penn's Neck Traffic circle, which is at the intersection of Route No. 1 and Washington Road, midway between Princeton and Princeton Junction.

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# "PETRILLO IS JUST ONE MAN", SAYS CRITIC

Taking another swat at Mr. <sup>P</sup>etrillo, the <u>New York Times</u> said editorially last Saturday (Sept. 19):

"James C. Petrillo may be performing a real public service, though not one that he intends. He may succeed in doing what no other labor leader has done. He may clarify the thinking of Congress and the Administration on at least a few points about labor legislation.

"Senator Clark of Idaho has the right idea. He is not content merely in condemning Mr. Petrillo as an individual. He introduced a resolution to determine whether corrective legislation is necessary. Hearings on this resolution are now being held. Elmer Davis has testified that Mr. Petrillo's ban on new transcriptions and recordings by musicians for use over the radio "threatens the continued existence" of many smaller radio stations vitally necessary to the national war effort.

"It should hardly be necessary to point out that Mr. Petrillo's high-handed actions are indefensible from the economic standpoint. He is grossly mistaken, for example, when he assumes that if he forbids radio stations and restaurants to use records they will have to use orchestras and bands. The public will simply hear less music. The small radio stations and restaurants will not be able to afford it. As the Department of Justice declares, Mr. Petrillo is trying to force employers and the consuming public to pay for 'a private system of unemployment relief'. He is trying to relieve his unemployed union members, even at a time of sharp labor shortage, 'from the competitive necessity of learning how to do a different kind of job'.

"It is the duty of the Senate investigating group holding hearings on the Clark resolution to learn in detail just how the present network of labor laws and court interpretations, and the recent policies of the Congress and the Administration, have combined to place such amazing dictatorial powers as Mr. Petrillo's in the hands of a private individual. What part has been played, for example, by the Supreme Court's decision that labor unions enjoy sweening immunities from the anti-trust acts (together with Congress's failure to act after that decision)? What part has been played by the Supreme Court's decision that labor enjoys sweeping immunities from the Federal Anti-Racketeering Act (together with Congress's similar failure to act)? What part has been played by the Wagner Act, which forces employers to recognize unions but contains nothing whatever to compel such unions to conduct their affairs responsibly? What part has been played by a state of law which forces an individual to join a union, whether he wants to or not, because his source of livelihood would otherwise be cut off, by boycotts of himself and his employers, or by other means? These are the sort of questions that must now be asked, and not whether James Caesar Petrillo is or is not personally a fine, patriotic fellow.

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# STATIONS ASKED TO APPOINT WAR PROGRAM MANAGERS

The following memorandum has been sent to all station managers by William B. Lewis, Chief, Radio Bureau of the Office of War Information:

"Occasional letters from stations tell us that correspondence has gone astray. We feel that this is a fault of our mailing lists and a rather serious obstacle to our joint cooperation in the war effort.

"Therefore, in order that the Radio Bureau of the Office of War Information may maintain truly effective contact with your station, will you please appoint someone as your 'War Program Manager' and official OWI Radio Bureau contact.

"Upon receipt of this name, all Background Material Bulletins, transcriptions, and specific information with regard to programming and policy, urgent campaigns and telegrams relating to these will be so addressed, for channeling within your organization. Background Material pamphlets will, of course, continue to be sent direct to writers who have asked for them."

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# MULLEN SAYS 92% U.S. HEARD FDR PEARL HARBOR TALK

Addressing his fellow fraternity members at the annual convention of the Alpha Gamma Rho Fraternity in Chicago, Frank E. Mullen, Vice-President and General Manager of the National Broadcasting Company declared that when President Roosevelt spoke over the radio on Tuesday following Pearl Harbor, he reached the greatest radio audience in all history - that 92% of all our citizens heard him.

"Here are a few interesting radio facts: In all the world, there are 2,481 radio stations - and more than 108 million radio sets", Mr. Mullen said. In the Axis Nations, there are 271 radio stations and 33 million radio sets. In the United and Neutral Nations, there are 2,210 radio stations and 75 million radio sets eight times as many sets as in the Axis Nations.

"Thus we see that the United States alone has nearly four times as many radio stations as in all Axis Nations combined - and nearly twice as many radio sets. The United States total: 924 stations, 56 million radio sets.

"In radio sets per thousand population, the United and Neutral Nations have 47 per thousand; the Axis Nations 62 per thousand; in the United States itself there are 425 sets for every thousand people. In other words, there are nearly seven times as many sets per thousand people in the United States as in the Axis Nations. The United States has 37 per cent of the world's radio stations, 924 out of 2,481. In short, a total of 30,600,000 United States radio families depend upon the 924 stations of our country for entertainment, information and education. "When war came to the United States, radio's public service immediately became war service for our entire industry of 924 stations, four national networks and 25,000 employees. "Today broadcasting plays a major role in - 1) Selling the

"Today broadcasting plays a major role in - 1) Selling the country that 'This Is War'; 2) Telling the nation of the progress of the war; 3) Improving international relations; 4) Mobilizing the nation's youth; 5) Gearing civilian life to a war economy, and 6) Keeping the world informed of U. S. war aims and efforts."

"The day is coming when television will bring sight from any point in the world into your own home; a day when a man can sit in his living room here in Chicago and see what is going on in New York, London, Bangkok, Manila."

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# SEES EQUIPMENT SHORTAGE CHALLENGE TO POLICE RADIO

The equipment shortage of police radio is a challenge to every Police Department, James L. Fly, Chairman, Federal Communications Commission said in a talk before the Conference of International Association of Chiefs of Police in New York City today (September 22).

"The additional burdens which present wartime conditions have placed upon municipal and State police communications systems are, indeed, heavy. There are greatly increased demands for protection of the public and of important industrial plants, transportation arteries, public utility properties, public buildings and other vital wartime spots.

"These wartime burdens create a great demand for increased radio facilities to ensure the most effective performance of each of these jobs. For radio furnishes a speed in communication which cannot be obtained otherwise. And speed in communication is essential to the production of maximum results, in particular the quickest possible mobilization of our protective forces at the crucial spot.

"A good indication of the increased demand for police facilities is the flow of applications to the Federal Communications Commission", Mr. Fly said. "Since December 7, 1941, the Commission has handled applications at the rate of almost 20 a day, covering on the average of about 5 transmitters per application. This is just about double the rate during the six months preceding, which itself, because of the defense program, was considerably expanded over normal times. In the three months following Pearl "arbor, 1800 applications were acted upon.

"Despite the need for new police facilities, with which you are most familiar, the Federal Communications Commission, acting upon recommendation of the Board of War Communications, has adopted a policy severely restricting the granting of licenses for police as well as other facilities. It may properly be asked 'Why'. The answer is a simple one, and convincing. "On July 7th of this year, the Commission, pursuant to a recommendation made to it and the War Productions Board by the Board of War Communications, adopted the policy, until further notice

"of not granting any application for an authorization which involves the use of any materials to construct or change the transmitting facilities of ... (among other classes of stations)... any...station operating in the Emergency...Radio Service... (which includes all police stations)...; except where it appears that the facilities to be constructed or changed will serve either (1) an essential military need or (2) a vital public need which cannot otherwise be met."

"The reason for the policy is apparent on its face in the reference to 'use of materials'. For it is there that we have the crucial bottleneck in radio facilities. There just are not enough materials, especially of certain minerals and metals, to meet both military and civilian demands. And, under those circumstances, the necessary policy of 'First Things First' means that direct military needs, so far as possible, must be given precedence over civilian requirements. I need mention only a few which are especially critical and which in large part produce our problem of a restricted supply of radio equipment. These are mica, copper and quartz. Most of our mica (used for insulation purposes) comes from India, although deposits in Brazil, Argentina, Canada, at home and elsewhere are now beginning to be exploited. Almost every pound of our quartz (used for crystals in radios) has to be brought from Brazil. And though we have our own supplies of copper (needed for communications equip-ment and gun shells) we don't have enough. In the case of each of these, the demands of the armed services nearly equal and perhaps exceed the available supply. This means, of course, that in order not to take away highly important electrical and radio equipment, and shells from the Army and Navy, allocations of mice, quartz and copper for civilian use must be limited to absolutely essential purposes only. Moreover, materials like men are expendable, and in view of the shortage, present reserves of equipment must be conserved in order to maintain essential existing service. I think you will agree, therefore, that the restrictions imposed are necessary. But there is not an absolute prohibition against authorizations involving the use There are two exceptions. of materials.

"The first is the case of an essential military need. I shall not discuss that point today, since the Commission will necessarily seek an authoritative statement from the armed services.

"The second is the case of a vital public need which cannot otherwise be met. As to that, I cannot, of course, give you any blueprint of future Commission action. Of necessity, the decision must rest upon the facts in each particular case. But the Commission has, just a week ago, announced certain general requirements which must be met."

"We have thus far considered why our police radio service must do 'more with less'. An Open Sesame to the how of it would be agreeable. But I have none to offer, and there is none, of course. Still, it is not merely a problem we recognize; it is a challenge we must meet. That challenge is to get the greatest and best possible use out of what we have. Primarily, this is a job for each police department in its own operations. In certain respects, however, it a job calling for the cooperation of the Federal Communications Commission."

"A possibility which holds some prespect of making a fuller and more effective use of available radio facilities is the coordination of local radio stations. The Rules of the Commission governing municipal police radio stations provide for cooperative service between units of local government. And provision is made in the Rules governing the War Emergency Radio Service for a similar service. Whereas these provisions are intended primarily for the case where the adjacent city does not have its own system, the Board of War Communications has just requested that the Commission investigate the whole subject of police communications with a view to eliminating unnecessary overlapping and duplication of service through the coordination or consolidation of existing facilities. You may rest assured, however, that this and other responsible police organizations will be consulted before any consolidation of police systems is ordered by the Commission or the BWC. It is not uncommon now for city, county and State police to have an arrangement whereby the land station of one of them will mother the mobile units or one of the others as well as its own. With an understanding of this problem, local police can and I am sure will achieve much more in this field."

"A much more rigorous application of the requirement of limiting power to an a mount consistent with satisfactory technical operation under local conditions is called for. Such a limitation will afford much greater assurance of the continuity and security of service. In general, it will prolong the life of all equipment. In particular, it will both conserve tubes in use, and, by reason of the greater availability of low power tubes, give a better prospect for obtaining the replacements which will be necessary for continued oper-Tube life can thus be doubled. I am informed by the engineers ation. that power can in many cases be reduced by as much as 50% without impairing the quality of service. In view of the necessity of doing more with less, I wish especially to urge all ofyou, together with your communications officers, to accomplish just as much as you can along this line. This will be a benefit to you and to the nation,"

"As I have said, this problem of an equipment shortage is a challenge - a challenge primarily to each police department. The problem of shortages, of course, is a challenge which every civilian and every civilian activity must meet. It is a challenge to our ingenuity, our industry, our will to do what is necessary in order that the victory we expect may be won and won soon. The police of this country have been most progressive in adopting developments in the means of communication to the most effective discharge of their duties. Almost 14,000 radio transmitters are now in use for police purposes. I have an abiding confidence, that with this record of accomplishment, and with this valuable equipment, the police organizations will effectively meet this challenge - of doing more with less. "

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TRADE NOTES

Arthur D. ("Jess") Willard, Manager of Station WJSV, has been named head of the Washington YMCA's annual membership drive for a second successive year. The campaign, which will run from October 2 to 23, has as its goal 1,350 new members and as its slogan "Health for Victory".

Mr. Willard broke all records in the number of new members obtained last year under his direction. Assisting him will be three divisions of teams, to be known as the Army, Navy and Marines. The present membership of the Y.M.C.A. is 5,544.

The Canadian Government has approved the immediate establishment of a high-power short-wave broadcasting station at Sackville, New Brunswick, at a cost of \$800,000. This project was recommended by the House of Commons Radio Committee as a necessary war measure. The station will be administered and operated by the Canadian Broadcasting Corporation.

Majestic Radio and Television Corporation - Year to May 31: Net loss \$51,512, compared with \$189,668 loss for the period covering August 9, 1940, to May 31, 1941. Net sales totaled \$2,785,654 and \$173,205, respectively.

In his column the "Washington Merry-Go-Round", Drew Pearson in a story captioned"Executives Get Fattest Pay in History" mentioned among others J. S. Knowlson, right-hand dollar-a-year assistant to Donald M. Nelson of the WPB, as receiving \$91,000 annual salary as President of Stewart-Warner in Chicago.

Samuel Chotzinoff, music critic, musician and official intermission commentator for the NBC Symphony Orchestra broadcasts, has been appointed Manager of the Music Division of the NBC's Program Department. The critic, who has been assolated this year with the Blue Network Company as director of serious music, assumes his new post coincidently with the return of the NBC Symphony Orchestra to the NBC network on September 27.

The Signal Corps Civilian Training Section of the Second Service Command will open a radio school in New York City to train 540 men in radio operation. The twelve-week course will begin about October 15, and it is expected that after the first class another will be trained. While attending the course men will receive \$85 a month. Upon completing it they will enter the Army as enlisted men in the Signal Corps. Applicants must be between 18 and 45; in good physical and mental health and pass examinations showing their aptitude for this work.

With a high bid of \$71,200, the National Broadcasting Company won exclusive broadcasting rights for the Joe Louis-Billy Conn title fight to be staged in Yankee Stadium October 12 for the Army Emergency Relief. The broadcast will be sponsored by P. Lorillard & Co. for Old Gold Cigarettes.

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2400 CALIFORNIA STREET

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# FUTURE OF TELEVISION CHARTED IN NEW BOOK BY DUNLAP

The future of the theater, screen and radio is so definitely linked with television that their destiny comprises chapters in a new book, "The Future of Television" by Orrin E. Dunlap, Jr., published by Harper & Brothers. Television will be one of the great post-war industries, says Mr. Dunlap. It will exert far-reaching influences on entertainment, education, the dissemination of news, sports, advertising, and the arts.

Will television help or hurt Broadway? Will motion pictures in the air challenge Hollywood? Will television make obsolete more than 900 "sightless" broadcasting stations and 55,000,000 home radios? What is television's promise to the school and the church? What is to be the fate of singers, comedians, vaudevillians, political orators, cartoonists and teachers? These and many other important questions, such as showmanship, programming and legal aspects are discussed, as the future of television and its widespread opportunities are analyzed.

"The Future of Television" is Mr. Dunlap's second book on television, his "Outlook for Television" having been published in 1932. Interested in radio since 1912, he is the author of eight books on radio. From 1922 to 1940 he served as radio editor of <u>The</u> <u>New York Times</u> during which time he covered the pioneer television demonstrations and followed every development. Since 1940 Mr. Dunlap has been manager of the Department of Information of the Radio Corporation of America. In this position he has had ample opportunity to observe television's continued growth, to qualify him as an authoritative prophet of its future.

Television is being greatly perfected by wartime research and engineering in radio and electron optics, Mr. Dunlap says in his newest book. Sightseeing by radio is predicted as a national pastime. Homes everywhere will have all-seeing eyes, because the science of electronics will put television within the price-range of the masses, as it has radio sets. Just as transatlantic liners took on radio voices after World War I, so transatlantic planes will see by radio after World War II, while millions of people in their homes will look in on distant cities, across continents and seas. Radio, which made a whispering gallery of the heavens, is described as preparing to turn the world into a Hall of Mirrors.

Reviewing the progress of television since it was officially launched at the New York World's Fair in 1939, Mr. Dunlap's book pursues a forward-looking theme. New importance is predicted for billboards in ball parks, as the television camera covering sports events sweeps across the big advertising signs to carry their messages to millions of distant spectators. Artist bureaus which manage singers and bands may be the promoters of heavyweight champions when theater and home television turns the nation into a coast-to-coast sports arena.

Radio progress, as Mr. Dunlap sees it, leads into the ultra-short wave spectrum and to micro-waves measured in centimeters. So significant is the promise of television in education that the author sees the "T" in teaching standing for television. Electronic television in color for the general public is something to look forward to, although many problems are still to be overcome. Large pictures, at least 18 by 24 inches, definitely are in the offing for the home, and in the theater they will fill standard size screens. Whether television will take over Hollywood or Hollywood take over television remains an open question.

Does television hover over the Broadway stage as a menace? Mr. Dunlap says: No. Just as the screen and radio have always turned to the stage for acts and actors, so will television. It will no more "kill" the theater than did radio. To the actor and vaudevillian, television offers the dawn of a new day.

Television can be depended upon to create new art forms and folk art; to develop its own stars in much the same way that the screen has its Mickey Mouse, Donald Duck, and radio its Amos 'n' Andy. Radio characters who have lived in the world of imagination and illusion will come out of hiding, as television adds sight to sound to make radio drama more real than ever.

The book sketches the historical evolution of television, explains non-technically how the electronic eye and camera operate to flash faces through space and within the instant pick them from the air for reassembly many miles away. So accurately will the magic be performed that television owners of tomorrow will make albums of their snapshots of pictures which flash into view on their home television screens. Television is described as an evolution, not revolution. After the war, the pace of this evolution will be speeded and its expansion as a service to the public accelerated.

The book reveals that, in much the same way that the movies became talkies, broadcasting will add the appeal of vision. The broadcasting industry may be expected to go through a gradual transitional period as sight is allied to sound, first in the larger cities and then spreading nation-wide, as radio relay stations link the entire country into a sightseeing network.

Reconversion of radio manufacturing plants to post-war production of civilian receiving sets will mark the opening date of the new television era. At the same time, the increase in number and activity of television stations is seen as essential to provide adequate service to the public. A survey of the field indicates that for many years to come broadcasting and television will be complementary services. There is no prospect that broadcasting will "dry up" overnight. Ultimately, television on ultra-short waves promises an entirely different service.

#### RADIO REPLACEMENT PARTS NOT BEING "FROZEN"

Signal Corps procedure, subsequently changed, to secure replacement parts for a large number of amateur receivers taken over from the trade and the public, has led recently to unfounded rumors in radio industry circles that the Government intended to requisition or "freeze" radio distributors' stocks of all replacement parts, the Radio Manufacturers' Association advises. Neither the WPB nor other Federal agencies, according to officials, plan any such summary action, and the Signal Corps has issued new orders, providing for orderly purchase, either through parts manufacturers or distributors, for only the necessary replacement parts needed for the amateur sets acquired. From the Omaha Signal Corps headquarters, and in Kansas City, St. Louis and a few other cities, replacement parts for amateur sets were recently bought in large quantities from parts distributors, causing the unfounded rumors of a wide parts "freeze" policy. Signal Corps orders, since issued, curtailed parts purchases to only the necessary replacements for the amateur sets involved, and through customary channels.

The WPB earlier in the week issued this statement:

"Efficient maintenance of home radios is on the preferential list at the War Production Board."

WPB announced that radio parts, hitherto subjected to sharply restricting orders, could be bought by distributors and dealers from manufacturers on priorities if they were needed to repair home radios.

"The procedure does not require repair shop operators or householders to do anything but makes it easier for large distributors to obtain parts from manufacturers", Linford C. White, Chief of the WPB Distributors' Branch, explained.

"Only items essential to keep receiving sets going will receive preference ratings. Unnecessary radio gadgets and phonographic attachments will not be included."

Prior to this the National Broadcasting Company had put out a story captioned, "Millions of Sets Likely to Become Useless as Stock of Radio Repair Parts Dwindles", which warned:

"With only one year's normal stock of new radid sets now available to replace obsolete receivers, and with the supply of radio repair parts practically depleted, millions of listeners soon will be without receiving facilities unless the Government relaxes its rigid ban on the manufacture of replacement parts and raw materials, Once the rapidly diminishing surplus is gone, according to a survey made by NBC, the radio industry estimates that the number of set owners with "dead" receivers will increase 14,000 daily. This rate of loss, if continued for four years, would affect the majority of radio equipped homes, and make it useless for broadcast stations to continue operations."

#### SENATE ORDERS FULL STEAM AHEAD IN PETRILLO PROBE

Without a dissenting vote the Senate approved the resolution of Senator Clark, of Idaho, calling for an investigation to determine whether James C. Petrillo's forbidding American Federation of Musicians members to play for recordings of musical programs used by radio stations and juke boxes was in restraint of trade. The Senate likewise approved an expenditure of \$5,000 to make the investigation.

Senator Burton K. Wheeler, Chairman of the International Commerce Committee, described it as a "full fledged" inquiry and said that he would appoint the members of the subcommittee shortly. It is expected they will be, perhaps with some additions, the same group headed by Senator Clark of Idaho, which conducted the recent hearings.

The resolution approved by the Senate follows:

"Resolved, That for the purpose of considering appropriate legislation of the subject matters hereof, the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make, and to report to the Senate the results of a thorough and complete investigation of acts, practices, methods, and omissions to act, by persons, partnerships, associations, corporations, and other entities in interstate and foreign commerce, which may or do interfere with, or obstruct the national welfare, the public morale, or affect the public good originating from or as a result of the actions of the American Federation of Musicians and its president, James C. Petrillo, in denying members of the American Federation of Musicians the right to perform music for recordings and transcriptions destined to be played for reproductions by radio stations and coin-operated phonographs, including among other things:

"(1) Restraints of trade by foreign or domestic persons, partnerships, associations, corporations, or other entities, whether through monopolies or otherwise affecting the manufacture and production of, or playing for, musical records and transcriptions, and the control of music and music production in the United States.

"(2) Financial arrangements and demands therefor with respect to profits, salaries, bonuses, or other honorariums, which may have been arranged for, accepted, or demanded by individuals or organizations affecting the manufacture and production of or playing for, musical records and transcriptions and the control of music and music production in the United States."

Senator Clark said he would move as quickly as possible to complete the inquiry and make recommendations "to tighten up" either the Sherman Anti-trust Act or the Federal Communications Law.

He saw a possibility, however, that the investigation would result in a request to President Roosevelt to use his war-time powers to deal with the situation without legislation. Mr. Clark explained that he thought two weeks of hearings would be sufficient, and said that many radio station executives, compoers and others had asked to appear. He intends to call Mr. Petrillo and other union leaders afterward, he said.

In discussing the possibility of legislation, Mr. Clark pointed out that although the Department of Justice has filed suit against Mr. Petrillo and other officers of the union under the Sherman Act, recent Supreme Court decisions have seemed to indicate its view that labor unions are exempt from the application of the law.

He suggested that either the Sherman Act or the Federal Communications Act might be amended to make it unlawful to do anything "to prejudice the mediums of dissemination of public knowledge by the radio, newspapers, etc." in the event that the President did not invoke his wartime powers.

Attorneys of the Justice Department and the Federal Communications Commission are studying the situation, Mr. Clark said, pending a ruling by the Federal District Court in Chicago, where the suit against Mr. Petrillo was filed.

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OWI BUYS RADIO TIME FOR SERVICE MEN IN ALASKA

In an effort to provide American troops in remote stations with the kind of contact they want with home, the Office of War Information announced Wednesday that it would purchase a minimum of eight hours radio time daily beginning about October 1 to pipe news and special programs to service men in Alaska.

Commercial shows taken from the three major radio networks also will be transmitted. The programs will be piped from San Francisco to four Alaskan stations at Fairbanks (KFAR), Juneau (KINY), Ketchikan (KTKN) and Anchorage (KFQD) and rebroadcast over medium wave transmitters.

As equipment becomes available, the OWI, in conjunction with the Army Signal Corps, will install low-powered transmitters at Nome, Dutch Harbor and Kodiak.

The OWI already is broadcasting news and variety programs for the information and entertainment of American troops on overseas duty. The schedule of Alaskan broadcasts was arranged by Murry Brophy, Chief of the Bureau of Communications Facilities of the OWI's Overseas Branch.

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#### LOS ANGELES TELECASTS NOW EVERY ALTERNATE MONDAY

Following a survey to determine how and when Los Angeles television lookers can best be served by Station W6XAO, on top of Mount Lee in Hollywood, Thomas S. Lee, owner of the station, the only operating television station on the West Coast, has announced that telecasts will henceforth be made every alternate Monday. They began Monday, September 21, 1942.

Since the current television programs include instructional and educational film and talent presentations that aid Civilian Defense and facilitate participation in the war program, the new telecast schedule will be another W6XAO contribution to unity for victory, Mr. Lee said.

Monday was selected for the bi-weekly programs after a combination radio-television survey showed it to be the "preferred stay-at-home" night among West Coast listeners and lookers.

With the change in schedule, Mr. Lee also announced the installation for regular operation of two new orthicon television cameras. These are the latest type cameras made by RCA on a special order placed by Mr. Lee in June, 1939, and only recently delivered. According to Harry R. Lubcke, Director of the television station, these new cameras use only a small fraction of the light necessary for the iconoscope cameras. Their potential advantages have already been noted in operation, for the new orthicon cameras were tested and proved on a sneak preview on the telecast of September 5.

Visitors will not be permitted on the Mount Lee premises for the duration of the war.

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#### ANOTHER NEBRASKA DAMAGE SUIT FILED AGAINST ASCAP

ASCAP has been made the defendant of another damage suit arising from the statute which outlaws it from doing business in Nebraska. The action was filed last week in Omaha in the Federal Court by Joseph Malec, President of Peony Park and President of the Nebraska Music Users Association. The amount he asks is \$50,708, or three times what he has paid ASCAP in license fees since the statute became effective May 17, 1937. Malec operates an all-season dance spot.

A similar suit was brought by WOW, Omaha, some months ago. ASCAP earlier this year turned back to its writers and publishers the administrative rights of their catalogs as far as Nebraska is concerned. The Warner Bros. publishing group subsequently took steps in the Federal courts to stop various Nebraska music users from continuing to play WB material. A decision on a technicality of the suit is now pending.

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## ECONOMIC WARFARE RADIO EXPORT CONFERENCE OCT. 29

A radio industry conference on export problems and procedure will be held in Washington, Thursday, October 29, at the Washington Hotel. The industry conference, one of the first being held by the Board of Economic Warfare with several large industries, was arranged by the Export Committee of the Radio Manufacturers' Association, of which W. A. Coogan, of New York, is Chairman.

An all-day program is being made up. Ten key officials of BEW and also of WPB and the Department of Commerce will participate in the meeting. An open forum of questions and answers on all radio export matters will be a feature. Among the Government official participants being invited are Hector Lazo, Assistant Director of the Warfare Board, in charge of exports, and Warfare officials who direct various export procedures.

Chairman Coogan is preparing an agenda, and all Association members are invited to have representatives attend the conference and the complimentary luncheon.

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# COMMISSION RELAXES POLICY ON USE OF QUARTZ CRYSTALS

The Commission this week relaxed slightly its interpretation of a Memorandum Opinion of last April in order that applications involving shifts in frequency in which no materials will be utilized other than quartz crystals, may be granted, provided:

- (a) Such applications involve no inconsistencies with Order No. M-146 of the War Production Board relating to quartz crystals;
- (b) Such applications involve no engineering conflict with any other application pending at any time since Feb. 22, 1942;
- (c) Such applications involve no inconsistences with the Commission's Rules and Regulations;
- (d) Such applications tend toward a fair, efficient, and equitable distribution of radio service, are consistent with sound allocation principles and offer substantial improvement in standard broadcast service; and
- (e) Such applications are otherwise in the public interest.

The Committee studying this matter advises that it will make further recommendations relative to the Memorandum Opinion.

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## I. T. & T. TO CONSTRUCT FIRST UNIT OF NEW FACTORY

The International Telephone and Telegraph Corporation announces plans to proceed promptly with construction of the first unit of a new factory to be located in New Jersey, which will eventually become the home of I. T. & T.'s research and manufacturing operations in the United States. The site selected for the project consists of approximately 125 acres in Nutley and Clifton. It is regarded as a very desirable location for a highly skilled process such as telephone and radio manufacturing and is also an especially suitable location for laboratories engaged in telephone and radio research.

The factory will be constructed in units following a fundamental plan which provides great flexibility for expansion. Each unit will be self sufficient and yet will be so designed as to be coordinated with the other units to form an efficient and modern plant.

I. T. & T. expects to take up its option on the property as soon as certain financial and technical details may be completed, including alteration of zoning laws and street arrangements which Nutley has already introduced and which are up for the consideration of the Clifton Municipal Council in a few days. Then construction will be commenced immediately of the first unit of the factory about 75,000 square feet of operating space.

As the opportunity arises to enlarge the factory, I. T. & T. plans to ultimately transfer all or most of its American manufacturing and its extensive research laboratories to the new site. At the present time the manufacturing activities of the Company's subsidiaries in the United States occupy more than 800,000 square feet of space, mostly rented, and employ approximately 5,500 persons.

Other subsidiaries of I. T. & T. have long been among the largest manufacturers of telephone, telegraph, cable and radio equipment throughout the rest of the world, but the development of I. T. & T.'s manufacturing in the United States has come largely since 1940. Established primarily to supply the telephone and radio needs of Latin America, the factories and laboratories controlled by I.T.&T. in this country have fitted into the war program in a timely manner.

Early in 1941, I. T. & T. organized International Telephone & Radio Manufacturing Corporation and established a telephone and radio factory and laboratories, and in June, 1941, the latter company acquired control of the Federal Telegraph Company, an important producer of radio equipment and radio transmitting tubes. These two companies are soon to operate under one name, Federal Telephone and Radio Corporation which will head up all I. T. & T. manufacturing and research operations in the United States.

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## BROOKS, FORMER A.P. MAN, HEADS NEC SPECIAL EVENTS UNIT

William Brooks, executive editor of Forbes magazine and for 14 years an executive of the Associated Press, has been appointed Director of the News and Special Events Division of the National Broadcasting Company. Mr. Brooks succeeds A. A. Schecter, who resigned to join the War Information Office in Washington.

In Kansas City, Washington, New York and, most recently, London, Mr. Brooks served the press association in various capacities - as executive editor of AP's feature service, as executive news editor in New York, as executive assistant to the general manager, and as Managing Director of the Associated Press of Great Britain, Ltd., in charge of photographic coverage and news distribution to Europe, Australia and the Far East.

Mr. Brooks' service with AP was preceded by seven years of general news work, as reporter, news editor and feature writer. He entered journalism in his home town on the Sedalia (Mo.) Capital in 1917, while still in High School. After attending the University of Missouri he worked on several Midwestern newspapers including, finally, the <u>Kansas City Star</u>.

He joined the Associated Press at Kansas City in 1926 and the next year was transferred to Washington, D. C. as feature editor. Later he was brought to New York as News Editor of the feature service, succeeding to the executive editorship in 1929. For six years he visited every State in the union as feature service chief and later as Executive Assistant to the AP General Manager. He also traveled extensively in South America and Europe. He was sent to London in 1937 as Managing Director of the Associated Press of Great Britain, Ltd. He returned to this country last year to become Managing Editor of Forbes Magazine, later taking over the executive editorship.

Mr. Brooks is 39 and a member of the National Press Club.

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#### P. K. EWING ENJOINED IN WAGE-HOUR DISPUTE

Federal Judge Wayne G. Borah, in New Orleans, last week signed a permanent injunction restraining P. K. Ewing, Sr., Commercial Manager of Station WDSU, and who does business as WGRM in Mississippi, from violating the provisions of the Fair Labor Standards Act of 1938, commonly known as the wage-hour law. Specifically, he is restrained from paying any of his employees less than the minimum rates of compensation established by the Act, and from failing to pay his employees the proper overtime compensation. Ewing is also ordered to maintain adequate records as required by regulations of the wage-hour administrator. The suit was filed by Abe Kupperman, Louisiana attorney for the Wage-Hour Division after an investigation of the firm's business by the Mississippi State Office of the Division.

Mr. Ewing offered no defense or objection to the injunction, and the decree was issued upon motion for the attorney of the administrator, plaintiff in the suit.

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## FCC ACTION

WOOD, King-Trendle Broadcasting Corp., Grand Rapids, Mich., granted modification of construction permit as modified, which authorized increase in power, installation of new transmitting equipment and directional antenna for night use, and move transmitter and studio, for extension of completion date to November 23, 1942; <u>KITE</u>, First National Television, Inc., Kansas City, Mo., granted petition for a continuance of hearing in re application for renewal of license, now set for September 21, 1942, and continues hearing until September 24, 1942; W8XO, The Crosley Corp., near Mason, Ohio, granted further extension of developmental broadcast license upon a temporary basis only, pending determination upon application for renewal of license, in no event later than November 1, 1942.

Applications Received - WAGA, Liberty Broadcasting Corp., Atlanta, Ga., license to cover construction permit which authorized change in frequency, increase power, installation of new transmitter and directional antenna for night use and move transmitter; also authority to determine operating power by direct method; W9XER, Midland Broadcasting Co., Kansas City, Mo., construction permit to install new transmitter and increase power from  $1\frac{1}{2}$  KW to 3 KW; WTZR, Zenith Redio Corp., Chicago, IIL., modification of construction permit as modified which authorized construction of new television broadcast station requesting extension of commencement and completion dates.

Also,  $\underline{W49D}$ , John Lord Booth, Detroit, Mich., modification of construction permit which authorized construction of new high frequency broadcast station for extension of completion date to Jan. 11, 1943; <u>KGER</u>, Consolidated Broadcasting Corp., Ltd., Long Beach, Calif., modification of construction permit which authorized increase in power, installation of new transmitter and directional antenna for night use and move of transmitter for extension of completion date to 11/12/42.

# \* \* \* \* \* \* \* \* \*

Known as the "Weekly Digest of Radio Opinion" a condensation of views on important public affairs broadcast by professional radio commentators, occasional speakers and participants in forums and news-dramatizations, published by Radio Reports, Inc., 220 East 42nd St., New York, N.Y.

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

The Advisory Committee on Transmitting Tubes of the War Production Board will meet in Washington Wednesday, September 30, and the Receiving Tube Committee will hold a meeting in the Capital on Thursday, October 8, both for further consideration of replacement production problems, according to the Radio Manufacturers' Association.

During the period from July 16 to July 31 inclusive, NBC broadcast 86 commercial and sustaining shows to further the war effort for a total time of 29 hours and 49 minutes. This compares with 23 hours and 35 minutes allotted to the same objective in the first half of July.

Continental Radio & Television Corporation is to sponsor "World News Today", beginning Sunday, October 4 - its first program on the Columbia network.

The 1942 World Series will be broadcast exclusively over WOR and the Mutual Network on more than 300 stations in the United States, Canada and Hawaii starting Wednesday, September 30, under the sponsorship of the Gillette Safety Razor Co. It is reported that proceeds of the radio rights, estimated at \$100,000, will be donated to the USO.

Government radio excise taxes last August, largely covering July sales, by manufacturers and after complete suspension of civilian production, totaled \$813,349.86. This compared with collections during the previous month of July of \$1,249,005.12, and with radio taxes in August, 1941, of \$752,689.89.

With the departure, in August, of 21 additional employees for the armed forces, the total number of NBC men and women on leave for military service now is 353.

The American Communications Association has inaugurated a campaign in New York City to recruit 500 men for training as radio operators to man merchant vessels. Harry A. Morgan, Vice-President of A.C.A., radio operators' union, who made the announcement, said the program is being sponsored by the union, the American Merchant Marine Institute and the United States Office of Education.

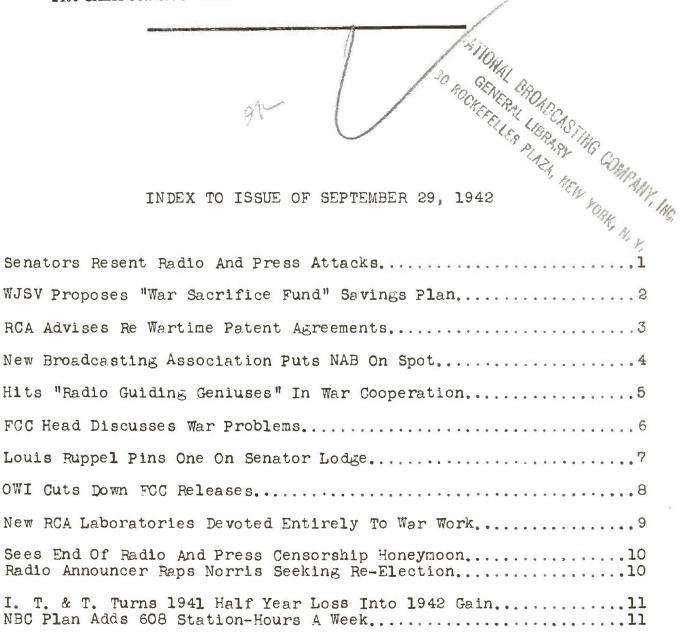
He said modern radio apparatus has been obtained and is now being installed in Public School No. 20, at Rivington and Forsythe Streets, where the classes, calling for a maximum of 900 semester hours, will be held, beginning next Thursday.

The semi-annual report of the Stewart-Warner Corporation and its subsidiaries, shows a net profit for the six months ended with June of \$767,125 after depreciation, \$6,432,174 provision for Federal income and excess profits taxes based on the contemplated laws and \$250,000 for the contingencies. The result is equivalent to 60 cents a share on 1,273,027 shares of capital stock.

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



No. 1467

#### SENATORS RESENT RADIO AND PRESS ATTACKS

Farm group Senators became very warm under the collar because of the attacks upon Congress of radio columnists and newspaper editors in connection with the anti-inflation bill. Senator Wiley, of Wisconsin, favored a Congressional investigation of these commentators and writers "to see what influences are behind their attacks upon us".

"I do not propose to succumb to that kind of pressure", Senator Aiken, of Vermont, ejaculated. "I hope the Senator from New Mexico and every other Senator here will show his resentment of that kind of propaganda, which is put not only before the Congress but before the people of the United States. If those who are doing so think they are fooling the farmers, they are absolutely wrong."

"Along the line which has just been the subject matter of this colloquy, it is interesting to note that the pending measure provides that the President may suspend provisions of section 3(a) and 3(c) of the Price Control Act, which, of course, are the agricultural-commodity provisions, but he may not under authority of the joint resolution suspend any other law or parts thereof", Senator Guy Gillette, of Iowa, said.

"Then, I call attention to the provisions of the Price Control Act which may not be suspended. I read from page 15 of the published text of the present Price Control Act:

"Nothing in this act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4)'-

"Now, listen -

'rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio broadcasting station, a motionpicture or other theater enterprise.'

"The type of attack which is being referred to is made by institutions which come under an act which prohibits the regulation of newspaper advertising, newspaper rates, or expenses in connection therewith, or broadcasting, and the pending measure prohibits the suspension of that section of the law." "Referring to the remarks made by the Senator from Iowa, I wish to say that I think as a matter of fact it is not true that this measure exempts various newspaper rates and other matters which are exempted in the Price Control Act", Senator Taft, of Ohio, declared. "All that the proviso in the Price Control Act does is to say that nothing in the Price Control Act shall authorize such regulations.

"But in the pending measure we provide a brand new authority, which is entirely outside the Price Control Act, to regulate all prices, wages, and salaries, so that anything falling within the term 'price', in my opinion, is covered by the new measure. It is wholly unnecessary to set aside the provisions of the Price Control Act, because they create an exception only to the regulation provided by the Price Control Act and not an exception to the regulation under the pending joint resolution."

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## WJSV PROPOSES "WAR SACRIFICE FUND" SAVINGS PLAN

A plan by which each individual can establish his or her own personal "War Sacrifice Fund", to further help to win the war, while at the same time relieving the nation's economic situation, was announced in Washington last Saturday by A. D. Willard, Jr., General Manager of Station WJSV of the Columbia Broadcasting System. Although very simple in its operation, the "WJSV Plan For A Personal War Sacrifice Fund" has been carefully developed, so as to be effective both in results for the nation and in providing a definite means for patriotic individuals to go beyond the normal line of duty, voluntarily, to help win the war.

Numerous highly placed officials of the Federal Government, of labor and of business, the announcement said, have commended the "War Sacrifice Fund" plan, which does not require additional staff or expenditures by the Government, existing facilities in each local community being ample for its successful operation.

Each person can establish his or her own personal "War Sacrifice Fund" only with sacrifice savings, beyond legal requirements, such as taxes, and beyond normal duty, such as investing ten per cent of income in War Bonds. This can be accomplished by doing without certain goods and services, many of which are becoming scarce anyway, and will become still less obtainable in the future. All money thus saved by sacrificing normal indulgences and conveniences, would go into the individual's own "War Sacrifice Fund", for the sole purpose of investing in additional War Savings Stamps and Bonds, and for contributing through established local channels to other essential war activities.

The entirely simple "War Sacrifice Fund" plan could raise up to \$11,232,000,000 annually, above all other incoem for war purposes. The "War Sacrifice Fund" plan was announced by Mr. Willard simultaneously with its original broadcast by Albert N. Dennis, commentator on labor, industry and related economics, on his 428th consecutive weekly "Labor News Review" program, over WJSV of the Columbia Broadcasting System. It was explained that no official formalities are necessary. Every individual can start his or her own personal "War Sacrifice Fund" immediately, and thus further aid in winning the war and in protecting the economic stability of the nation.

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# RCA ADVISES RE WARTIME PATENT AGREEMENTS

Referring to the agreement of the major radio and communications companies to give the Army Signal Corps free patent licenses for the duration of the war the Padio Corporation of America has sent the following letter to its licencees:

"RCA has entered into a License Agreement ('Government Agreement') with The United States Of America ('Government'), effective July 1, 1942, which includes all apparatus for the Government that is subject to royalty payments under your License Agreement. In view of the obligation of the Government to pay royalties to RCA upon such apparatus during the term of the Government Agreement and of the desires of the Government in that respect, any such apparatus sold by you to the Government during the term of that Agreement now becomes licensed under that Agreement.

"For that reason and without otherwise modifying your License Agreement, your obligation to make royalty payments and reports to RCA as provided in your License Agreement is waived until termination of the Government Agreement (of which RCA will notify you) with respect to all such apparatus sold (i.e. when it has been billed out, or if not billed out, when it has been delivered, shipped or mailed) by you on and after July 1, 1942, to the Government or to contractors or sub-contractors for resale to the Government.

"In all other respects your License Agreement continues in full force and effect.

"Since the Government Agreement may be terminated by it at any time on six months' notice, it is not possible to state at this time how long it will continue. As indicated, however, you will be notified of the termination date."

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## NEW BROADCASTING ASSOCIATION PUTS NAB ON SPOT

Apparently the announcement of the formation of the American Broadcasters' Association, as a rival to the National Association of Broadcasters, came as pretty much of a surprise to the broadcasting industry and apparently to Neville Miller and the NAB itself. This move was revealed at the conclusion of the meeting of the NAB Board in Chicago when it became apparent that the differences between the national organization and the Broadcasters Victory Council could not be settled. The organizations were in rival camps at different hotels in Chicago and never did get together.

The plans for the new American Broadcasters' Association which proposes to take the place of the Broadcasters Victory Council calls for a paid president and at least two executive officers. Headquarters will be in Washington and an important objective is that the new industry representatives be in step with Chairman Fly of the Federal Communications Commission, which has not been the case with President Neville Miller since the big "mackeral in the moonlight" blow-up at St. Louis.

The new ABA has announced that the nine broadcasters comprising its charter membership had pledged the "full financial support needed".

The group said that it had decided on the new association in recognition of the "increasing complexity of the problems confronting the broadcasters in their relationship to the war effort of the Government". The announcement said they were setting up the machinery to provide "every facility for correlating an intelligent and effective cooperation between radio broadcasting and its proper place in the war effort".

"This move basically constitutes a reorganization and realignment of the industry figures responsible for the BVC and a number of other broadcasters whose interest in intelligent and wholehearted cooperation in the war effort has prompted their financial support", the announcement stated.

All stations will be welcomed as members in the ABA but, differing from the NAB, networks will not be eligible. Although Chairman Fly has been mum on the subject, it is known that he has frequently been in the combany at luncheon and elsewhere with the prime movers in the organization of the new association - John Shepard, 3rd, Walter J. Damm, and O. L. (Ted) Taylor. Mr. Shepard is Chairman of BVC, Mr. Taylor its executive secretary, and Mr. Damm, President of FM Broadcasters, Inc.

At the conclusion of its sessions in Chicago last week, the NAB voted to hold another meeting there Wednesday, October 14th. President Miller reported that he had not yet decided who to appoint as a public relations man. Niles Trammell, President, and Frank M. Russell, Vice-President were present for the National Broadcasting Company, and Joseph H. Ream, Secretary, for Columbia Broadcasting

9/29/42

System. The matter of reorganization was not taken up and this brought the final break between NAB and BVC and the subsequent announcement that the ABA would be formed.

Obviously the thing that seemed most necessary by all factions was unity of the industry. Instead the Chicago meeting revealed that it was split wide open.

"It would seem that the National Association of Broadcasters would be the logical organization to represent us", one broadcaster said, "especially in such a fight as we are now having with Petrillo. Sydney M. Kaye is the man to carry it on - but Mr. Kaye doesn't work for peanuts."

It apparently was the idea of this broadcaster that the NAB could be made to serve the present purposes without the necessity of organizing a new association, if another man could be put in to replace Neville Miller, whose usefulness he seemed to think was impaired by not being able to work with Chairman Fly.

"If you knew that your best salesman was persona non grata to your best customer, you would remove the salesman."

Almost the same opinion was expressed by an FCC official.

"Unity is the thing most needed", he declared. "As it is now the industry - its members fighting among themselves - is prostrate. If Neville Miller is the one person standing in the way, the thing to do is to put him out and if his contract does not permit of that endeavor to buy him off but not let one man gum up the entire proceedings."

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## HITS "RADIO GUIDING GENIUSES" IN WAR COOPERATION

Kay Kyser, bandleader, told a group of network and advertising agency executives in Hollywood last week that the "guiding geniuses of radio" were failing miserably in cooperation in the war effort.

"Unless they accept the challenge and carry the ball", he said, "defeat of all the Office of War Information efforts could not be avoided."

Mr. Kyser, a consultant to OWI's Radio Division, spoke at one of several meetings, and said people wanted to be talked to sincerely and were tired of such phrases as "Slap the Japs".

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#### FCC HEAD DISCUSSES WAR PROBLEMS

At his regular press conference yesterday (Monday), Chairman James L. Fly of the Federal Communications Commission discussed several matters of immediate interest to the radio and communications industry.

"Mr. Chairman, did that speech you made before the Police Chiefs Convention in which you told them the necessity for conservation of parts and reducing power - is that a forerunner of what's to come to the standard broadcasting industry?" he was asked.

"I would not want to say so. There may be different considerations involved there. I was talking to the police chiefs and not anybody else", Mr. Fly replied.

"In connection with that crystal order of last week, does the Commission intend to try to unfreeze some of the other material following that?" someone else asked.

"I don't know whether they will succeed in doing so or not", the Chairman answered.

"Is there anything specific on the Manpower?"

"Yes, and no. The Industry Committee have that matter in hand, as you probably know, and I would guess that industry itself is pretty well informed on the status of it since their representatives are working on the matter. I imagine they will present it to the Board within a week or so" was the Chairman's reply.

"Does that include classifications?"

"Yes", Mr. Fly said, "that is what I have in mind - definitions and classifications. It would in turn be passed over to the other agencies. As you know, that is being worked out by the Industry Committees themselves and I think they are moving right along with the work, and it is my impression that it's in good shape and I guess they will get it before the Board and move along.

"The recommendations of the Industry Committees?"

"Yes."

"Will the Manpower adopt it?"

"I would rather not speak in their behalf but we generally have a cooperative attitude reflected on the part of Manpower", Mr. Fly continued.

"In that connection, I was wondering since Chairman McNutt is trying to get compulsory law, if they would go ahead?" was the final question. "I would only guess on that, but this business of holding up something that is emergent in character because of prospect of legislation as suggested, from my own experience, is rather dubious", Chairman Fly concluded. "In other words, if I were sitting in the same spot I doubt if I would hold it up. I am not suggesting that they wouldn't get the legislation or wouldn't get it promptly. I guess they have the matter here in pretty definite shape and it is, of course, important and is emergent in character, and we can make some progress on it regardless of the developments on the legislative front. But that, of course, is up to the discretion of the Manpower Commission. The matter of conservation of equipment, I suppose you all know, is just about in the same status - that's in the hands of Industry Committees and I think they will be out with that in the course of days, and we ought to have some outward progress on that pretty soon. I think it's of real importance that we get those things out and get them through the Board of War Communications to the War Production Board because after all we do have a serious situation on the conservation of materials, and I think it is of real interest to have a record of cooperation with the WPB in terms of conservation."

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# LOUIS RUPPEL PINS ONE ON SENATOR LODGE

In his syndicated column "The Washington Merry-Go-Round" in a paragraph captioned "Stimson Plays Politics", Drew Pearson writes:

"There is a cablegram which would be of interest to Secretary of War Stimson. The cablegram was sent from Cairo by Chester Morrison, American war correspondent in Libya, shortly after Republican Senator Henry Cabot Lodge of Massachusetts returned from active duty as a tank corps major in Libya, doffed his uniform and began a hot campaign for reelection.

"Opening gun of his campaign was publication of a letter from Republic Secretary Stimson, paying high tribute to Lodge's 'experience under fire in the combat zone'. Stimson also lauded Lodge's 'knowledge and understanding of military strategic considerations which will greatly enhance your usefulness to the country as a United States Senator'.

"This letter raised a howl of protest that Stimson was putting the War Department into politics, so Louis Ruppel, former Columbia Broadcasting Publicity Director, started to investigate entirely on his own. Through a friend, he cabled Morrison for details regarding the young Senator's 'war activitues' in Libya. Here is Morrison's reply, dated August 21, 1942:

"Lodge chaperoned the first contingent of tanks to Cairo and used his personal prestige to insure their comfort. He turned over his command to Captain Stelling, who commanded their first action. Lodge unsaw action. He made a Cook's tour of desert areas and then went home. "'On the way home he violated the ethics of journalists here by secretly carrying an uncensored account of operations written by Associated Press correspondent Edward Kennedy. This he camouflaged as a report for the War Department, while the Middle East censor maintained a compulsory blanket censorship on any mention of Lodge or the tanks.

"'From letters that I have received I gather that the Lodge campaign speeches present a different picture.'"

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#### OWI CUTS DOWN FCC RELEASES

In his effort to reduce the volume of Government publicity, Elmer Davis, head of the Office of War Information, swung the axe on about 250 press releases and ordered about the same number discontinued. The former included 36 at the Federal Communications Commission. The Commission's appropriation for outside newspapers and magazines was cut down to \$50.

The Department of Agriculture must make changes in 180 items, the Bureau of Agricultural Economics in 78 of these. Seventythree publications of the Commerce Department are altered or stopped, 35 of these being in the Bureau of Foreign and Domestic Commerce, and 30 in the Census Bureau.

Other publications affected are: Federal Security Administration, 31; Interior Department, 38; State Department, 8; Treasury Department, 7; Justice Department, 10; Labor Department, 40; Federal Works Agency, 21, and Public Health Service, 3.

Mr. Davis directed departments and agencies to notify persons that they cannot longer receive general mailing lists made up of "all releases or other publications". Agencies may, however, give out selected lists based on requests for specific publications.

The Devis order further prohibits Government agencies from sending releases to newspapers or radio stations or other news media by telegraph, without OWI permission, unless at the request and expense of the recipient.

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Lord Haw Haw, Germany's idea of a funny-man propagandist, has lost his title, or his face - or something, a foreign dispatch states. Reuter's News Agency reported that the Berlin radio, over which Haw Haw has been broadcasting for a couple of years, introduced him as "William Royce, formerly known as Lord Haw Haw".

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## NEW RCA LABORATORIES DEVOTED ENTIRELY TO WAR WORK

At the dedication exercises of the RCA Laboratories at Princeton, N. J. last Sunday, Otto S. Schairer, Vice President in charge of the Laboratories, said:

"When we leave here today, the gates will be closed to others than war workers. These structures will then be as much a part of the nation's armament as are its arsenals and forts. The work these scientists will do will be military secrets, carefully guarded against leakage or intrusion."

Lieut. Gen. Harbord, Chairman of the Board, presided at the dedication and introduced the speakers; Maj. Gen. Dawson Olmstead, Chief Signal Officer of the Army, Col. David Sarnoff, U.S. Army Signal Corps, and Mr. Schairer.

"RCA Laboratories assembles under one roof kindred activities which have hitherto been performed by individuals widely separated by time and space", said General Harbord. "The Laboratories give our future scientific work the advantage of collective effort - the advantage in our attack on our problems of delivering a blow with a clenched fist instead of with open fingers."

Mr. Sarnoff said that while the war's decision ultimately will be made on the battlefield, on the high seas and in the air, the fighting men who have the greatest resources of science, engineering and production in back of them will be the victors. This war, more than any before in history, he described as a contest between the brains, imagination and team work of the scientists of one group of nations pitted against those of another group.

"In the last analysis", said Mr. Sarnoff, "a research laboratory consists not so much of buildings and facilities as it does of research men and research leadership. The staff of these laboratories is as fine a group of radio scientists as exists anywhere in the world. The skills which they developed before the war are now finding direct use in important military applications."

"When the war ends, and the ban of secrecy is lifted, the recital of accomplishments will thrill all of us and fill us with justifiable pride", Mr. Schairer concluded.

"But when the war ends - when the victory is won - these men and these laboratories will stand dedicated in advance to serve the cause of a victorious peace. For therein lies the distinctive characteristic of our scientific endeavor. Its destructive power is one of the greatest weapons of war and its constructive power is one of the greatest assets of peace."

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## SEES END OF RADIO AND PRESS CENSORSHIP HONEYMOON

There are definite indications in Washington that the honeymoon involving the censorship rules on the one hand and newspaper correspondents and radio news broadcasters on the other is about finished with the all-is-blissful stage, according to a New York dispatch by Bert Andrews to the Washington Post.

"So far the rift in the marriage might be compared to that which exists in any match where the principals have reached the perilous state of being thoroughly frank with each other, but are not at liberty, for various good and sound reasons, to break the news to their families and friends", Mr. Andrews writes.

"But, as is the case with all honeymoon disputes, it will not be long before this one comes out into the open.

"It will be only so long, in fact, as censorship regulations require the newspaper and radio correspondents to maintain silence, in keeping with the voluntary censorship code, about a matter which has caused a sizeable controversy among those who differ over the necessity of keeping quiet about it.

"Many of the newspaper and radio correspondents, as well as some persons in the Government, believe that the censorship rules have been too strictly applied in this particular matter.

"They think the newspapers and radio are being required to observe 'voluntary' censorship in this instance to a degree which borders on the ridiculous when all the circumstances are taken into account. They are fearful that if a similar policy is pursued in future similar cases it may imperil the whole system of voluntary censorship by making a mockery of the word 'voluntary'.

"But they voice the hope that the differences can be ironed out, and that independent correspondents will not again be denied first-hand access to newsworthy information which the Government intends ultimately to make public.

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## RADIO ANNOUNCER RAPS NORRIS SEEKING RE-ELECTION

Criticizing Senator George W. Norris, who has been in the Senate 39 years, for seeking re-election, Foster May, Omaha radio announcer, the Senator's Democratic opponent, said:

"I believe the venerable 81-year old Senator's acceptance of this relatively small petition means either that he has been playing politics with the people of Nebraska for the past six months or that because of his long absence from the State he is unaware of the true situation in Nebraska."

Petitions to place Norris' name on the ballot contained more than 15,000 signatures.

## I. T. & T. TURNS 1941 HALF YEAR LOSS INTO 1942 GAIN

The report of the International Telephone and Telegraph Corporation and certain of its subsidiaries, primarily those operating in the Western Hemisphere, for the first half of this year, released last week by Sosthenes Behn, President, shows a consolidated net income of \$333,556, contrasted with a net loss of \$14,704 in the six months to June 30, 1941. Gross earnings were \$16,136,227, against \$14,359,195.

I. T. & T. alone, as parent concern of the system, reported a net loss of \$1,913,369 in the six months to June 30, compared with a loss of \$1,727,930 in the first half of 1941.

The report discloses that two of I. T. & T, subsidiaries, the International Telephone and Radio Manufacturing Corporation and the Federal Telegraph Company, recently obtained \$10,000,000 in credit from a group of New York and New Jersey banks under the guaranteed loan provisions of Regulation V of the Federal Reserve Board, The credit will be used to assist the subsidiaries in financing the manufacture of supplies for the war effort.

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NBC PLAN ADDS 608 STATION-HOURS A WEEK

Impressive gains to clients and the listening audience, through operation of NBC's full network, 125-station plan are said to be evident in figures recently compiled by that network.

Since July 27, when the 125-station network plan was presented to all NBC commercial accounts, it has been accepted by 17 clients representing 25 different programs. Eighty-eight stations have benefitted through this network expansion,

On the basis of additional network time created by the plan, the survey shows that this sales project alone, has added 608 station hours per week. And as a result of this and other selling activities instituted by NBC during the past six months, the average daytime network has increased from 49 to 54 stations, a gain of approximately 10 per cent.

In nighttime coverage, the plan's advantage to American radio listeners is even greater. The average NBC network now functioning between 6 and 11 P.M., has increased from 76 to 94 stations since March 1. Here the gain is nearly 25 percent.

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