

HEINL RADIO BUSINESS LETTER

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October 3, 1939.

PAYNE RULING SEEN AS SLAP AT RADIO LAWYERS

Commissioner George Henry Payne, who has been strangely quiet for the past year, this week let loose a blast that rocked his erstwhile foes, the radio lawyers, and may cost them an estimated \$100,000 a year.

Delivering a rigid interpretation of a new Federal Communications Commission rule regarding interventions, Commissioner Payne set a precedent, which if followed in subsequent FCC decisions, will curtail considerably radio litigation before the Commission. Mr. Payne's decision is expected to be appealed to the full Commission.

Denying a petition of the Orlando Broadcasting Co., of Orlando, Fla., for leave to intervene in a case involving an application for a construction permit to erect another station in Orlando, Commissioner Payne held that the applicant had not shown that the case vitally affects its own interests.

"The instant petition to intervene and to enlarge the issues to include questions other than those specified in the Notice of Hearing requires an interpretation of the Commission's Rule 1.102 which became effective on August 1, 1939", Commissioner Payne explained. "Because the questions raised by the instant petition are also involved in a number of other petitions now pending on the motions docket, I feel that it is appropriate to express in some detail my views concerning the sufficiency of the instant petition in the light of the Commission's present rule governing intervention and enlargement of issues.

"The Commission's rule relating to intervention and enlargement of issues, reads as follows:

"Sec. 1.102 Intervention. Petitions for intervention must set forth the grounds of the proposed intervention, the position and interest of the petitioner in the proceeding, the facts on which the petitioner bases his claim that his intervention will be in the public interest and must be subscribed or verified in accordance with Sec. 1.122. The granting of a petition to intervene shall have the effect of permitting intervention before the Commission but shall not be considered as any recognition of any legal or equitable right or interest in the proceeding. The granting of such petition shall not have the effect of changing or enlarging the issues which shall be those specified in the Commission's notice of hearing unless on motion the Commission shall amend the same.'

"The underlying purpose of the Commission in adopting its present rule on intervention was to correct a practice which had become prevalent under the prior rule of the Commission relating to intervention. Under its former rule, the Commission permitted any person to intervene in a hearing if his petition disclosed 'a substantial interest in the subject matter'. This standard was so broad and the Commission's practice under it was so loose that intervention in Commission hearings came to be almost a matter lying in the exclusive discretion of persons seeking to become parties to Commission proceedings. The experience of the Commission during the past few years clearly demonstrated that the participation of parties other than the applicant in broadcast proceedings in a great many cases resulted in unnecessarily long delays and expense to both the Commission and applicants without any compensating public benefit. In many cases the major function served by intervenors was to impede the progress of the hearing, increase the size of the record, confuse the issues and pile up costs to the applicant and to the Commission through the introduction of cumulative evidence, unnecessary cross-examination, dilatory motions, requests for oral argument and other devices designed to prevent expeditious disposal of Commission business.

"The underlying purpose of the present rule is to limit participation in proceedings, particularly on broadcast applications, to those persons whose participation will be of assistance to the Commission in carrying out its statutory functions. The present rule requires a petitioner to set forth not only his interest in the proceeding but also 'the facts on which the petitioner bases his claim that his intervention will be in the public interest'. The fact that a proposed intervenor may have the right to contest in a court the validity of an order granting or denying a particular application does not in and of itself mean that such person is entitled as a matter of right to be made a party to the proceedings before the Commission on such application. Intervention in proceedings before administrative agencies like the Federal Communications Commission is ordinarily covered by statutory provision.

"The Communications Act contains no provisions giving the right of intervention in proceedings before the Commission to any person or class of persons, but expressly provides that the Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends as will best conduce to the proper dispatch of business and to the ends of justice. By the adoption of Rule 1.102 the Commission in effect has declared that it will conduce to the proper dispatch of business and to the ends of justice if it permits intervention in a proceeding before it only if the making of a record in which the facts are fully and completely developed, is facilitated by permitting the requested intervention. It is this theory - that where the public will benefit through aid or assistance given to the Commission or the applicant by a party-intervenor in a broadcast hearing, such participation should be permitted - which underlies Rule 1.102."

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CODE COMMITTEE CONSIDERS COUGHLIN BAN

Ticklish issues, chief of which is the Father Coughlin broadcasts, were being considered by the NAB Code Compliance Committee in executive session early this week in Washington. It is the first session of the Committee since the Code became operative on Monday.

Pressure has been brought to bear on the Committee to outlaw the commercial broadcasts of the Detroit priest, it is understood, on the ground that they fall under the NAB Code ban on the injection of controversial talks in sponsored programs.

As forty odd stations are paid for the programs, however, are paid an aggregate of \$6,600 a week for the time, an appeal to the NAB Board of Directors is expected if the Code Committee tries to limit Father Coughlin to the public forum periods.

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RADIO EXPORTS SET NEW MONTHLY HIGH

United States exports of radio transmitting sets, tubes and parts attained a new monthly high level in August with a total of \$310,585, a relatively good improvement over the July total of \$280,847, according to the Electrical Division, Department of Commerce. An important gain was also registered by radio receiving set sales which advanced from \$618,890 in July to \$802,154 in August.

During the same period exports of electrical equipment generally amounted to \$9,223,656, a decline of \$288,305, or 3 percent, from the July total of \$9,511,961.

Although August shipments were below those for the preceding month, they were \$479,677, or 5.5 percent, better than foreign sales during the corresponding month of 1938.

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SUPREME COURT PONDERES APPEAL OF WLW

The final word on whether or not Station WLW, Cincinnati, has a legal right to resume operation with an experimental power of 500,000 watts awaits a decision of the United States Supreme Court, which convened this week.

The Crosley Corporation, through Duke M. Patrick, Washington counsel, filed an appeal for a writ of certiorari last

week, seeking a review of the decision of the U. S. Court of Appeals for the District of Columbia, which had sustained the Federal Communications Commission.

Mr. Patrick contended the lower court erred in dismissing its appeal from the FCC decision refusing to renew the 500,000 watt authorization as well as in holding that the license which WLW sought to have renewed was not a "license" within the meaning of the Act. This latter contention grew out of the fact that the super-power authorization was in the nature of a special experimental grant, rather than a standard form of license.

The highest tribunal may or may not take jurisdiction. Lawyers point out that in the majority of petitions for certiorari, the court refuses to accept them unless a fundamental question of law, heretofore undecided, is involved.

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EDUCATORS CRITICAL OF NAB CODE OF ETHICS

As the National Association of Broadcasters began administering its self-imposed Code of Ethics this week, the National Committee on Education by Radio released a critical analysis of the Code in its bi-monthly bulletin "Education by Radio".

Reciting the history of the code movement from the statement made by David Sarnoff, President of the Radio Corporation of America, at the chain-monopoly hearing of the Federal Communications Commission in December, 1938, the Committee organ cites comparisons of the proposed Code and the provisions actually adopted subsequently at Atlantic City.

"The Committee drafted a provision for dealing with controversial issues which would have eliminated any possibility of further continuation of such unfairness", S. Howard Evans, Secretary, wrote. "Their proposed rule required that time for such discussion be given rather than sold and that if controversial issues were discussed on sponsored programs at least two representative and opposing points of view should be presented.

"One practical effect of such provisions was this: when considered in relation to the recommendations for religious broadcasts, they seemed to be forcing Father Coughlin either to change the character of his recent broadcasts or cease to use radio. The very fact that such results could be anticipated is an indication of the care with which the proposed code was drawn. The meaning of such a document would have been clear. Protest could have been made about specific provisions in it and changes could have been effected without destroying the value of the code.

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"The code actually adopted by representatives of the various stations at the National Association of Broadcasters' convention in Atlantic City is a totally different thing. While well worded, its meaning is not clear. Its provisions are not specific. Its objectives seem to be not so much meeting the social obligations set for radio by Mr. Sarnoff as making the acceptance of a code an end in itself. This is said, not as a criticism of industrial self regulation, but as a comment on this particular effort of commercial broadcasters to win public confidence. Self regulation is to be encouraged, but its objective must be public service, not industrial public relations."

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TWO UNLICENSED AMATEURS CONVICTED

The Federal Communications Commission has disclosed that Egen Stickles and Howard W. Crandall, both of Bradford, Pennsylvania, have been convicted in the Federal District Court of Erie, Pennsylvania, on charges of operating an unlicensed amateur radio station in violation of Section 318 of the Federal Communications Act. Egen Stickles was also convicted of operating the station without an operator's license in violation of Section 301 of the Act.

Both men pled guilty and were placed on probation for two years. They were also required to pay the costs of the trial. The case was prosecuted by the U. S. District Attorney in Erie on evidence supplied by Inspector Walter Davis, of the field staff of the Federal Communications Commission.

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SENATE DEBATE SHOWS NEED FOR AMPLIFIERS

Spectators who packed the Senate galleries this week to hear the historic neutrality debate complained that the Senate chamber is not equipped as is the House with a modern amplification system.

The words of Senators often were inaudible in the galleries, even to newspaper correspondents.

So far veterans in the Senate have refused to permit installation of an amplification system on the ground that it would offend the Senate's traditional dignity.

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EDUCATORS' ASSOCIATION BACK LAGUARDIA PLEA

As the Federal Communications Commission denied a request of the New York City counsel on behalf of Mayor LaGuardia to strike two of the issues in the forthcoming hearings on WNYC, National Association of Educational Broadcasters announced its support of the New York Mayor's fight for amendment of FCC rules.

Mayor LaGuardia and New York officials will be given a hearing October 16 on his proposal that non-commercial stations such as WNYC be permitted to pick up and rebroadcast short-wave programs.

"It was felt that the granting of the application", the Educational Broadcasters said, "would pave the way for experimentation which in time might make possible a network of educational broadcasting stations."

Meanwhile, the New York City Council opened its Fall season with a row over "freedom of the air", centering about operations of the municipal broadcasting station.

The issue was raised by the Fusion-Republican-Labor group after the Democratic majority had tried to end the practice of broadcasting the Council's proceedings over WNYC.

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WOR GETS PERMIT FOR FREQUENCY MODULATED STATION

The Federal Communications Commission has given WOR, New York, permission to construct a new frequency-modulated broadcasting station to service the metropolitan area. The new station will operate with a power of 1000 watts on an ultra-high frequency channel of 43.3 megacycles under the call letters W2X1, according to J. R. Poppele, Chief Engineer of WOR.

Employing the Armstrong system of frequency modulation - a complete departure from the usual methods of radiophone transmission - this new station's site is to be selected by WOR engineers within the next few weeks at the conclusion of extensive field tests.

Developed by Maj. Edward Armstrong at his laboratories in Alpine, N. J., the new system is distinguished by its ability to overcome static and noisy reception, to improve fidelity of reproduction and to eliminate current problems of inter-station interference and service coverage.

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TRADE NOTES

W.V.B. Van Dyck, Assistant to the President of the International General Electric Company has been decorated by the Brazilian Government with the Order of The Southern Cross, the highest order given by the Brazilian Government to private citizens. The presentation was made by Oscar Correia, Consul-General of Brazil in New York.

Two Pennsylvania stations - WJAC, Johnstown, and WFBG, Altoona - became affiliated with the Red Network of the National Broadcasting Company on October 1, bringing the total of NBC stations to 176. WJAC, owned by WJAC, Inc., operates on a local channel of 1370 kc. with a power of 250 watts, day and night. WFBG operates on a local channel of 1310 kc., with full-time power of 100 watts. It is owned by the Gable Broadcasting Company.

In a complaint issued by the Federal Trade Commission, Martin Benjamin Rothman, trading as Esquire Products, 216 North Clinton St., Chicago, was charged with using lottery devices in the sale and distribution of radios, waffle irons, silverware, coffee tray sets, pencils and griddles. According to the complaint, the respondent furnished various push cards accompanied by order blanks, instructions, and other printed matter for use in the sale and distribution of his merchandise by means of a lottery scheme. Alleging violation of the Federal Trade Commission Act, the complaint granted the respondent 20 days for filing answer to the charges.

Two more stations joined the Mutual Broadcasting System with the addition of WEBC and WDSM, servicing both Duluth, Minnesota, and Superior, Wisconsin, effective October 1. WEBC operates on a channel of 1290 kilocycles with 5000 watts day, 1000 watts night. WDSM employs 100 watts full-time on a frequency of 1200 kilocycles. The Mutual tally now stands at 123 affiliates.

Twenty-three high schools in New York City have been selected by the Board of Education as origination points of the Friday broadcasts over CBS network during the 1939-40 session of "Columbia's American School of the Air". A twenty-fourth high school is soon to be selected. The Friday series, entitled "This Living World", is presented by CBS in cooperation with the New York City Board of Education and the National Education Association. Programs dealing with history and current events are to be broadcast from the auditorium stage of a different high school each week. An average attendance of 2,500 pupils is expected at each broadcast, so that more than 50,000 students will have an opportunity to see how the "School of the Air" is produced.

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ASCAP OPENS ANNIVERSARY MUSIC FESTIVAL

In celebration of its twenty-fifth birthday, the American Society of Composers, Authors and Publishers began Sunday night at Carnegie Hall, New York City, a week's festival of American music. The festival has a twofold purpose: to honor American creative artists and to serve as an anodyne for those who are heavy-laden from the war abroad.

Sunday night's program was the first of eight, all presented by ASCAP "with its compliments and deep gratitude to the whole American people". The festival is to be a cavalcade of American tonal art, according to the New York Times music critic, taking in its stride music that is, in the words of Gene Buck, President of ASCAP, "serious and frivolous, sacred and secular, songs of the soil or works for the symphony".

The opening program stemmed from light opera and musical comedy. The songs and lyrics of every number were written by members of ASCAP. Dr. Frank J. Black led the orchestra, which was assisted by a mixed chorus. Occasional solos were sung by Hollace Shaw, soprano, and Floyd Sherman, tenor. The evening's principal soloist was Jane Froman who was listed in the program book as a soprano, a word that fails to do justice to the range of her voice or the passion of her singing.

It was a program for sentimentalist. Probably the young jitterbugs would regard tunes like Victor Herbert's "Kiss Me Again" and "A Kiss in the Dark", or Sigmund Romberg's "Indian Love Call" as being on the "corny" side. But the old codgers among the sentimentalists could be equally short about what the young jitterbugs regard as "in the groove", and probably they will be when swing has its innings later in the week.

There were songs on the program that every American has heard or had to hear in recent years. Prime favorites like Cole Porter's "Night and Day", George Gershwin's "The Man I Love", Irving Berlin's "Easter Parade", Jerome Kern's "Ole Man River". There was a memorial medley of music by Victor Herbert, founder of ASCAP; Rudolf Friml and George M. Cohan also were honored with medleys and George Gershwin's "Porgy and Bess" was represented.

Last night's program honored the Negro in American music. There was symphonic music, minstrelsy and a jam session.

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RCA AND FARNSWORTH SIGN PATENT AGREEMENT

Radio Corporation of America and Farnsworth Television & Radio Corporation announce that they have entered into patent license agreements whereby each party has acquired the right to use the inventions of the other in the fields of television and in other fields of their respective businesses.

Radio Corporation of America acquired a non-exclusive license under the patents of the Farnsworth Corporation for television receivers, for television transmitters and other radio and sound recording and reproducing apparatus. The Farnsworth Corporation acquired a standard, non-exclusive license for broadcast and television receivers and electrical phonographs under the patents of Radio Corporation of America, and also other non-exclusive licenses for television and broadcast transmitters and for its other fields of business. Neither Corporation acquired any right to grant sub-licenses to third parties under the patents of the other Corporation.

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FINCH PUTS 87,500 SHARES ON MARKET

A registration statement covering 87,500 shares of common stock of Finch Telecommunications, Inc., was filed last week with the Securities and Exchange Commission at Washington, it was announced by W.G.H. Finch, President. Public offering of the stock is expected to be made by a group of investment dealers headed by Distributors Group, Inc., according to Mr. Finch.

Proceeds of the financing are expected to be used by the company, according to Mr. Finch, for the purchase of additional machinery, expansion of sales and advertising, for research and development, and for additional working capital and general corporate purposes.

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NBC, MBS WIN D.M.A.A. AWARDS

The National Broadcasting Company was presented with three of the four citations to radio companies as direct mail leaders of 1939 by the Direct Mail Advertising Association at its annual banquet held last week at the Hotel Roosevelt, New York City.

For the second consecutive year, the Mutual Broadcasting System's Sales Promotion Department was awarded a scroll by the D.M.A.A. for "general excellence and results achieved". The

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awarding of the scroll to Robert A. Schmid, Sales Promotion Manager for Mutual, brings the total of Mutual's sales promotion awards for 1939 to three.

NBC executives whose departments received the citations for 1939 campaigns were E.P.H. James, NBC Advertising and Sales Promotion Manager, New York; Emmons C. Carlson, Advertising and Sales Promotion Manager of NBC stations WMAQ and WENR, Chicago, and John H. Dodge, Commercial Manager of NBC stations WMAL and WRC, Washington, D. C.

Judges were Dr. Kenneth Dameron, Professor of Marketing, Ohio State University, Chairman; Dr. Paul H. Nystrom, Professor of Marketing, Columbia University; C. B. Larrabee, Managing Editor, Printer's Ink; S. H. Giellerup, Vice-President, Marschalk & Pratt, Inc., and L. Rohe Walter, Advertising Manager, the Flinkote Company, and President of the D.M.A.A.

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A.P. DIRECTORS TO CONSIDER RADIO POLICY

Radio will be a major topic of discussion at the Board meeting of the Associated Press, to be held in New York October 3. A thorough study and analysis of the results of the action taken last Spring, when for the first time A.P. news was made available for broadcasting under commercial sponsorship, will be made by the Board and certain changes in the present setup may be made.

There are now 19 member newspapers broadcasting AP news on sponsored programs on their owned or associated stations, paying AP an extra assessment amounting to 25% of the first wire and general charge elements for the privilege. More than 100 member papers are paying a 5% extra charge to broadcast AP news on a sustaining basis, according to L. P. Hall, AP executive, who said that many of these publishers had expressed an intention of using the news commercially as soon as their present contracts with other news services expire.

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COUGHLIN BAN SEEN IN NAB CODE DEFINITION

While carefully avoiding the mentioning of names, the Code Committee of the National Association of Broadcasters this week left no doubt in the minds of broadcasters that such sponsored controversial programs as Father Coughlin, the Rev. Walton Cole, and Judge Rutherford must be eliminated by subscribing stations.

The Committee, holding its first meeting in Washington, also barred sponsored talks on the neutrality issue but insisted that ample time be allowed for pro and con discussion of such questions on time furnished free of charge by the broadcasters.

NAB officials admitted that complaints against the broadcasts of Father Coughlin occupied much of the attention of the Code Committee at its executive sessions.

The Committee, in its formal statement, also cited the Code's prohibition against "attacks upon another's race or religion".

Some resignations from the NAB, and possibly an appeal to the Board of Directors, are expected if the trade association enforces its Code provisions so as to bar sponsored broadcasts by Father Coughlin, Judge Rutherford, and others.

Edgar Bill, Chairman of the Code Committee, said its deliberations "chiefly centered around problems involving the religious and public controversial sections of the new Code".

"In approaching the public controversial section of the Code", he added, which bars the sale of time for such discussions, but which provides that such discussions be placed on the air without cost, the Committee emphasizes the underlying principles involved.

"There is a limitation to the number of radio channels now available for broadcasting in this country.

"There is also a limit as to the number of hours available per day for broadcasting. Newspapers may add any number of extra pages to accommodate their overflow news and advertising columns. No comparable opportunity exists in the daily schedule of a radio station, which must adhere to the hands of the clock.

"In the absence of any self-imposed policy to the contrary, it is conceivable that some individuals or groups with

financial means to do so could buy all the available time necessary to monopolize, dominate or control the discussion of public issues through the radio medium, precluding a fair opportunity for an opposition without financial resources to present its case to the radio audience.

"Such a situation would pervert the function of American radio as a forum of democracy, and would irreparably shatter the confidence of the public in the American system of broadcasting.

"In order to assure the American people for all time that such an intolerable misuse of radio facilities cannot happen, the Code states that 'Time for the presentation of controversial issues shall not be sold'.

"The Code does not bar anyone or any group from using radio. It simply denies the right to buy time, for the reasons stated.

"Representative spokesmen of groups in the field of public controversial issues have a perfect right to request time on the air, from a network or station, in accord with the public interest therein as outlined in the Code. 'Broadcasters shall use their best efforts to allot such time free of charge, with fairness to all elements in a given controversy.'

"The handling of public controversial issues by radio stations is a matter of principle and not one of personalities.

"The Code Compliance Committee realizes that whether a matter is a public controversial subject or not is one sometimes difficult to determine, particularly in national and statewide affairs.

"The Committee feels, therefore, that its duty and function is that of rendering advisory opinions, and of rendering advisory opinions, and of recommending procedures through which a sincere and uniform understanding of, and compliance with the Code, may be achieved.

"Toward such ends, the Committee holds as self-evident that no determination as to the character or classification of a proposed program or radio address can be established until an advance script has been examined by the station management.

"The Committee recommends, therefore, that

- (a) Since discussions of controversial public issues have been eliminated from paid commercial broadcasts, adequate time for the presentation of controversial public issues shall continue to be provided free of charge by each station or network, in accordance with the public interest therein.

- "(b) All such scripts shall be required in advance, for examination in light of the Code.
- "(c) Under no circumstances will compensation be accepted by the station or network for time consumed by the spokesman of a controversial public issue, unless,
- "(d) The spokesmen appear on a public forum type of broadcast regularly presented, in conformity with the Code, as 'a series of fair-sided discussions of public issues and when control of the fairness of the program rests wholly with the broadcasting station or network'."

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WMCA CASE PROVING A "HOT POTATO" FOR FCC

The case of WMCA, New York, which the Federal Communications Commission attacked with confidence a few weeks ago, has become a "hot potato" for the FCC, it was learned this week, and has the Commission stymied for the time being.

Sharply split over what action should be taken, the FCC has used the absence of Commissioner Thad Brown to postpone action for a week or ten days. Commissioner Brown left the middle of the week to resume hearings on the Great Lakes radio traffic inquiry.

The reported line-up within the Commission is: Commissioners Frederick Thompson and George Henry Payne are urging that WMCA's license be revoked. Commdr. T.A.M. Craven and Norman S. Case think that the evidence does not justify any drastic punishment though they would be agreeable to a reprimand.

The other three Commissioners appear likely to jump either way although Paul Walker may not participate as he did not attend the hearing. Chairman James L. Fly, while harsh in his conduct of the hearing, is understood to be listening to the arguments of members who are opposing revocation.

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The Federal Communications Commission granted conditionally this week the application of the Nebraska Broadcasting Corporation for a new station in Fremont, Neb., to operate on the frequency 1370 kc. with power of 250 watts day, 100 watts night, unlimited hours of operation.

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COMMUNICATION FACILITIES LABELLED "CONTRABAND"

"All means of communication have been listed as "contraband of war" by Great Britain, according to information received by the Commerce Department from the U. S. Embassy in London.

"No official interpretations by the British Government as to what is comprised under the above classes of goods or as to the conditions of enforcement of the contraband proclamation have yet been received", the Commerce Department stated.

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EDUCATIONAL PROGRAMS LAG; LOSSES NOTED

American educational radio programs lag considerably behind those of pre-war Britain, according to T. H. Shelby, of the University of Texas, who has just completed a two-summer survey of radio in education under a Rockefeller Foundation grant.

At the same time the National Association of Educational Broadcasters, while admitting setbacks within the last year, stated that "the progress which many educational stations made in securing better facilities and in the improvement of plant and equipment was balanced against three particularly unfavorable developments.

"The Ohio School of the Air which was reinstated only last year had to be dropped because of lack of an appropriation by the State Legislature. In Florida, Station WRUF was forced to discontinue broadcasting as a strictly non-commercial station because the item in the State budget for its maintenance and operation was vetoed by the Governor after it had been given approval by the State Legislature. In Wisconsin, the State radio station was compelled to ask for a postponement on its application to the Federal Communications Commission for a clear channel because of the failure of the State administration to set aside the necessary funds."

Dr. Shelby found that techniques are best in the Eastern United States with the West in second position and the South and Southwest on the lowest rung. Carefully prepared programs and professional radio technicians have raised the Eastern area into first rank, he believes.

Acknowledging the present meager advantages of the Southwest, the University of Texas this Fall began a campaign on several fronts to remedy the deficiencies as far as Texas is concerned. This institution has created a bureau of research in education by radio, has built a \$20,000 radio studio, and appointed a general program production director of university radio activity.

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THREE MORE AMATEURS ARE CONVICTED

The Federal Communications Commission announced this week that Lester B. Bentley, Max Pross and Louis D. Welsh, all of Kokomo, Indiana, have been convicted in the Federal District Court, at Indianapolis, Indiana, on charges of operating an unlicensed radio station in the amateur bands in violation of Section 318 of the Federal Communications Act. All three men were also convicted of operating the station without operator's licenses in violation of Section 301 of the Act.

Indictments were secured against each of the three defendants. They were arrested and upon arraignment in the District Court, they all entered pleas of guilty. The Court fined each defendant \$10.

The case was prosecuted by Val Nolan, United States Attorney for the Southern District of Indiana, on evidence supplied by Inspector H. T. Gallaher, of the field staff of the Federal Communications Commission.

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FCC PROBES JAPANESE USE OF G.E. WAVELENGTHS

The Federal Communications Commission this week began an investigation of the reported blanketing of General Electric's powerful San Francisco station in the Far East by Japanese broadcasts.

A press association dispatch from Shanghai stated that a new series of Japanese broadcasts had been started on the same wavelength as used by the Treasure Island station at the San Francisco World's Fair. The result, the dispatch said, was a complete blanketing of the United States broadcasts for Oriental listeners.

"Broadcasts from the Treasure Island station have been extremely popular throughout the Orient", the dispatch stated. "Thousands of listeners will be cut off by the activities of the Japanese station."

FCC officials said that no report has yet been received from the Commission's representative in San Francisco but one is expected within a few days.

"If the report is found true", an FCC spokesman said, "representations will be made to the State Department. Japan has no right to use the wavelengths assigned to General Electric as they were allocated to the United States by international treaty."

Japan is a party to the international radio treaties signed at Madrid in 1932 and at Cairo in 1938.

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NATIONAL GROUPS LAUD NAB CODE

The National Association of Broadcasters this week released statements from a number of national organizations and distinguished Americans who have commended and endorsed the new NAB Code which became effective October 1, and which provides that controversial public discussions be accorded free time and barred from "paid time", and which declares that "radio, which reaches men of all creeds and races simultaneously, may not be used to convey attacks upon another's race or religion".

Prominent among the organizations which issued commendatory statements are the National Council of Catholic Men, the Federal Council of the Churches of Christ in America, the American Civil Liberties Union, the National Council on Freedom from Censorship, the National Council of Women, the General Federation of Women's Clubs, the Boys' Clubs of America, the Association of National Advertisers, the American Association of Advertising Agencies, and individuals including William Allen White, George V. Denny of Town Hall; Lyman Bryson of Columbia University.

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CUBA CLOSES AMATEURS, CONSIDERS AD RATES

The President of Cuba is reported to have signed a decree closing all amateur radio and telegraph stations pending reorganization in accordance with agreements of the Inter American Radio Conference of December 19, 1937, according to the American Commercial Attache, at Havana. The amateur stations are to be closed for a period of 30 days which may be extended to 60 days.

The Cuban Bureau of Radio is reported to have under consideration a schedule providing for a series of rates to be charged for time by the various long wave broadcasting stations. The rates will be set in accordance with the classification of the various stations on the bases of power, etc., the report to the Commerce Department stated.

Press reports state the Bureau of Radio is considering the closing of 11 short wave stations for not complying with the agreements of the Inter American Radio Conference or with regulations of the Department of Communications.

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The Federal Communications Commission this week granted the application of Civic Broadcasting Corporation, Syracuse, N.Y. for a new station to operate on 1500 kc., 100 watts, unlimited time.

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FRENCH RADIO RESTRICTIONS RECEIVED IN U. S.

War-time restrictions on the operations of radio stations in France have been received by the U. S. Commerce Department. Unlike the Nazis, the French have placed no curb on the listeners.

Pertinent provisions of the new regulations follow:

"All radio electric broadcasting stations not in keeping with the needs of national interest are suppressed. The operation of broadcasting stations maintained is assured by the State or Governmental services. Their allotment between the various ministerial departments charged with their operation is fixed by interministerial decree.

"Private radio electric receiving sets are left, in principle, at the disposition of their owners under the same conditions as in time of peace.

"The military authorities are empowered to seize any private receiving sets, which they judge of utility to suppress in the interest of national defense.

"Private broadcasting stations and broadcasting-receiving stations passing into the service of the State are requisitioned. The material of the suppressed radio electric stations is notified by the municipal authority or the public colonial authority to the qualified military or maritime authority which will cause it to be removed, kept under guard or sealed up."

"The service of private radio telephonic communications is suspended.

"Under reserve of the measures of control defined hereafter, the service of private radio telegraphic communications is maintained, except with the enemy countries and to the exclusion of lines which require the use of radio electric lines or stations situated in enemy countries."

"The maintenance of unauthorized radio electric stations, the establishment of fraudulent radio electric stations, the use of these stations, the communication to third parties of information received or transmitted by radio telegraph or radio telephone of interest to national defense or the security of the state, will expose the delinquents to seizure of the apparatus without prejudice to the penalties applicable respectively to these facts."

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NAB RULING HIT BY WJR EXECUTIVE

John F. Patt, Vice President of the key station in the Rev. Charles E. Coughlin's Sunday afternoon radio network, Thursday branded the NAB Code ruling on controversial broadcasts a step "in the direction of censorship and abridgement of free speech", according to an Associated Press dispatch from Cleveland.

Mr. Patt is Vice President of WJR in Detroit, the originating station for the broadcasts, and of affiliated WGAR in Cleveland.

Mr. Patt asked if the Association contemplated "that this provision of the Code would mean that such famous personalities, commentators and speakers as W. J. Cameron, Dorothy Thompson, Boake Carter, Lowell Thomas, Edwin C. Hill, H. V. Kaltenborn, John B. Kennedy, Elmer Davis, Hugh Johnson and many others could never again express an opinion on a sponsored program?"

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SONGS FOR SOLDIERS FEATURED IN CANADA

The Canadian Broadcasting Corporation announced this week that its radio programs henceforth will feature songs that are liked by soldiers. It also will carry "on the spot" broadcasts from camps and barracks over national networks.

"Canada's national war effort, now gathering momentum daily, is reflected in different ways in the programs offered by Canada's national radio", the Broadcasting Corporation stated.

"First in interest to everyone in the Dominion, is the welfare of the men who have been first to answer their country's call. In tents and barracks in every Province, these high-spirited young Canadians are training for the heavy task that they have so willingly accepted as one of the obligations of citizenship in a free country.

"Just as an elder generation of Canadians did twenty-odd years ago, these soldier lads of 1939 are finding an outlet for their natural exuberance in sing-song and concert party. So that their relatives and friends, and in fact every home in Canada, can share and enjoy their infectious high spirits, CBC is making these sing-songs and concerts a national network feature. The first was 'The Army Sings', broadcast from Halifax to the national network on September 27. This week, on October 11, from 10:00 to 10:30 P.M. EST, Canadian listeners will hear 'The Navy Sings', also broadcast from Halifax. The troops themselves, as well as the general public, will be entertained throughout the Fall and Winter by lively variety shows of the sort that every soldier loves.

"An additional, and particularly interest feature will be actually 'on-the-spot' broadcasts from camp and barracks, which will describe at first hand the daily life of the Canadian soldier in training, his work and his relaxation."

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 ::: TRADE NOTES :::
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World Radio Markets series of the Department of Commerce, released this week, covered Tunisia and Windward Islands.

The Radio Corporation of America reduced its bank loans by \$1,000,000 to \$4,000,000 on May 26, a statement to the Securities and Exchange Commission showed this week. The loans remained at \$4,000,000 on August 31.

A. D. Willard, General Manager of Station WJSV, Washington, participated in a broadcast Thursday night sponsored by WJSV and the Washington Post, inaugurating a traffic safety campaign in which special award tags will be given motorists who perform unusual acts of courtesy.

Robert A. Simon, pioneer radio writer, annotator and music critic of The New Yorker magazine, will join WOR's program department next Monday as Director of Continuities, according to Julius F. Seebach, Jr., WOR's Vice President in Charge of Programs.

The Federal Communications Commission announced this week its proposed findings of fact and conclusions, proposing to grant the application of WSUI, State University of Iowa, Iowa City, Iowa, to increase power from 1 KW day and 500 watts night, to 1 KW night, 5 KW day, unlimited time on 880 kc., move transmitter to a new site locally, install new equipment, and employ a directive antenna both day and night. The application was granted conditionally and all parties concerned will have opportunity to file exceptions within 20 days, and thereafter to request oral argument on the proposed report and exceptions.

The Columbia Broadcasting System's gross sales for last month amounted to \$2,565,246 and represented a boost of 60.2% over the billings for September, 1938. The National Broadcasting Company accounted for \$3,315,307 on its two networks, an increase of 11.3% over last year. NBC's breakdown figures \$2,648,892 for the red (WEAF) link and \$666,415 for the blue (WJZ) network.

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10/6/39

ASCAP FILES SUITS IN MONTANA FIGHT

American Society of Composers, Authors and Publishers this week fired its first retaliatory shot against the Montana broadcaster contingent by filing several infringement suits against Ed Craney, who operates KGIR, Butte, and A. J. Mosby, owner of KGVO, Missoula, according to Variety.

Actions involving Mosby were filed with the U. S. District Court in Mosby's home town, while the Craney suits were filed with the Federal Court in Helena.

Complaint against Mosby lists Harms, Inc., for seven infringements, Leo Feist, Inc., for five, Santly-Joy-Select, Inc., for four, Chappell & Co. for five, Irving Berlin, Inc., for six, while the batch named in the Craney case consists of five infringements of Berlin works, four of Chappell's and nine of Harms'. Additional complaints, ASCAP announced this week will be filed against both broadcasters as soon as papers can be prepared in behalf of many other copyright owners.

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CINCINNATI CITIZENS LOOK AT TELEVISION

Citizens of Greater Cincinnati had their first peek at television and technical observers gathered information on their reactions during a public demonstration held in one of the city's department stores last week.

The effectiveness of contrast in clothing, and of continuous action before the camera, was noted by members of the WLW special events department in charge of directing entertainment for the six-day demonstration. Floor shows from Cincinnati night clubs and entertainers of the WLW staff drew large attendances. The biggest crowds, however, gathered when members of the Cincinnati Reds appeared to talk to and be viewed by enthusiastic baseball fans.

Technical equipment, installed and manned by R.C.A., did not provide actual television broadcasting. Instead, the iconoscopes, or television cameras, were located on the fourth floor of the store and connected by coaxial cable with receiving sets on the ninth.

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10/6/39

WAR BOOSTS SALES OF RADIOS IN U. S.

"The European war has apparently stimulated interest in radio listening, with the result that sharp sales gains were experienced last month by several manufacturers", according to the New York Times' business page. "Pilot Radio Corporation has jumped from twenty-fifth to second position in total portable and table model set sales, the company reported; Stewart-Warner receiver sales for September were the largest in the company's history, while the General Electric model being promoted currently in the Consolidated Edison campaign has sold exceptionally well.

"Eight months ago Pilot decided that its export market would be seriously threatened and concentrated on portables for the Summer months and plug-in sets that required no outside aerials for this Fall and Winter for the domestic trade. Newspapers and radio broadcasts were used and the response was so successful that the campaign will be broadened through Austin & Spector Company, Inc.

"Stewart-Warner radio sales for September increased 317 percent over the like month of 1938. The company has been running an intensive newspaper campaign in major markets. The demand for radio-phonograph combinations has been so heavy that some distributors have already been caught short on these models.

"The General Electric radio, which is being heavily advertised in New York newspapers, has sold very well, with some dealers taking two to three times their original quotas."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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TELEVISION AT CRUCIAL STAGE, FCC INFORMED

The secondary report of a Special Committee of the Federal Communications Commission investigating television, expected to be submitted to the full Commission sometime this month, is being awaited with keen interest by broadcasters because of the probable effect it may have on the future course of visual broadcasting in the United States.

Television has reached a crucial stage, according to information reaching the Federal Communications Commission, and unless some aid is accorded it either by governmental subsidy or commercial backing its progress may be halted before it is well begun.

Sales of television receivers have been disappointing, even in New York City, where visual broadcasting has made the most advances, the FCC has been informed. Meanwhile, television in European countries, especially Great Britain, has been shunted aside by the war.

The special Television Committee of the FCC, which has been studying the problem for months, is headed by Comdr. T.A.M. Craven and includes Commissioners Norman S. Case and Thad H. Brown.

Many millions of dollars have been spent by the laboratories and manufacturing companies interested in radio development in bringing the art to its present state. During the past year it was said that more than half a million dollars has been used in further experimentation, and unless the industry can receive some encouragement from the governmental agency the laboratories are about ready to stop. They can't stand the pace of continually putting out money, with no opportunity to cash in to any extent.

While the regulatory body is not disposed to throw any obstacles into the efforts of the developers to obtain some return on the results so far, it is giving very serious study to the problem in an effort to find a way that the project can be encouraged, at the same time protecting both the rights of the industry and the public.

In a preliminary report, the Committee headed by Commissioner Craven held that television was not yet ready for public reception, predicated largely on the belief the projected sets might be subjected to rapid obsolescence without any salvage value. Furthermore, at that time, there was a belief there was not enough information on which to lay down the program for establishment of stations.

The early report had the unintended effect of cooling the public toward efforts of the manufacturers to get their sets on the market, and the industry is said to have suffered, so much so in fact that the matter was called to the attention of the staff of the Commission. The report merely tried to tell the public of the developments so that it would know what it was buying.

Further development which has come to the attention of the Commission since the preliminary report is that the matter of distribution of programs is nearer solution. The first belief was that it would have to be distributed by chains over the expensive coaxial cable, but now it is believed the point has been reached where the programs may be chained by the radio relay; that is the signals instead of being piped by telephone lines as the sound programs are now, they will be broadcast and a chain station would pick up the signals on a receiver and rebroadcast them.

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PAYNE RULING HIT; FULL HEARING ASKED

Caustically criticizing the ruling of Commissioner George Henry Payne in the Orlando (Fla.) case, George O. Sutton, Washington attorney, asked for a full hearing this week before the Federal Communications Commission.

Other Washington radio attorneys are watching the case with interest because of the effect it may have on future legal practice and the rights of radio stations to intervene in pending cases.

After complaining that he had never been notified of Commissioner Payne's ruling, Mr. Sutton insisted that the Commissioner's ruling is not in conformity with the FCC rule, just adopted, relating to interventions.

"This petitioner sympathizes with the Commission in its many problems", the brief stated, "but it is in no wise guilty nor responsible for the acts and conditions therein set out. It is further submitted that if the Commissioner feels that it is incumbent to make a public condemnation of the practices which the Commission has created by its own rules and regulations, all of which acts and conditions were brought about with its knowledge, consent and approval, and the Commission desires to change such deplorable conditions, it cannot be blamed upon this petitioner, unless explicit accusations and illustrations are cited.

"Exception is taken to the first paragraph on page 3 of the decision of Commissioner Payne as contained in mimeograph 36567. If the purpose of the present rule 1.102, relative to intervention, is correctly stated in the first sentence of this paragraph, then the Commission as a matter of law should condemn this rule as

being unjust, illegal, arbitrary, and contrary to existing court decisions on this point, or else first convince the courts that they should over-rule certain existing decisions relative to such practice. If the Commission is attempting by this explanation of the rule, to limit intervention only to those parties who come in as amicus curiae, then only confusion will result, with resulting long litigation to correct the interpretation of the rule. The interpretation here given the rule is not in conformity with the position taken by the Commission and its counsel in many appeal cases before the courts. Commission counsel has contended time and again that it was not bound by strict rules, but that it was seeking all the relevant facts it could obtain with respect to the rights and interests of all parties concerned, upon which it should base a decision. There has been no public notice heretofore that the Commission has changed its policy in this respect. . .

"The argument that 'the Communications Act contains no provisions giving the right of intervention in proceedings before the Commission to any person or class of persons, but expressly provides that the Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends of justice', cannot be construed to prevent intervention in the light of Section 4(j) of the Act. Evidently the language 'that the Commission may conduct its proceedings in such a manner as will best conduce to the proper dispatch of business and to the ends of justice' is also taken from this section. How can the third sentence of this section be made compatible with the last two sentences in the first paragraph on page 3 of the instant decision, wherein it is stated that only where the public will benefit through air or assistance given to the Commission by an applicant or intervener is he entitled to participate in such a proceeding.

"The third sentence of Section 4(j) states definitely: 'Any party may appear before the Commission and be heard, in person or by attorney.' The language in other sections of the Act (402(b)-405) also indicates the intent of Congress that the Commission shall attempt with its specialized knowledge of the field to obtain all the necessary facts before trying to reach a legal conclusion that the granting of a specific application is or is not in the public interest. . . .

"It is submitted that it is not a wholly unnecessary, wasteful, and costly procedure for the Commission to hold a public hearing and permit interested parties to participate therein in order that their rights may be determined. It is submitted, however, that it is a wholly unnecessary and wasteful procedure for the Commission to ignore the rights of interested parties, hold an ex parte hearing with respect to the rights of such parties, and then to cause litigation in the courts to determine whether or not such interested parties are entitled to participate in the initial hearings. Again, such a procedure is a return to the conditions when the Commission undertook, during the early thirties, to grant licenses without a hearing, which in turn abrogated the rights of interested parties, and which has been condemned by the courts.

"Exception is taken to the first paragraph on page 5 of the decision of Commissioner Payne in Docket 5698 in that the procedure therein suggested is wasteful of time and energy both on the part of the Commission and interested parties. If the purport of the first sentence in the paragraph is to the effect that one or more hearings should be held on an application, and interveners should not be permitted to participate in all proceedings, then it smacks of Star Chamber proceedings and defeats the argument of the Commission with respect to the saving of time and money."

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FCC TO GET NEW PRESS CHIEF

George Gillingham, of the TVA press section, is to be named shortly as head of the Press Section of the Federal Communications Commission, it was learned this week.

Chairman James L. Fly, who was general counsel of TVA, is said to have asked for Mr. Gillingham's transfer.

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FTC CLOSES CASE AGAINST NEW YORK FIRM

The Federal Trade Commission has closed its case against Harry G. Cisin, trading as Allied Engineering Institute, 98 Park Place, New York, who was charged with misleading representations in the sale of radio receiving sets.

The Commission was advised that the respondent had suspended the manufacture and sale of radio receiving sets and discontinued the practices charged in the complaint. On September 19, 1939, he submitted a statement adopting and agreeing to abide by the fair trade practice rules for the radio receiving set manufacturing industry promulgated July 22, 1939, in the future conduct of his radio business.

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ELLIOTT ROOSEVELT CITES CODE, SPEAKS ANYWAY

Elliott Roosevelt Saturday warned he might be cut off the air, then said in a radio speech from Fort Worth, Texas, he favored repeal of the arms embargo.

The National Association of Broadcasters recently imposed a ban on discussion of controversial questions by commentators on sponsored programs.

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U. S. RADIO PROJECT EMPLOYS 383, DRAWS FAN MAIL

The radio project of the U. S. Office of Education employs 383 persons, 16 of whom are supervisors, and now sponsors three educational programs, which have drawn 257,000 fan letters within the past year, according to a booklet released this week on "Federal Activities in Education" and published by the National Education Association.

The radio project, financed by Federal relief funds, was established in December 1935, the booklet recalls.

"Its twofold objective is: (1) to provide employment for persons with radio and script-writing talent who are on relief, and (2) to discover ways in which radio can be used to promote education, both for organized instruction and for general enlightenment", the article states. "The project uses radio facilities offered free to the Office of Education by commercial radio corporations for public service programs.

"The project is attempting to demonstrate that an educational agency can create and present radio programs of an informative and educational character which rival in quality the best commercial broadcasts. In promoting education by radio the project does two things: it engages in network or exchange broadcasting, and it gives aid and counsel to schools, colleges, and local radio stations.

"Series of half-hour programs are produced in cooperation with broadcasting networks and national organizations. During the current year (1938-39) three such series have been broadcast. 'Wings for the Martins' is a program about modern thought and practice in education, particularly as reflected in family life. 'Americans All - Immigrants All' dramatizes the contributions of many races and nationalities to the growth of the United States. 'The World Is Yours' deals with the advances of science as evidenced in the research and exhibits of the Smithsonian Institution.

"The Educational Radio Script Exchange of the radio project, organized in 1936 to serve as a clearinghouse for radio scripts and production suggestions, offers scripts free of charge to high schools, college groups, workshops, and other local radio groups producing their own programs. The Federal project has also developed the use of supplementary visual aids designed to help listeners to understand the programs better, and it has distributed many copies of this material. The local development of radio has also been promoted by the allocation of emergency relief funds to school and college radio centers. The Office of Education has helped to establish a short-term radio workshop at New York University for educators interested in obtaining radio experience.

"The radio project is carried on under the Commissioner of Education, and is in immediate charge of a director. It includes a script division for writing programs, a production division (now centered in New York City), an audience preparation division, and a business division.

"The National Broadcasting Company and the Columbia Broadcasting System and their affiliates cooperate with the Office of Education and contribute funds for the project. Funds have also been advanced by the Federal Radio Education Committee for the development of the Script Exchange, by the Rockefeller Foundation for scripts on local government, by the Smithsonian Institution for expenses incurred in preparing a series of scripts, by New York University for the radio workshop, and by the Committee on Scientific Aids to Education for recordings. A number of private educational organizations, such as the Service Bureau for Intercultural Education and the National Congress of Parents and Teachers, have cooperated extensively in the production of certain series of programs."

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MAP AND S-W NEWS LOG ISSUED BY MANUFACTURER

Stromberg-Carlson, radio manufacturer, this week distributed copies of a handy booklet entitled "Map of Europe and Short-Wave News in English Log."

Besides the clear, colored map of Europe, the folder lists the news-in-English broadcasts from London, Berlin, Paris, Rome, and other European capitals in Eastern Standard Time. It also carries a diagram showing the best times to use different short-wave bands.

Tips on tuning short-wave sets, a time conversion table, foreign language news broadcasts beamed on North America, and a list of NBC, CBS, and MBS stations are included in the folder.

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SPIES, SPIES EVERYWHERE, FCC TIPSTERS SAY

Federal Communications Commission mobile monitor stations have been kept busy in recent weeks, especially in the National Capital, checking on reports of illegal short-wave transmissions, often along the fashionable "Embassy Row".

Tipsters, who often mistake some form of electrical interference in their households, for "outlaw" station operations, have been unusually active since the European war started, FCC officials said.

Most of the tips, unless too outlandish, have been investigated, but no unlicensed stations have been located to date in Washington.

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CIVIL LIBERTIES UNION DEFENDS NAB CODE

The American Civil Liberties Union this week came to the defense of the new Code adopted by the National Association of Broadcasters in a sharp reply to an attack on the Code by John F. Patt, Vice-President of WJR in Detroit, and WGAR in Cleveland.

"In a telegram to the NAB Code Committee, Mr. Patt charged that the Code violates freedom of speech and 'goes beyond self-regulation into the realm of strangulation, stagnation and censorship'", the statement released by the American Civil Liberties Union sets forth.

"Replying to Mr. Patt's attack, the Civil Liberties Union, in a statement signed by Arthur Garfield Hays and Morris L. Ernst, general counsel, and Quincy Howe, Chairman of the National Council on Freedom from Censorship, declared:

"It strikes us as highly improper for the Detroit station at which Father Coughlin's programs originate to criticize the new NAB Code for denying free speech. Complaint has already been made to the Federal Communications Commission against that station for denying opponents of Father Coughlin an opportunity to reply to him. What Mr. Patt really means is that the profit has been taken out of free speech since hereafter Father Coughlin or anybody else under the rules of the new Code cannot purchase time for the discussion of public issues. This is wholly in the interest of free speech since it puts everybody on the basis of equality and puts people without money on precisely the same footing as people with it. The new Code corrects a situation so obviously unfair to free speech as to commend itself to every reasonable person. It does away with the justified criticism that public discussion has been weighted heavily on the side of those with large sums to buy time.

"Father Coughlin's sponsors evidently do not believe in fair play. They want a "fair advantage" through the purchase of time. The Civil Liberties Union condemns such an attitude and commends the enforcement of the Code in the interest of equal rights for all in the discussion of public issues."

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The Commerce Department reports that the Government of India anticipates purchasing American radio transmitting equipment, but has no details or indications as to whether the proposed purchases are to be considerable. Firms with representatives in British India should suggest attention to this possibility, the Department advises.

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TRADE NOTES

Through the cooperation of the Radio Corporation of America, the National Broadcasting Company and the RCA Manufacturing Company, two one-reel sound films, "Air Waves" and "Television", produced by Pathe for theatrical distribution, have been made available to schools, churches and clubs at transportation costs.

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The Columbia Broadcasting System, operator of Station WJSV, Washington, last week paid a \$1,000 fee, equivalent to the cost of domesticating in the State of Virginia in order to avoid the necessity of defending an appeal to the State Supreme Court from a decision of the Corporation Commission.

An order entered at Richmond showed that Columbia planned to move its station to Maryland by May 1, 1940, and had agreed to pay the \$1,000 if the State would drop its proposed appeal, to which the Attorney General agreed.

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In honor of the 1939 World Series broadcasts, which the Mutual Broadcasting System handled exclusively, WOR-Mutual's Engineering Department designed a special microphone. J. R. Poppele, Chief Engineer of WOR, produced the "Baseball Microphone". Its base is shaped like a home plate. The standard is a miniature baseball bat, and the mike itself - a non-directional, wide-angled "eight-ball" mike - is enclosed in an enlarged replica of a baseball.

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Columbia Broadcasting System this week announced that Dr. Lee de Forest, distinguished pioneer in the development of wireless communication, has accepted membership on the Board of Consultants of "Columbia's American School of the Air". Dr. de Forest will serve as advisor to the air school in fields of science in general and radio technology in particular. His name brings to 41 the number of prominent educators and scientists who aid in planning the curriculum and supervising the educational contents of the ten-year-old "American School of the Air" programs.

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Neville Miller, President of the National Association of Broadcasters, will be heard over WOR and the coast-to-coast Mutual Broadcasting System on Saturday from 1:30 to 1:45 P.M., EST, when he addresses the luncheon meeting of the National Conference on Civil Liberties.

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CROSLEY EXPLAINS FAILURE TO CARRY WORLD SERIES

The following statement was issued late last week by James D. Shouse, Vice President of the Crosley Corporation in charge of broadcasting.

"The Crosley Corporation, operators of WLW and WSAI, take this opportunity to state their deep regret at being unable to supply their audiences with play-by-play descriptions of the World Series games. We consider this to be particularly unfortunate in view of the fact that for the first time in 20 years, Cincinnati's own team was a participant.

"Station WSAI has for many, many seasons brought complete play-by-play descriptions of all baseball games. However, permission to carry the World Series broadcasts on WSAI was denied, even though we offered to make no charge to the Gillette Company or the Mutual Broadcasting System, who purchased the exclusive broadcast rights from the Commissioner of Baseball. WLW was offered the broadcast of the world series, but inasmuch as the games were sold this year on a commercial basis we did not desire to break long-term contracts entered into with other advertisers in order to carry advertising for a World Series sponsor. WLW also was offered at no cost for the Series games occurring on days when WLW was available.

"WSAI will resume the broadcasting of baseball games for the entire season of 1940. In making this announcement we do not wish to imply any criticism of the arrangements which were made, but have merely felt that our listeners are entitled to an explanation of the situation."

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CUBAN RADIO IMPORTS DECLINE IN 1939

Private compilations show that Cuban imports of radio sets during the first eight months of 1939 numbered 11,257 units, with a total value of 209,039 pesos, as compared with 12,897 sets valued at 306,947 pesos, entered during the corresponding period of 1938, according to the American Commercial Attache.

Imports from The Netherlands during the first eight months of this year numbered 1,100 valued at 17,674 pesos, as compared with 948 units valued at 20,022 pesos, during the corresponding period of last year.

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LaGUARDIA LAUDS ASCAP AS MUSIC WEEK CLOSES

Mayor LaGuardia, after participating in the ASCAP concerts at Carnegie Hall, New York, last week lauded the "week of music" which ASCAP sponsored in celebration of its twenty-fifth anniversary.

After an introduction by former Mayor James J. Walker, LaGuardia said:

"I think it's great that here in New York we are having a week of wartime horror. I am glad to say that America is now repaying our musical debt to Europe in full."

On Wednesday night the New York Mayor wielded a baton over the bands of the police, fire, and sanitation departments.

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CODE RULING JUSTIFIED, SAYS EDITOR

"The new rule laid down by the Code Committee of the National Association of Broadcasters binding individual stations to refuse hereafter to sell radio time to 'spokesmen of controversial public issues' widens the scope of a policy already in force on the major networks", the Washington Star stated editorially this week.

"Under the regulations now announced the presentation of 'controversial' matter will be confined to free periods granted to 'representative spokesmen or groups * * * in accord with public interest, program balance and availability of time', or to the forum type of program, which may or may not be commercially sponsored, but where both sides of a question are treated equally.

"The reason for this step, the Committee said, was the realization that, 'in the absence of any self-imposed policy to the contrary, it is conceivable that some individuals or groups with financial means to do so could buy all the available time necessary to monopolize, dominate or control the discussion of public issues through the radio medium, precluding a fair opportunity for an opposition without financial resources to present its case to the radio audience.'

"More tangible than this cure for a potential evil is the likelihood that the rule will limit the effective range of some notable voices whose advocacy of causes tends to exceed the bounds of polite debate.

"Coming at a time when the arms embargo controversy is at its height, the new ruling, applying to about 92 percent of commercial radio, undoubtedly will be the target of attack. Until and unless it is demonstrated, however, that it infringes on a free and frank discussion of public issues that is unmarked by the introduction of extraneous factors, it stands as a proper exercise of the right of self-regulation."

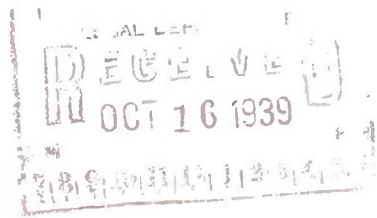
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LaFOLLETTE WARNS OF RADIO CURBS IN WAR TIME

Arguing against repeal of the arms embargo clause of the Neutrality Act, Senator LaFollette (Progressive), of Wisconsin, this week warned of strict censorship curbs on radio and the press if the United States goes to war.

"War kills democracy", he said in the Senate. "Men cannot speak, think, talk, or write freely. They no longer can participate freely as free citizens of a free state. They are subjects. They are objects to be handled by the war machine. There may be no free radio discussion. Newspapers which speak a kind word for peace, if they speak it vigorously, may find that they cannot get the necessary priorities in newsprint and ink; or perhaps their reporters, editors, and compositors will all suddenly be needed in active war service. . . .

"Also, since the last war the President has been given a number of tremendously far-reaching powers. Under the Federal Communications Act he has the power, in war or national emergency, to close any radio station or take it over for the use of the Government. Under the Merchant Marine Act of 1936 the Maritime Commission may requisition merchant vessels during any national emergency declared by the President. Under the section of the 1917 Trading With the Enemy Act, which was amended and incorporated in the Emergency Banking Act of March 9, 1923, the President has very wide powers over the Nation's fiscal and credit transactions 'during time of war or during any other period of national emergency declared by the President * * *'. The proposed Hill-Sheppard bill, which has not yet been enacted because of the widespread opposition to it from all over the country, would give the President virtually dictatorial powers over the Nation's industrial life in time of war."

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FLY MAKES FIRST CALL AT WHITE HOUSE

Chairman James L. Fly, of the Federal Communications Commission, made his first official call on President Roosevelt Friday (today) since his appointment. The conference was first scheduled for yesterday (Thursday) and then postponed.

FCC officials said that the purpose of his call "is a secret".

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PAYNE RULING UPHELD; RULE TO BE REVIEWED

The Federal Communications Commission this week upheld unanimously the decision of Commissioner George Henry Payne in an interpretation of an FCC rule placing rigid limitations on interventions, but at the same time it disclosed that the rule itself will be re-examined.

The Payne decision was made last week in denying the Orlando Broadcasting Co., of Orlando, Fla., the right to intervene in a case involving an application for a new station at Orlando. The petitioner operates WDBO.

The original action of Commissioner Payne, which did away with a procedure of long standing in the Commission, led to a number of petitions asking the FCC to over-rule the decision, after granting the petitioners oral arguments. The Commission, however, acted without giving the attorneys an opportunity to argue their petitions.

As a result, it is probable that attorneys for the petitioners will take the cases to the Court of Appeals.

An examination of the whole case by the full Commission disclosed that it apparently was a boomerang, thrown out by those practicing before the body, which had returned with a heavy blow, threatening, as it does, to cut down considerably the legal appearances before the Commission.

However, while ruling that Commissioner Payne had correctly interpreted the rule, it has been decided to re-examine the new rule with a Committee from the Federal Communications Bar Association. This group, it was said, not only had approved the rule in draft form when it was submitted to it for consideration prior to adoption, but actually had proposed the rule against which certain members of the Association now are complaining.

Seven other petitions to intervene in as many cases, it was said, also were overruled at the same time and the Commission's decision affected these same cases. The new regulation, it was explained, is a move to cut down on the number of stations which seek to oppose applicants for new stations as well as for increased facilities. The new rule merely requires that those who seek to intervene in such cases must set out in their petitions full statements of claims on which they base their applications.

The underlying purpose of the Commission in adopting its new regulation on intervention, it was asserted, was to correct the practice which had become prevalent under the prior rule of the Commission. Under this former rule the Commission permitted any person to intervene in a hearing if his petition disclosed a substantial interest in the subject matter.

This standard was held to have been so broad and the Commission's practice under it so loose that intervention in Commission hearings came to be almost a matter lying in the discretion of persons seeking to become parties to Commission proceedings.

Other applications affected adversely by the denial of the Orlando Broadcasting Company's petition, are as follows:

Station KMAC, San Antonio, Texas; Station KTSA, San Antonio, Texas; Station WOAI, San Antonio, Texas; Station WROL, Knoxville, Tenn.; Station WNOX, Knoxville, Tenn.; Station WFLA, Tampa, Fla., and Station WHDH, Boston, Mass.

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WITNESSES ANNOUNCED FOR LA GUARDIA HEARING

The Federal Communications Commission this week announced the list of appearances scheduled for the hearing Monday on a petition by Mayor LaGuardia, of New York City, to amend FCC rules so that municipal stations may rebroadcast short-wave programs.

Mayor LaGuardia will be represented by William C. Chandler, corporation counsel, and Herman J. McCarthy, Assistant District Attorney.

Others who will participate are:

National Committee on Education by Radio, by S. H. Evans, Secretary; Westinghouse Electric & Mfg. Co., by G. W. Law or Horace L. Lohnes, attorneys; National Association of Broadcasters, by A. W. Bennett, attorney; American Federation of Musicians, by S. T. Ansell, General Counsel; World-Wide Broadcasting Corporation, WRUL, by M. M. Jansky, attorney; National Broadcasting Company, Inc., by A. L. Ashby, P. J. Hennessey, Jr., H. Ladner and J. J. Hurley, attorneys; KUSD, Vermillion, South Dakota, by R. E. Rawlins, Jr.

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LOHR WRITING BOOK ON TELEVISION

Lenox R. Lohr, President of the National Broadcasting Company, is writing a book called "Television Broadcasting: Production, Economics, Technique", which McGraw-Hill announces for Spring publication. The book has been planned as a comprehensive discussion of the problems which television faces today, both in its relation to the public and in the coordination of the various units of a television broadcasting system as a public service. David Sarnoff, President of the Radio Corporation of America, has contributed a foreword.

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TOWNSEND PLAN PERIOD HALTED BY NAB

Sponsored broadcasts on paid time in behalf of the Townsend Plan would constitute a discussion of a public controversial issue and therefore would be unacceptable under the terms of the new NAB Code, the Code Compliance Committee of the National Association of Broadcasters declared this week.

The Code bars the sale of time for discussions of public controversial issues, but provides that time shall be allotted for such purposes free of charge, and "with fairness to all elements in a given controversy".

The Committee's action was in response to an inquiry from a member station which had been approached by agents seeking to purchase radio facilities for the "Townsend Plan Broadcasts".

The agent sought to purchase radio time in 15-minute units, not earlier than 6:30 P.M., stating that the series of programs would start about October 15.

It was stated that various Senators, Congressmen, Dr. Francis E. Townsend and others would speak on the period. The agent declared that an endeavor would be made, through the sponsored radio programs, "to establish new clubs, solicit members and sell our book".

In making public its finding, the Committee pointed out that during political campaigns, adherents of the Townsend Plan may buy time "in behalf of or in opposition to qualified candidates for public office", as provided by the law, or may buy time "in behalf of or in opposition to a public proposal subject to ballot" as further provided by the new NAB Code.

Meanwhile, it was pointed out that representative spokesmen of groups will be given free time to present their viewpoints, in accord with the public interest, program balance and availability of time.

The Committee emphasized again that the Code does not deny the right of free speech to anyone. It simply denies the opportunity to buy time and to monopolize the limited radio time and facilities available, for one-sided discussions of a public question.

Dr. Francis E. Townsend told the Associated Press yesterday (October 12) his old age pension plan organization would "build our own station in Mexico if we are kept off the air in the United States."

Dr. Townsend has been informed of action by the National Association of Broadcasters barring him from paid radio programs.

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"WORLD WIDE LISTENER" PUBLISHED BY S-W STATION

The World Wide Broadcasting Foundation, of Boston, which produces programs for the educational short-wave station WRUL, formerly WLXAL, has started publishing a monthly magazine, "The World Wide Listener", for sale at 20 cents a copy.

The periodical carries the station's programs for the month and timely articles by members of the staff.

Walter S. Lemmon, President and founder, writes in a foreward of the October issue:

"With this issue of our program magazine we are endeavoring to preserve in printed form some of the outstanding thoughts broadcast over WRUL in recent months. Our Board of Trustees is grateful for the evidence of increased support of this new idea and to the many colleges and universities who are cooperating toward this purpose."

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U. S. POWERLESS AS GERMANY BLOCKS FINN BROADCAST

Government officials were openly peeved but admittedly powerless this week when Germany flatly refused to rebroadcast to the United States an address by Finnish Foreign Minister Eljar Erkkko, who wished to reach American listeners.

German radio authorities first agreed to transmit the broadcast by short-waves to the National Broadcasting Company in New York, and then suddenly announced a cancellation on the ground that German wartime regulations forbade the transmission.

NBC officials in New York said that the German short-wave station was the only one in that vicinity powerful enough to relay the foreign minister's speech from Helsingfors, Finland, to New York.

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EIGHT LOCAL STATIONS GIVEN POWER BOOSTS

The following stations were granted increase in power to 250 watts unlimited time this week by the Federal Communications Commission:

KPAB, Laredo, Texas; KOCA, Kilgore, Tex.; WEDC, Chicago, Ill.; KWJB, Globe, Ariz.; KOOS, Marshfield, Ore.; WKBB, Dubuque, Ia.; WBRK, Pittsfield, Mass.; KWNO, Winona, Minn.

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TELEVISION FROM THEATER BALKED BY EQUITY

A scheduled television broadcast of part of Max Gordon's new musical show, "Very Warm for May", which the National Broadcasting Company hoped would be a forerunner of regular television previews of Broadway shows in rehearsal, was abandoned this week by Mr. Gordon's office because of Actors Equity's demand for the equivalent of a full week's salary for each performer participating in the single program, according to the New York Times.

While no formal comment was forthcoming from NBC, the Times said, that the company's department of television had intended to present a series of new Broadway shows in rehearsal in what would have been the first specific instance of sustained cooperation between the theatre and television. The shows would gain the benefit of the promotion, it was said, and NBC would gain good television programs. Relations between the two industries, which may possibly become competitors, have occupied the attention of executives in the show business.

The NBC indicated that it would hold its project in abeyance until the Broadway producers knew where they stood with the unions interested in television. Although Actors Equity has claimed the right to rule television and exercised it in this instance, the matter is at present a major issue before the Associated Actors and Artistes of America, A. F. of L. parent of actor unions.

A jurisdictional row over television started in May when regular programs were initiated in conjunction with the World's Fair. The Screen Actors Guild and the American Federation of Radio Artists, besides Equity, believed they should have a say in the new entertainment field, at least until it became known exactly what form television might take. As a compromise it was decided to name a committee to administer television, but no such body has been appointed as yet.

Some union officials were disturbed because Equity did not notify the A.A.A.A. of the difficulties with the office of Mr. Gordon, who besides being a Broadway producer is General Production Director of television for NBC, and argued that such a stand as Equity's could conceivably injure an industry not yet on its feet.

Robert Milford, General Manager for Mr. Gordon, estimated that if Equity's demand had been met, it would have cost several thousand dollars, as he intended to use twenty-five performers, including dancers and singers. He said NBC had been regularly using Equity members for its various television programs without paying any specified fee.

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TRADE NOTES

Columbia Broadcasting System has leased the 15-year-old Ritz Theater, located at 219 West 48th Street, New York City, as a supplementary playhouse to accommodate many of its outstanding radio programs and their constantly increasing audiences. It is to be known as CBS Theater No. 4. The Federal Theater Project, "Pinocchio" was the last success housed in the Ritz.

How American communications facilities will function if the United States faces a "national emergency" will be discussed by Major General J. O. Mauborgne, Chief Signal Officer of the U. S. Army, at 7:45 P M , EST, over the NBC-Red Network.

As of August 1, 1939, the Federal Communications Commission has revised and renumbered all of its rules and regulations. Rules numbered 177 and 177.1 have now been renumbered rules 3.94(a) and 4.10. Rules 1010, 1011, and 1012(c) referred to in Issue No. 5 in the Commission's Notice of May 5, 1939, have become Rules 4.41, 4.42 and 4.43. The revised and renumbered rules include some changes in phraseology but the substance of these rules is unchanged.

Station WISE, Asheville, N.C., will become affiliated with the National Broadcasting Company on Thursday, Oct. 19. NBC's 177th station, it is licensed to the Asheville Daily News to operate full-time on 1370 kc. with a power of 100 watts. Harold H. Thoms is owner.

WISE will be available as a bonus outlet at no additional charge to advertisers using Station WFBC, Greenville, S.C. Rate for WFBC, supplementary to the Red and Blue Networks, is \$120 per evening hour.

World Radio Markets series issued this week by the Department of Commerce dealt with the Windward Islands, the Leeward Islands, and the Cape Verde Islands.

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WOMEN'S COMMITTEE HIT "HYSTERICAL" BROADCASTS

A movement to curb "hysterical and unsubstantiated" broadcasts of war news was launched at a luncheon conference of the Women's National Radio Committee at the St. Regis Hotel, New York City, this week. Prompted by many protests received by the committees, representing more than twenty national women's organizations throughout the country, resolutions were formulated to devise ways and means of safeguarding news broadcasts from spreading "hysteria" among listeners, especially by the smaller stations, according to the New York Times.

The Committee, in drawing up the resolutions, pointed out that the move was not intended as a blanket indictment of the broadcasting networks in handling war news, but rather as a yardstick that might guide the commentators and set certain criteria for broadcasts relating to war and international affairs. The Committee also plans a "model" news broadcast that will be offered for consideration to the broadcasting stations.

"Since radio has become one of the most powerful means of quickly molding public opinion, it is of vital importance that the news of the world be carefully edited and presented before it is heard over the air", Mme. Yolanda Mero-Irion, Chairman of the Committee said. "We appreciate the earnest efforts that have been made by the broadcasters to bring immediate and first-hand accounts of crucial events to the vast radio audience, but with the European war, new problems have arisen which are a matter of serious concern not only to the broadcasting industry, but to the public and a voluntary conference toward their solution is a necessary venture."

Raymond Moley, editor of News Week, scored the hastily-prepared broadcasts on matters of international importance that are disseminated over the air and advocated more careful editing and presentation of news broadcasts. He added that the radio audience did not desire to hear the opinions of reporters, but rather "straight" treatment of news.

"Even the better radio commentators editorialize to a point that is really indefensible", said Mr. Moley. "Nothing is reported in the newspapers that would terrorize a reader; that bridge has been crossed long ago in journalism; but when I turn on the radio, I hear things that are hot and moist and should not be put on the air. A network in selecting a commentator to express a viewpoint on one side or the other assumes a tremendous responsibility, but the only way out is for the networks to go through with the responsibility that they have assumed. They are not doing it.

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"We got into the last war fast enough without radio and we will get into it much faster with radio, if the commentators continue their snap-judgment opinions. We are fooled every day by the news we hear on the air. The commentators and the broadcasters are not doing the job as well as the public expects it to be done."

Will Irwin, author of "Propaganda in the News", said that the trouble with the news broadcasts was that they offered no time for the announcer or commentator to sift fact from fancy and reports were frequently not only misleading but appalling.

"Things that you hear over the air that sound appalling do not sound nearly so appalling when read in print the next day, even though they may be substantially the same in content", he said. "For in radio we have to contend with the dramatic element in the human voice that has the power to terrorize, by appealing to the emotions. And the emotional quality in the voice is something that cannot easily be corrected. The war of the world that was fought in the Jersey marshes with men from Mars proves that radio has the power to stampede. Radio commentators should not be allowed to continue frightening us with snap-judgments."

Miss Josephine Schain, Chairman of the National Committee in the Cause and Cure of War, stated that her observations indicated that the problem was not as bad as it was painted and that she had not received as many complaints against radio as the motion pictures.

"Fundamentally the problem is the same all along the line and the pictures the yellow press give us are as harrowing as the situation that prevails on the air and in the pictures", she said. "The public likes sensational things and it is our problem, as I see it, to educate the public to take a broad-minded and an intelligent viewpoint and to take such things with a grain of salt."

Others who stressed the important factor the Committee might become in bringing about a more rational and less emotional handling of current news from abroad were Mrs. Marion Miller, member-at-large of the Committee, Miss Lena Madelin Phillips, President of the International Federation of Business and Professional Women, and Mrs. D. Leigh Colvin, State President of the Women's Christian Temperance Union.

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ASCAP SENDS 16,000 REGRETS TO CONCERT LOVERS

The American Society of Authors, Composers, and Publishers this week mailed out 16,000 post-cards expressing regret that there were not enough seats in Carnegie Hall, New York City, to accommodate the persons requesting tickets for the twenty-fifth anniversary concerts last week, according to E. C. Mills, Chairman of the Administrative Committee.

On Friday night, last week, the demand for tickets was so great, Mr. Mills said, that an overflow performance was given at the Seventy-Second Regiment Armory with 10,000 in the hall and 5,000 on the outside listening to loudspeakers.

"The Twenty-fifth Anniversary Festival of American Music was a huge success", he said. "There has never been anything like it in the history of American music."

Souvenir programs mailed out by ASCAP contain a foreword by Gene Buck, President, portraits and sketches of famed American composers, and articles by John G. Paine and Mr. Mills.

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CROSLY IN HOSPITAL AFTER FALL FROM HORSE

Powel Crosley, Jr., President of the Cincinnati Baseball Club and the Crosley Manufacturing Company, was in a hospital this week with injuries suffered when he fell from a horse at his estate, near North Vernon, Ind.

Physicians said an X-Ray examination showed the projecting parts of three vertebrae broken and explained that Mr. Crosley must remain in a cast "at least six weeks, but the injury will not be permanent".

The accident occurred Sunday shortly after the Reds were defeated in the final World Series game.

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No. 1166

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NAB HAS WILDCAT BY TAIL AS CODE STIRS STATION ROW

With the Code ruling prohibiting sponsored broadcasts by the Rev. Charles E. Coughlin, crusading Detroit priest, the center of the storm, the National Association of Broadcasters this week was facing a serious row that threatened to lead to some resignations from the trade organization.

While a handful of stations agreed to drop the program as soon as the NAB Code Committee ruled that it is in conflict with the ban on commercial presentations of controversial broadcasts, the majority of the 44 stations in the Coughlin hook-up indicated they may defy the NAB.

Meanwhile, an unconfirmed report was circulated that the Legal Department of the Federal Communications Commission had come to the aid of the NAB by addressing a letter to Station WJR, Detroit, key station of the Coughlin hook-up, asking why the station was not complying with the NAB ruling.

The FCC has taken no official part in the row, however, and the reported letter to Station WJR was not immediately available to the press.

Somewhat in contrast and yet likewise disturbing to NAB officials is the case of Elliott Roosevelt, son of the President and a Texas broadcaster and commentator, who openly defied the NAB Code as he expressed his views last week on the neutrality issue.

The NAB dodged the Roosevelt challenge, however, by holding that he is subject to network rather than NAB jurisdiction. The matter consequently was turned over to the Mutual Broadcasting System, which carries the sponsored program featuring young Roosevelt, for action.

No showdown on the Coughlin edict is expected before the end of this month as the majority of station contracts for the program expire October 29th.

John Shepard, III, President of the Yankee and Colonial Networks, the latter of which carries the Coughlin broadcast on 17 stations, has intimated he will renew the contracts because of station commitments.

Meanwhile, FCC officials were chuckling over the plight of the organized broadcasters as they called attention to the eagerness with which the NAB set out to regulate the radio industry following the threat of more stringent Government control when the chain-monopoly inquiry began a year ago.

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RMA SUBMITS TELEVISION REPORT TO FCC AFTER MEETING

Bond Geddes, Executive Vice President of the Radio Manufacturers' Association, this week presented to the Federal Communications Commission a report on engineering aspects of television progress as prepared by the RMA Engineering Committee.

The action followed a meeting of the RMA Directors in New York City last week at which it was decided to make a renewed fight against the 5 percent manufacturers' excise tax on radio sets. A special attorney will be employed to represent the Association in hearings before the Treasury and Congressional Committees.

Mr. Geddes explained that the levy costs the radio industry \$4,650,000 a year, and the RMA believes that radios should be classed as a necessity rather than a luxury.

A. S. Wells of the Wells-Gardner Company, President of the Association, announced the appointment of a new committee to consult with the Federal Communications Commission on matters of broad policy. The Committee comprises Commander E. F. McDonald, Jr., of the Zenith Radio Corporation; David Sarnoff, Radio Corporation of America, and James T. Buckley, Philadelphia Storage Battery Company.

The Directors voted to continue the joint promotion with the National Association of Broadcasters through the Christmas season. It was also recommended that manufacturers continue their promotion of sets equipped with short-wave bands for direct reception of foreign programs.

The Board also adopted a resolution proposed by Commander McDonald, Chairman of the Fair Trade Practice Committee, recommending that the trade practice rules promulgated by the Federal Trade Commission on July 22 be adopted subject to a "minor reservation". The reservation covered the proper classification of detector tubes in radio-set advertising. This will be taken up with the Commission.

The Board took further action aimed at evolving a plan to stabilize the radio tube situation and to clarify the confusion created by the large number of new types of tubes being put on the market. A special tube stabilization committee was appointed, comprising representatives of set and parts manufacturers and the Radio Engineering Departments.

Resolutions of regret were sent to Powel Crosley, Jr., President of the Crosley Corporation, who was injured in a fall from a horse last week, and to B. G. Erskine, Chairman of Hygrade Sylvania Corp., because of the death of a son.

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FLY GATHERING DATA FOR COMMUNICATIONS MERGER

With the aim of unifying American communications to improve national defense, James L. Fly, Chairman of the Federal Communications Commission, this week was engaged in gathering data and holding conferences on the long-advocated proposal to merge Western Union and the Postal Telegraph Company.

There were hints, however, that Chairman Fly's call at the White House last week and some of his other conferences have not dealt solely with communications problems but with a more important but mysterious matter.

The communications merger plan is scheduled to be examined at length by a sub-committee of the Senate Interstate Commerce Committee early next year. The Committee was organized last session and is headed by Chairman Wheeler.

There are so many angles to the problem that various Government departments and bureaus have data which will be required by the Senate Committee to complete its inquiry. Aid of the executive branch will be needed in the investigation, inasmuch as the Committee has only \$5,000 with which to do the job. Chairman Fly has conferred with officials of some of the Government agencies involved, including officials from the Labor Department from whom data might be sought as to the possible effect of a merger on unemployment.

Another conference is scheduled at the office of Chairman Fly Wednesday, when it is expected that a definite program will be formulated, which will include the loan of personnel to the communication group to collect and coordinate the data for the Senate Committee.

Mr. Fly said no definite plan for a merger had been formulated by the Commission, but something may develop out of the conferences and the data which it is hoped will be available. The Justice Department has been studying the matter for a long time and just before the Senate authorized its investigation was working on a plan of bringing about a merger through the medium of a consent decree. However, it is understood this idea has been dropped for the time being in deference to the program of Senator Wheeler's Committee.

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World Radio Markets reports on China and Yugoslavia were released this week by the Electrical Division of the Department of Commerce.

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RADIO QUERY INCLUDED IN HOUSING CENSUS

"Does this household have a radio set?" has been included in the tentative schedule proposed for the U. S. Housing Census which will cover an estimated 33,000,000 homes. The housing survey will be conducted simultaneously with the population census, and enumeration is to start April 1, 1940.

Although Congress has authorized inclusion of housing in the general census program, along with a \$45,000,000 appropriation for carrying on its various phases, an individual appropriation of \$8,000,000 is sought for the Housing Census itself. An appropriation of approximately \$5,000,000 is to be asked as a supplemental appropriation in the First Deficiency Appropriation bill brought before Congress when it convenes in regular session in January. This amount would cover the cost of field and office work necessary to gather census data, while the remainder would be spent in compilation of the results and would extend over a period to December 31, 1942.

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BLACKOUTS BOOST BRITISH SALES OF BATTERY RADIO SETS

Ever since the European crisis drew to its climax, British radio and electrical dealers and manufacturers have had an unprecedented demand for battery and the smaller mains-driven receivers, and for ARP blue and low-watt lamps, torches, bulbs and batteries, to comply with the black-out regulations, according to a London report to the U. S. Commerce Department.

"All-dry portable radio receiving sets in particular have established themselves over-night, and there is no doubt that these sets have now come to stay", Wireless and Electrical Trade of London, states. "At present they are being turned out by manufacturers as fast as possible, and the demand exceeds the supply.

"It seems that the production of the necessary all-dry batteries is at present the limiting factor, but this production will no doubt catch up with requirements.

"Reports indicate that the call for ordinary battery receivers with accumulators is equally substantial and the future call for replacement batteries and for accumulator charging will be large.

"Dealers have found that the smaller and less expensive types of mains receivers are in equal demand. Most popular have been the better-known AC/DC compact models which sell around the L5 to L6 mark, but reports indicate that purchasers in very many instances have not hesitated to replace their old receivers with high-priced models."

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RADIO ADVERTISING STRICTLY POLICED, SAYS NAB

"Radio advertising copy is more strictly and thoroughly policed than that of any other medium. Moreover, radio, unlike any other medium, exerts voluntary regulation of advertisers' claims."

This was the National Association of Broadcasters' answer last week to recent attacks on radio advertising made before the Association of Food and Drug Officials, meeting at their forty-third annual conference in Hartford, Conn., the week of October 1. The Association heard "a recommendation that radio advertising of food and drug products be subjected to the same scrutiny by government officials as that of newspapers." Milton P. Duffy, Association President, told the meeting: "The extravagant advertising claims made by manufacturers and producers cannot be overlooked without serious thought. The detrimental effect of radio in broadcasting misleading information is in direct violation of the Food, Drug and Cosmetic Act." Dr. George R. Cowgill, Yale University School of Medicine, commented that "statements over the radio, it seems have thus far escaped regulation".

The NAB's reply, issued through its Bureau of Radio Advertising, terms these remarks "unfair and not based on the facts". A review of the facts reveals that networks furnish the Federal Trade Commission with scripts of all commercial programs, while exercising their own voluntary control of advertisers' claims in advance of broadcast. In addition, all stations supply a full week's scripts at quarterly intervals. The NAB also pointed out that its own weekly bulletins to stations carry a full report of Federal Trade Commission action, including complaints, "cease and desist" orders and stipulations.

The FTC review of radio advertising copy has been in effect since July, 1934. The annual report of the Commission for the fiscal year ending June 30, 1938, states: "In general, the Commission has received the helpful cooperation of nation-wide and regional networks, and transcription producers, in addition to that of some 617 active commercial radio stations, 252 newspaper publishers, and 408 magazine publishers, and has observed an interested desire on the part of such broadcasters and publishers to aid in the elimination of false, misleading, and deceptive advertising.

"During the fiscal year ended June 30, 1938, the Commission received 490,670 copies of commercial radio broadcast continuities, amounting to 1,069,944 pages of typewritten script. These comprised 677,074 pages of individual station script and 392,870 pages of network script."

The NAB has also put into effect its own Code of Program Standards. The commercial sections of the Code, designed as a self-regulatory move on the part of all NAB member stations

(comprising 92 percent of commercial broadcasters), sets definite standards for the character of acceptable advertising and also against extravagant advertising claims. The networks and many individual stations, the NAB pointed out, have had similar self-regulation for years.

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GILLINGHAM LOANED TO FCC FOR THREE MONTHS

The Federal Communications Commission announced on Saturday that George O. Gillingham, senior information service representative and chief of the Washington Information Office of the Tennessee Valley Authority, had been secured on a loan basis from that agency for a period of three months to occupy the position of Chief of the Office of Information of the Federal Communications Commission.

Mr. Gillingham was formerly associated with the Newark (N.J.) Star Eagle, Newark Sunday Call and covered North Jersey for three Philadelphia dailies, i.e., North American, Press and Evening Bulletin. He also did feature writing for the New York Sunday World and has had varied experience in magazine work, having contributed articles to Saturday Evening Post, Current History, Bookman, New Yorker, Esquire, etc. At one time Mr. Gillingham was Managing Editor of the Pathfinder magazine and at the same time edited a department in Golden Book.

Mr. Gillingham was in the military service from 1918 to 1920 and for a time commanded Company K of the 1st Gas Regiment. He is a member of the National Press Club and Past Commander of the National Press Club Post of the American Legion.

The Commission also announced that C. Alphonso Smith, who was borrowed from the Soil Conservation Service last December and who has been serving as Acting Director of Information since April 1, 1939, would remain to assist Mr. Gillingham until November 1, 1939, when his leave period expires.

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Hearing on the petition of Mayor F. H. LaGuardia of New York, in behalf of the municipally-owned WNYC, to amend FCC rules to permit use of ultra-shortwaves for domestic network transmission, in lieu of wire lines, scheduled for Oct. 16, again has been postponed to Oct. 23. The hearing, postponed several times, is to be before a committee of three Commissioners.

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NEW INVENTION RECORDS RADIO LISTENING HABITS

A device which automatically records listening habits of radio owners has been patented by Robert F. Elder and Louis E. Woodruff of Belmont, N. Y.

It records on a strip of paper the time and the stations listened to throughout the day. These records when collected and tabulated would give radio broadcasting stations accurate information as to what the radio audience likes best on the air.

The recording device comprises a separate unit which may be plugged into the radio. It includes a clock motor, stylus and paper tape. When the radio is turned on this automatically starts the device. Movement of the stylus is controlled by the tuning dial of the radio.

The patent is assigned to the A. C. Nielson Company of Chicago.

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COLOMBIAN STATIONS HELD TO STRICT NEUTRALITY

Developments in Europe have led the Colombian Government to decree that all radio broadcasting stations must observe a strict neutrality in their programs and transmissions, according to the American Commercial Attache at Bogota. The use of any language other than Spanish in broadcasts is prohibited and all stations broadcasting news reports will exercise care to see that such reports are held within the bounds of strict impartiality with respect to the governments and peoples in conflict.

Amateur and experimental stations can only communicate in Spanish and transmissions must be restricted to experiences and observations of a personal character related to the science of radio-electricity.

The transmission of messages in private codes by cable, radio or telegraph is prohibited. The use of recognized commercial codes will be permitted but the name of the code used must be indicated on each message.

All clandestine radio stations will be closed by the authorities and the owners or operators of such stations will be subject to the penalties prescribed by law.

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TWO GOVERNMENT ATTORNEYS JOIN FCC STAFF

Two new attorneys this week joined the Law Department of the Federal Communications Commission as aides to William J. Dempsey, General Counsel.

Robert M. Cooper, Special Assistant to the Attorney General and FCC liaison in the Department of Justice is principal attorney, while Benedict Peter Cottone, lawyer on the staff of Civil Aeronautics Authority is Senior Attorney.

Mr. Cooper, who is 31, has specialized in communications and broadcast matters, however, with such cases as the Western Union-Postal merger assigned to him. It is expected he will continue his departmental studies at the FCC and presumably specialize in litigation ear-marked for Supreme Court consideration. It is understood he will also participate in the handling of litigation in connection with pending petitions of the FCC to have the Supreme Court review decisions of the U. S. Court of Appeals for the District of Columbia involving fundamental jurisdictional issue.

Mr. Cottone worked under General Counsel Dempsey and Assistant General Counsel William C. Koplovitz while they were with the Federal Power Commission. He was on the special telephone staff of the FCC under Special Counsel Samuel V. Becker during its A. T. & T. investigation several years ago. Since his graduation from Yale Law School in 1934, he has been employed by Securities & Exchange Commission, Department of Justice, Power Commission and Civil Aeronautics Authority.

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CUBA CLOSES FIVE STATIONS FOR WAVE JUMPING

The American Commercial Attache at Havana reports that the Radio Bureau has ordered the closing of five stations in Havana - CMCG, CMBH, CMC, CMCR and CMBG - because, it is claimed, these stations have persisted in operating at variable frequencies, and of increasing their power beyond the amounts assigned to them by Presidential Decree No. 1942. It is stated that several other station are likely to be closed for infraction of the regulations governing frequency assignments.

New regulations governing broadcasting station announcers also have been decreed. Among the principal provisions of the decree are that he must be a Cuban citizen of more than 16 years of age and not have a criminal record; they must be familiar with the provisions of law and the regulations concerning the responsibilities of radio announcers; have passed an examination covering Spanish, grammar, diction and vocalization, interpretation of text, vocabulary, etc.; be in possession of a certificate of aptitude granted by the Department of Communications. Exception is made of persons in the professions, in positions of standing in social, political, economic, industrial, cultural and scientific circles, when these individual are engaged in giving talks in their respective fidis. Also exempted are members of the Government and officials of the Diplomatic and Consular corps in Cuba.

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G.E. TO STAY WITH N.Y. FAIR IN 1940

With a record-breaking crowd of General Electric employees visiting the New York World's Fair for "General Electric Day" last week, Gerard Swope, President of the company, announced that G.E. would "go right along" with the Fair in 1940.

Nearly 30,000 G-E employees and their families visited the Fair, making both the largest industrial group to see the Fair from outside the metropolitan area and the biggest meeting ever held of General Electric workers. Coming from as far as Fort Wayne, Ind., and Erie, Pa., the delegation covered 5,000,000 miles, and about 5,000 of them stayed over for a second day at the Fair.

Governor Herbert H. Lehman and former Governor Alfred E. Smith, who were on hand for Albany Day, and Mayor Jasper McLevy of Bridgeport, Conn., joined Mr. Swope in welcoming the G-E employees at the New York State Amphitheatre, where they were the guests of the company for Billy Rose's Aquacade, for the biggest theatre party ever held anywhere.

In promising Mr. Harvey D. Gibson, Chairman of the Board of the Fair, that G.E. would be back at the Fair next year with its Steinmetz Hall man-made lightning show and the "House of Magic", television and other exhibits, Mr. Swope said:

"We are very well pleased with our exhibit here. More people have visited our House of Magic in half the time than visited the same exhibit at the Chicago Fair."

Nearly 7,000,000 people, it is estimated, have visited the G-E exhibit, while about half that number, by actual count, have seen the demonstrations in the "House of Magic" and Steinmetz Hall. Mr. Swope said only minor changes were contemplated in the exhibit for 1940.

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YANKEE NET PROPOSES TWO "STATIC-LESS" STATIONS

Two "static-less" or "frequency modulation" broadcasting stations to operate on the "regular" or commercial basis, one to cover the New York area and the other to serve New England, have been made the subject of applications to the Federal Communications Commission.

If the FCC approves, the transmitters will be built and operated by the Yankee Network of New England, headed by John Shepard 3d, on the interference-free principles developed and perfected by Major Edwin H. Armstrong, inventor and Professor of Electrical Engineering at Columbia University.

For the New York area the "staticless" transmitter will be a 50,000-watt outfit situated atop the New Jersey Palisades at Alpine; for New England it will be on the top of Mount Washington in New Hampshire, at a power of 5,000 watts. Major Armstrong now operates a 40,000-watt experimental sending unit at Alpine.

Because it has been demonstrated that "static-less" or interference-free broadcasts "long since have passed out of the mere experimental stage", the Yankee Network announcement said, stations supplying such programs should be authorized for operation "as regular broadcast stations" and no longer classed as experimental.

Therefore the applicant asked the FCC to "amend or change" its existing rules and regulations" to permit its proposed broadcasters to be operated commercially and also to permit other such stations to be operated in the same way. It was requested that the applications be designated for public hearing by the FCC with this aim in view.

Experience over a number of years with experimental stations carrying regular staticless programs many hours daily, it was said, have demonstrated such broadcasting to be "peculiarly fitted to service the densely populated New York City area" for all who own or have access to the required new type of receivers.

Sending stations utilized for experimental operation have reached the "stage of near perfection", and tests have shown "conclusively that a much more superior service can be rendered" in such areas through "static-less" stations that can be achieved otherwise, the applications said. Also greater fidelity of program and reliability will result, it was said, and "no further experiments whatever are necessary to prove this."

Specifically, the applications asked for a regular broadcast construction permit or license for the transmitters, distinguished from an experimental type of license.

At the elevation of 6,300 feet above sea level, the Mount Washington station, with only 5,000 watts of power, is expected to provide "interference-free broadcasts for 1,000,000 people in Northern New England". Within the area are about 750,000 persons said to live "beyond the primary service area of any broadcasting station.

Elevation, tests have demonstrated, endows the station with great advantages over those more lowly situated. For instance, 5,000 watts atop Mount Washington would be as effective, it was said, as 50,000 watts at an elevation of 2,000 feet, or as powerful in effect as a 200,000-watt transmitter only 1,000 feet above the surrounding terrain.

However, the summit of Mount Washington, because of its severe climatic conditions, is expected to make the proposed 5,000-watt installation a more expensive and formidable job than a station of many times the power built at lower levels.

A 500-watt short-wave transmitter of the regular type, operated there for the last two years, has demonstrated that regular or "amplitude-modulation" broadcasting never can cover a sufficiently large area of Northern New England to warrant its consideration, even with the use of a power greater than is now deemed technically or economically possible, the application continued. The Armstrong system, on the other hand, is expected to cover an area within a 100-mile radius.

If authorized, the projects will be under the supervision of Major Armstrong, Professor G. W. Pickard of Boston, and Paul A. deMars, the Yankee Network's Technical Director.

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NEW RECORDING SYSTEM DEVELOPED BY RCA-NBC

A new method of recording and reproducing transcriptions, known as the RCA-NBC Orthacoustic Recording System, which combines the finest elements of the recording process was announced last week by the Electrical Transcription Service of the National Broadcasting Company. The new method was developed through the combined efforts of the engineering laboratories of the RCA Manufacturing Company and the NBC.

Called one of the most important developments since the introduction of electrical recording in 1925, the new RCA-NBC system incorporates new and higher standards of sound recording from the microphone to the turntable. While the principle difference in recordings of old and new types lies in the method of recording the sound on the record, the new system also provides for simple adjustments in the reproduction equipment to take advantage of the finer quality inherent in the new Orthacoustic records.

The RCA-NBC Orthacoustic Recording System owes much to RCA-NBC's pioneering in television - in fact, stems from television's developments in the transmission of sound in the ultra-high frequencies. While based on principles already known, the new system may be said to be a crystallization of all improvements made in recording in the past few years together with new developments in materials and recording technique.

Essentially the improvements of the new system lie in a pre-emphasis of the lower and higher frequencies during recording. The inverse characteristics introduced into the playback equipment through a compensation filter then cause background noise in the lower frequencies and scratching in the upper frequencies to drop out, and minimize distortion in the treble and bass.

The practical results of the successful completion of this engineering work include: (1) A new high fidelity quality in reproduction; (2) Elimination of distortion, particularly in high frequencies; (3) Elimination of surface or background noise; (4) Natural, true reproduction of speech; (5) Greater tone fidelity in reproduction of music.

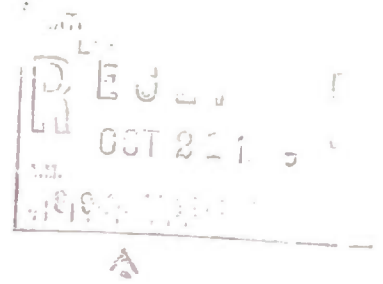
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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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HOUSE MEMBERS RAP NAB RULING ON COUGHLIN

As member stations began withdrawing from the National Association of Broadcasters this week in protest against the Code ruling against controversial issues on sponsored programs (see Roosevelt story elsewhere in this issue), members of Congress hinted that they may take a hand in the row as they expressed disapproval of the NAB action.

Representative Cochran (D.), of Missouri, condemned the ruling as it affects the Rev. Charles E. Coughlin, Detroit radio priest, in a speech on the House floor, and other members arose to endorse his views.

FCC officials watched the developments with interest, and there were informal predictions that the controversy will lead to the introduction of legislation to set aside arbitrarily periods on all stations for discussion of public issues.

Cochran's views, which were not a defense of Father Coughlin except as to his rights to speak over the air on sponsored broadcasts, were endorsed by Representatives Crawford (R.), of Michigan, and Kunkel (R.), of Pennsylvania.

Characterizing the NAB ruling "a direct assault upon one of the most sacred provisions of our Constitution - freedom of speech", Representative Cochran said:

"The question as to whether we are in agreement with those who are able to purchase time on the radio to discuss controversial public issues is beside the point. I insist we are treading upon most dangerous ground when free and open discussion of any question, public or otherwise, is to be denied.

"At the moment this ruling undoubtedly will affect many outstanding citizens of this country sincere in their belief that the present neutrality law should not be touched, or, if amended, the embargo provisions should be retained. Among those who entertain this view is Father Coughlin, who, with all the vigor at his command, probably is the leader in the fight against repeal of the embargo.

"Regardless of whether or not this order was directed at Father Coughlin, it will affect his broadcasts in some localities, and his followers will always believe that back of the decision was a desire to take Father Coughlin off the air.

"Many times I have not agreed with the views of Father Coughlin. I do not agree with him on this issue, although many of my constituents do. I have not hesitated to write Father

Coughlin when I thought he was in error. True, there are many others, if the ruling is strictly adhered to, who will be affected, including many of our leading commentators who are heard daily over the radio. To deny Father Coughlin the use of the radio, especially at this time, means beyond doubt that the members of the National Association of Broadcasters will be required to discontinue the broadcasts of every citizen who desires to discuss controversial public issues, if the National Association of Broadcasters so decide.

"Now what is a controversial public issue? I would say every public issue is controversial, because those of us who have been in public life any length of time know there is a minority to practically every public issue, which makes it a controversial issue.

"Honestly enforced, would not this order deny the use of the radio to even the candidates for President in 1940? The issues involved in that campaign are certainly to be controversial, and they will beyond question be public issues. Likewise, the candidates for all public offices in 1940 - National, State and local - must be denied the use of the radio because the issues they advance will be controversial public issues.

"I commend those in control of broadcasting stations, be they members of the National Association or not, who have defied the ruling and notified the Association they will not abide by it. Among those who take exception to the ruling is Rev. Father W. A. Burk, S.J., faculty director of the radio station operated by the St. Louis University of my home city, St. Louis. . . .

"The decision of the National Association of Broadcasters brings back to my mind the action of the Federal Communications Commission in issuing regulations last May relating to the character of international broadcasts. Shortly thereafter I introduced a bill which, if enacted into law, would provide no rule or regulation hereafter issued by the Commission shall have the effect of limiting broadcasts to service which will reflect the culture of the United States or promote international goodwill, understanding, or cooperation.

"Why did I offer such a bill? It was because I felt then and I feel now it was in effect an attempt to curb freedom of expression.

"I am pleased to say that regulation or rule of the Commission was rescinded and a committee appointed to consider the question.

"When I introduced that bill Rev. Edward Lodge Curran, President of the International Catholic Truth Society, wrote me a letter defending the Commission's action and desired that I debate the subject with him.

"At that time President Neville Miller, of the National Association of Broadcasters, the same organization that now seeks to impose its will on discontinuing paid contracts for discussing controversial public issues, condemned the Communications Commission for issuing the regulation. He was quoted in part as saying it

was an unsound policy, incompatible with the operation of broadcast stations by private enterprise in a democracy.

"I am reminded of the words of the late Mr. Justice Holmes in his dissenting opinion, Mr. Justice Brandeis concurring, in the case of United States against Schwimmer, a lady who was denied naturalization, when he said in part:

"Some of her answers might excite popular prejudice, but if there is any principle of the Constitution that more imperatively calls for attachment than any other it is the principle of free thought - not free thought for those who agree with us, but freedom for the thought we hate."

"Mr. Speaker, I suggest to Mr. Miller and the Association which he represents that they take the same view now that they took when the Communications Division issued its regulation and describe their own order 'as an unsound policy, incompatible with the operation of broadcast stations by private enterprise in a democracy.'"

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ELLIOTT ROOSEVELT QUILTS NAB; MILLER EXPLAINS

Elliott Roosevelt, son of the President, this week announced in Boston that ten Texas radio stations which he operates were resigning from the National Association of Broadcasters because of the imposition of a rule barring expressions of personal opinion on controversial issues on commercially sponsored programs.

At the same time, Neville Miller, President of NAB, issued a statement suggesting that Mr. Roosevelt may not understand the NAB Code thoroughly. He also released correspondence between NAB and the Mutual Broadcasting System concerning the Roosevelt neutrality comment which brought about the NAB censure.

Young Roosevelt termed the ruling a "curtailment of free speech and censorship in its worst form", making this statement at a press conference prior to a speech before the Boston Life Underwriters' Association.

The President's son also voiced disapproval of the Federal Communication Commission's stewardship of broadcasting stations, asserting the six-month licenses under which they operated made them "not a business, but a gamble".

Although expressing disapproval of Father Coughlin, the radio priest, because of a contention that he "fosters racial hatred", Mr. Roosevelt said he believed the priest "had a perfect right to speak".

On October 7, Mr. Roosevelt publicly stated that he would violate the NAB Code and would express personal opinions on public controversial matters on his commercially sponsored news commentator's program.

After making inquiry, Mr. Miller on October 13, sent the following letter to Theodore Streibert, Vice President of the Mutual Broadcasting System.

"Dear Mr. Streibert: In his sponsored broadcast over the Mutual Broadcasting System on October 7th, Elliott Roosevelt publicly announced that on his broadcast of that evening he would express a personal and editorial opinion about a public controversial issue and that he realized such expression of personal opinion by a news commentator on commercial time was in violation of the NAB Code. I am of the opinion that Elliott Roosevelt in his broadcast did violate the Code, and I am therefore bringing the matter to your immediate attention. I shall appreciate a reply at your earliest convenience. With kindest regards, I am sincerely yours, Neville Miller."

Thursday of this week Mr. Miller received the following reply from Mr. Streibert:

"Dear Mr. Miller: With reference to your letter of October 13th, we held a discussion with Elliott Roosevelt yesterday and reached an agreement which was wholly satisfactory. He will eliminate from all his commercially sponsored broadcasts any expression of personal editorial opinion about public controversial issues. Sincerely yours, T. W. Streibert."

Mr. Miller expressed regret that Mr. Roosevelt has seen fit to disregard the Code voluntarily set up by his fellow broadcasters and resign from the Association.

"His statement charging censorship indicates that perhaps he is not fully conversant with the Code and the vital problems of public policy underlying it", he said. "There can be no charge of censorship or of the curtailment of free speech when all spokesmen are given an equal footing at the radio rostrum, free of charge.

"This provision of the Code not only insures the widest possible use of radio for public discussions, but it insures as well an impartial and fair opportunity to all spokesmen and groups to use its limited facilities and to be subject to debate and challenge should such develop. This is the democratic way of doing things.

"It is significant to observe that those who are objecting to the Code and who want to continue to buy time for discussions of public controversies, have refused to accept free time offered on programs where another viewpoint may be fully presented.

"Rather than barring them from the air, as has been charged, the Code recognizes their right to speak, but provides that those holding other views shall not be deprived of the right to present those views under similar conditions.

"The point raised in Mr. Roosevelt's October 7 broadcast, however, involves the propriety of injecting personal opinions on a news commentator's broadcast.

"The press of this country has always recognized the necessity of preserving the integrity of its news columns. Personal opinions are reserved for the editorial page. The integrity of radio news is of parallel importance.

"If Mr. Roosevelt wishes to express personal opinions about public controversial matters on the air, there is nothing to prevent him from doing so on the time freely given for the purpose. But, under this Code, no personal opinions can be presented under the guise of news on any news broadcasts, whether sponsored or unsponsored.

"The NAB Code is based upon principles, not personalities. The provisions of the Code shall continue to be administered fairly and impersonally."

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U.S. OFFICIALS SEE TELEVISION TEST FOUR MILES UP

Government officials and newspaper men witnessed a demonstration of television transmission from New York City to an air liner 21,600 feet above the National Capital this week. The television images, which were on the whole clear, were carried 200 miles and received on a standard RCA television receiver.

The demonstration, which marked the twentieth anniversary of Radio Corporation of America, was staged first for the benefit of New York newspaper men and then repeated for Washington reporters, army officers, and officials of the Federal Communications Commission, and the Civil Aeronautics Authority.

Arranged jointly by the Radio Corporation of America and United Air Lines, the flight over Washington represented the first attempt to extend the range of the intractable radio waves upon which television must depend under allocations of the Federal Communications Commission.

Because television waves obey exactly the same rules as light waves, traveling only in straight lines subject to being blocked off by mountains, the curvature of the earth's surface, or even intervening buildings, they have up to now been limited to a range of less than 50 miles, even when broadcast from an antenna high above the highest New York skyscrapers.

To prove that the range of the television wave-length is far greater than the 50-mile limits within which receiving of the New York broadcasts so far has been confined, RCA engineers arranged the novel scientific demonstration over Washington.

Flying over the Nation's Capital at an altitude of 21,600 feet, engineers of RCA and the National Broadcasting Co. tuned in Station W2XBS in New York. At the appointed time the image of Herluf Provensen, NBC announcer, appeared on the screen. Those of David Sarnoff, President of the Radio Corporation of America, and W. A. Patterson, President of United Air Lines, appeared shortly thereafter.

By means of two-way radio communication, members of the party making the flight were able to talk with Mr. Sarnoff and Mr. Patterson in the studio at Radio City. In response to a request from a photographer in the plane, Mr. Sarnoff held a post for a picture off the Iconoscope screen of the receiver.

The images, as seen in the plane, were comparable to those received in the primary service area of the NBC station, which reaches out fifty miles in all directions from midtown Manhattan. Frequently, however, they suffered from interference of other electrical equipment in the plane, including the radio transmitter and ignition apparatus for the ship's two motors.

Ralph Holmes, RCA engineer, and W.A.R. Brown, NBC engineer, explained that the intensity of the signal at 200 miles distance from the transmitter was low, and that interference, however slight, had serious results in impairing image quality. On the return trip, approaching New York City, where the signal became strong, motion picture transmissions and the landing of the plane itself at North Beach Airport were in sharp focus.

The experiment, employing the transmission equipment of the National Broadcasting Company, bore out the theory that the ultra-short waves used in television travel in comparatively straight lines. In order to receive the telecast over Washington, D. C., the United plane was forced to rise above the 16,000-foot altitude level.

Television engineers had previously established that the ultra-short wave's utility was over an area roughly limited by the visual horizon.

The receiver was a standard model now being sold in New York. The only change made in it was a slight adjustment in the automatic volume control to compensate against the whirling propellers. These, according to engineers, acted as reflectors, causing extremely rapid variations in the intensity of the received signal. The antenna used was a simple dipole type, consisting of two wires strung under the fuselage of the ship. The connection to the receiver was made through the fuselage.

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GANNETT OPENS FIGHT ON PRESIDENT'S RADIO POWERS

Frank Gannett, New York state publisher, as Chairman of the National Committee to Uphold Constitutional Government this week launched a crusade against the presidential powers over radio in time of war or national emergency as set forth in Section 606(c) of the Communications Act.

In letters addressed to broadcasting stations, newspapers, and members of Congress, Mr. Gannett urged that something be done to counteract what he termed dictatorial powers of the Chief Executive.

Addressing radio station owners, he said:

"The time has come when radio must deal with an issue vital to its existence. It must fight for its right of free speech, for wherever that right has been surrendered, all liberty sooner or later has been lost. As newspaper publisher as well as owner of several radio stations, I ask you to look today's facts in the face and put the enclosed information to the best use you can devise.

"Whether the President does or does not exercise his present authority to censor your broadcasts -- yes, even to close or take over your station, which he has the power to do -- the menace of steadily increasing government control threatens all of us. The loss of freedom will stifle progress in radio, in everything.

"Newspapers went through this same experience. Governments at first insisted on licensing use of the printing press. In England, John Wilkes, in America, Peter Zenger went to prison before freedom of the press was established with constitutional guarantees. Radio likewise will have to fight for its freedom, but freedom is worth any price.

"First of all, we must break down with the public the idea that radio is a creation of government and naturally subject to government control. Thousands of investors, backing the dreams of countless inventors, have made radio possible. Compared with the contributions of private enterprise, government's part in establishing radio has been insignificant. Government's function is to allocate wave bands, police their use, not dictate who shall use them -- much as a traffic officer polices the highway, prevents collisions, not dictating who shall or shall not own a car.

"Broadcasting stations and the radio industry, as well as all radio listeners, have a tremendous stake in the issues raised by the National Committee to uphold Constitutional Government. Included in this material is a summary of the extraordinary powers in the hands of the President; also a copy of my letters to editors.

"A thorough discussion of these facts, followed by legislative action to assure guarantees of freedom of speech over the radio, should be of greater immediate interest to radio listeners than to newspaper readers. You are, therefore, free to make such use of this material as you see fit, on and after the release date.

"It will interest me to know what use you make of this material, either by direct quotation or as basis for radio comment. Your viewpoints on these questions and suggestions for furthering this Committee's campaign for freedom of radio will be most helpful."

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DAVID LAWRENCE RAPS NAB CODE PROHIBITION

Using a full page editorial in The United States News this week, David Lawrence, editor and Washington columnist, assailed the NAB Code rule against controversial sponsored broadcasts on the ground that it was an infringement of the right of free speech.

"Aside from the doubtful legality of the procedure", he said, "it is apparent that the owners of radio broadcasting stations who comprise the NAB have gone from the frying pan into the fire by their refusal to permit the sale of time on the air for the discussion of 'controversial' issues."

Comparing the radio to the press, Mr. Lawrence continued:

"The radio business is a form of publishing. It can be operated like any newspaper company. It is fallacious to say that any interest or organization would monopolize the air if permitted to buy time. The NAB cannot expect the public to believe that the individual stations are incapable of making a definite division between free time and commercial time, as do the newspapers, and allocating the paid space for different types of programs on a first come, first served basis.

"The radio station, like the newspaper in each single issue, can limit the amount it will accept from advertisers for a given evening and yet be above criticism. American newspapers frequently refuse to accept an excessive quantity of 'political' paid advertising and announce in advance how much they will accept. But in the main they are careful not to bar anybody who conforms to the laws of libel and they do not discriminate between users."

Asserting that even Congress cannot abridge the Bill of Rights, the editorial added:

"What Congress cannot do, no trade association can do. No group of individuals can lawfully set itself up to deprive any citizen of his civil liberties. Trade associations may render 'advice' and may 'recommend' general principles and codes of ethics but this is a far cry from establishing rules interfering with the right of lease or purchase by a law-abiding citizen of the facilities offered to the public by the members of such a trade association engaged in profit-making businesses.

"If there be the power in the NAB to exclude from its facilities certain purchasers, it could conceivably on any pretext of convenience or necessity exclude others and we would thus have a new law-making body engaged in restraints of trade and a monopoly in the sense in which Sherman anti-trust law decisions have applied the term.

"The National Association of Broadcasters fears government regulation of programs, government censorship and socialization of radio properties. Its fears may be well grounded. But men of courage in American history have never accepted temporary security as the price of surrender of a principle whose abandonment could eventually come to mean the impairment of any of the precious civil liberties in our democracy."

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MC GRADY OPENS OFFICE IN RCA WASHINGTON DIVISION

Edward R. McGrady, who was the Assistant Secretary of Labor under the New Deal, is back on his old stamping grounds in Washington. The trouble shooter of the department, who won a reputation as a conciliator of industrial disputes, resigned as Secretary Perkins' chief aide in 1937 to take charge of labor relations for the Radio Corporation of America. He has now been designed as "Washington co-ordinator" of that organization as part of his vice-presidential duties. He is station in RCA's Capital headquarters adjacent to Stations WRC and WMAL.

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MILLER TO EXPLAIN CODE OVER CBS

Neville Miller, President of the National Association of Broadcasters, will discuss the new NAB Code which recently went into effect in an address over the Columbia Broadcasting System, Sunday, October 22, 1:35 to 2:00 P.M.

His remarks will largely center around the provision of the Code which bars the sale of time for the discussion of controversial public issues, and which requires that radio stations furnish adequate facilities for such discussions, free of charge.

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"LIMITED ADVERTISING" FOR TELEVISION STUDIED

Concerned over the possibility that television may die a-borning in this country, the Federal Communications Commission is considering letting down the bars to some degree against commercial sponsorship of visual broadcast programs and means of encouraging construction of television transmission stations.

Radio manufacturing companies which sponsored the debut of television as a medium of public entertainment early last Spring have let it be known that unless the FCC came to the rescue that they will abandon the experiment as too costly.

Sales of television receivers have been disappointing, the FCC has been informed, even in New York City, where the National Broadcasting Company presents a daily program of visual broadcasting from a station atop the Empire State Building.

The scarcity of television stations and the high cost of visual receivers are believed by FCC officials to be largely responsible for the lack of public response. By liberalizing the station licensing policy and sanctioning a limited amount of advertising, some FCC officials believe that the infant industry may be given new life.

To date television broadcasting has been restricted for the most part to New York City, although other cities are getting irregular tastes of it. However, a dozen applications for new stations in scattered parts of the country are pending before the FCC.

Most of the technical obstacles to television advancement have now been removed, in the opinion of leading radio engineers, who this week submitted a comprehensive report on the subject to the FCC through the Radio Manufacturers' Association.

A special committee of the FCC, headed by Commissioner T.A.M. Craven, is studying the problem of giving the new industry a boost while at the same time protecting the public against uneconomical investments in receivers that may become outmoded quickly.

Despite the fact that there are probably fewer than 1,000 television receivers in New York and only a handful elsewhere in the country, a few big advertisers are said to be willing to sponsor visual programs in the hope that the audience will expand rapidly. The chief reason that the pioneers in the television field are unwilling to continue to finance the experiment without assurance of some return, FCC officials understood, is that the staging of a visual program is far more elaborate and consequently more costly than a radio broadcast. It is somewhat like staging a theatrical performance for one night only.

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Dr. Alonzo G. Grace, Commissioner of Education for Connecticut, has accepted membership on the board of consultants of the "American School of the Air", the Columbia Broadcasting System announced this week.

The City of New York took title this week to the radio broadcasting towers of Station WMCA on the causeway between Flushing and College Point, Queens, and will alter them immediately, to remove the last high aerial obstacle to the runways of the New York municipal Airport at North Beach.

The Poughkeepsie Broadcasting Corp., Poughkeepsie, N.Y., this week was granted a construction permit by the Federal Communications Commission for a new station to operate on 1420 kc. with 250 watts power, unlimited time.

Louis Ruppel, Director of CBS Publicity, and Paul W. White, Director of the Public Affairs Department, announced additions to their staffs last week. John Denson, Pat Dolan, and Ted Weber are the new members of the publicity staff, while Robert S. Wood has joined the news division of the Public Affairs Department in an editorial capacity.

The National Labor Relations Board has disclosed that Westinghouse Electric & Manufacturing Co. has agreed to recognize a C.I.O. union as representative of the 21,500 employees in nine Westinghouse plants. The agreement, praised by Board Chairman J. W. Madden as a time and money saver, was entered into by the company, the Union and the Board on September 9. The settlement was reached on the first day of a Board hearing on C.I.O. charges that Westinghouse had engaged in unfair labor practices. Chairman Madden called it "an instance of clean-cut litigation."

The complaint was filed by CIO's United Electrical Radio and Machine Workers' Union.

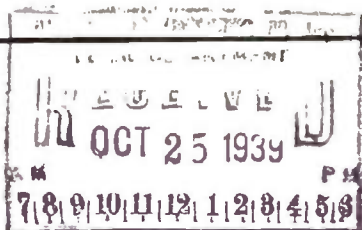
The National Broadcasting Company, through Max Gordon, general production director for television, and Thomas Hutchinson, television program manager, have appealed to the Actors Equity Association Council for sympathy and understanding in the development of television. Equity recently balked a proposed series of television programs by demanding the equivalent of a full week's salary for each performer participating in a single television program. The Equity Council agreed to consider next Tuesday Mr Gordon's proposals regarding wages and working conditions for television performers.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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No. 1168

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October 24, 1939

FCC HOLDING HOT POLITICAL POTATO IN RACING PROBE

The Federal Communications Commission this week is scheduled to decide whether or not to lend aid to the efforts of Pennsylvania authorities to obtain data on the transmission of race track information by telephone wires in the Moe Annenberg case.

Much of the recent mysterious activities of Chairman James L. Fly, including a visit to the White House and trips to New York with William J. Dempsey, General Counsel, are understood to have had to do with the Pennsylvania matter.

Former Chairman Frank R. McNinch set a precedent a year ago when he lent FCC personnel to the Justice Department in a previous inquiry just prior to the November elections.

At least some members of the Federal Communications Commission are afraid that the FCC will get into deep political waters if it takes a hand in the present Pennsylvania inquiry.

Pennsylvania's formal request that the FCC aid in getting the necessary information on the use of wire facilities, particularly telephones, in the transmission of racing information for gambling purposes, is now before the Commission, and it is expected to get its second consideration at meeting today.

The Pennsylvania commission wants the FCC to search the records of the long lines department of the American Telephone & Telegraph Company and gather there any information available as to what lines and what equipment is used in transmitting this data into Pennsylvania, as well as its source.

The Law Department of the Commission has been studying the matter and has suggested to members of the Commission that while the information could be collected without any great expenditure of Federal funds, it questioned whether the Federal Government should be a party in aiding a State to enforce its criminal laws. The Law Department made no recommendation.

When the matter was laid before the Commission, several members sensed that the Federal body might be drawn strongly into the political scramble in Pennsylvania. This was impressed by the knowledge that the present Pennsylvania administration is doing everything possible to wipe out the Annenberg racing information service.

While the political angle does not appear on the records of the Federal body, nevertheless the question has been seriously raised in discussions by the Commission as to whether there is any crime involved in the interstate transmission of this type of information and whether a Federal agency can rightfully collect this information, not primarily for the regulation of the Federal Communications Act, but for the aiding of a State in enforcement of its criminal laws.

Aside from the possibility of becoming involved in the political difficulties in Pennsylvania, it was pointed out that compliance with the request from officials of the Keystone State might be the precedent which would serve as a wedge for requests from other States which want similar investigations.

The Communications Commission is the only agency which could get this data from the American Telephone & Telegraph Co., it was pointed out, as the State would have no authority to go outside the State and examine the records of the company.

When the matter was brought before the Commission the first time, doubt was raised as to the authority of the Commission to collect this data for one State agency. The request was sent back to the Law Department for further study.

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COURT UPHOLDS FCC IN KWTN CASE

United States Court of Appeals for the District of Columbia last week handed down a decision in the case of KWTN of Watertown, South Dakota, against the Federal Communications Commission, in which the Court upheld the Commission.

In this case the FCC charged that the station had operated in violation of the Commission's rules governing the technical operation of broadcast stations and the Commission refused to renew the station's license.

The Court of Appeals in its decision in upholding the Commission's action stated that "the report, findings, and grounds of decision are amply substantiated by the evidence contained in a voluminous record. Appellant does not deny their correctness but does deny that they provide a proper basis for the Commission's decision." The Court's decision says further that "appellant places considerable stress, also, upon the need for broadcasting services in the area served by Station KWTN, and upon the fact that 'No question was raised upon the record with respect to the efficiency of the station's present transmitting equipment and antenna system or the suitability of its site.' These are no doubt important considerations, to be weighed by the Commission in making its determination. But other considerations are important also, including the willingness and ability of the licensee

to comply with the law and with the rules and regulations prescribed by the Commission; in order to guarantee so far as possible a wholesome policy in management and operation.

"We think the record in the present case fully justifies the Commission's action in refusing to renew the license."

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BOSTON LAWYER BECOMES AIDE TO FLY

Nathan H. David of Newton Highlands, Mass., this week assumed the duties of Assistant to Chairman James L. Fly, of the Federal Communications Commission.

Mr. David was born at Somerville, Mass., on August 1, 1913. He was graduated from Yale University in 1934 magna cum laude and stood fourth in his class when graduated from Harvard Law School three years later. He served two years on the Board of the Harvard Law Review, the second being spent as Case Editor.

Since 1937 Mr. David has been associated with the Boston law firm of Burns and Brandon, (John J. Burns was formerly General Counsel of the Securities and Exchange Commission). He assisted in the preparation of evidence and law in support of New England's position in the Southern Governors' Rate Case. He has also specialized in work involving the Securities Act, the Exchange Act, and Public Utilities Holding Company Act, the Fair Labor Standards Act, the Labor Relations Act, and motor vehicles regulations.

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NEWSPAPER STATION SUPPORTS NAB CODE

Station WBAP, of Fort Worth, Texas, did not join other stations Sunday in the regular broadcast of Governor O'Daniel's weekly address.

WBAP, the Star-Telegram's station, issued an explanation as follows:

"The usual talk of Governor O'Daniel was not heard over this station this morning because the Governor does not desire to submit advance script of his speech to the station. The regulations, imposed in the Code of the National Association of Broadcasters, of which this station is a member, require that all persons in the discussion of controversial issues be treated equally.

"The facilities of WBAP, so far as time is concerned, have been tendered to the Governor without cost to him. They remain open to him if he desires to use them on the same basis as others."

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SARNOFF SEES TELEVISION AS NEW EDUCATION AID

Speaking recently at a New York University ceremony at Albany, David Sarnoff, President of the Radio Corporation of America, discussed the various educational services of the National Broadcasting Company and predicted that television will provide a new educational aid.

Copies of the address were distributed this week by Frank E. Mullen, RCA Vice President in Charge of Publicity and Advertising.

"It would be difficult to overestimate its future significance, or its potential influence on education", Mr. Sarnoff said.

"In making television receiving sets available to the residents of this area, a number of competing radio manufacturers have followed the lead of the RCA, and several makes of receivers are now on the market. The only programs broadcast so far in the New York area have been those of the National Broadcasting Company. We hope that before long we may also experience the stimulus of competition in this wonderfully interesting field. NBC television programs are broadcast regularly four days a week, supplemented by additional pickups of special events on other days.

"For the presentation of music and of factual news bulletins, sound broadcasting can do a highly satisfactory job without any visual aid. Most other program subjects can be presented more effectively by sight and sound combined than by sound alone, and there are many subjects suitable for television which are entirely outside the scope of sound broadcasting.

"Seated before your television receiver you can see as well as hear your public speaker, comedian, or opera star. You can attend an exhibit of art while a qualified commentator discusses it. You can study bugs under a microscope, watch a parade or a football game, observe experiments in physics and chemistry, or witness public events - American history in the making.

"To sit before a receiving set in your living room and see as well as hear events which are taking place many miles away is a far cry from Marconi's early exploits. But the American people have lost their capacity for being surprised. The rapid pace of industrial science has taught us to expect miracles as an everyday occurrence. New products and services are no longer judged by their novelty but by their utility.

"The usefulness of broadcasting in education is now clearly established. It should grow with the years. In it, the ultimate aims of educators and broadcasters are identical. Both desire to see American standards of culture and intelligence raised to higher levels. Both recognize the power of broadcasting as a means to that end.

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"These are days when American institutions are the subject of attack, both abroad and at home. The question is again being asked, as it was in Lincoln's time, 'whether this nation or any nation so conceived and so dedicated can long endure.' I believe it can.

"But the answer lies largely in the use we make of our freedom; in the ability of our citizens to think for themselves and to govern themselves; in the ability of our self-controlled industries to render a larger measure of public service than is rendered by the state-controlled industries of other lands.

"Young as it is, radio is proud of its share in helping to shape that answer. Education of the masses - as well as of the leaders - is one of the bulwarks of our democracy. Radio is a mass medium. It reaches both the rich and the poor. It reaches the leaders, and the led. It reaches the literate, and those who cannot read. It brings the treasures of education to all alike. In fact, the richest man in the world cannot buy for himself what the poorest man gets free by radio.

"In no other nation of the world - even where it is endowed by the treasuries of the state - has radio achieved so much in the cause of education and freedom as it has in the United States."

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INCREASED RADIO SALES SEEN IN TAX COLLECTIONS

Substantially increased radio sales this year were indicated in the September report of the U. S. Bureau of Internal Revenue on collections of the 5 percent radio excise tax, according to Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. At the end of September the increase was 22.7 percent above the same nine months' period of last year. Collections of the 5 percent radio excise tax in September were \$590,350.31, higher by 70 percent over the September 1938 radio taxes of \$345,431.00. Collections of excise taxes on mechanical refrigerators in September were \$637,537.93, against \$404,479.27 in September 1938.

For the nine months ending September this year, collections of the radio excise tax totaled \$3,440,940.12, increased 22.7 percent above the excise taxes collected during the first nine months of 1938 amounting to \$2,804,997.65.

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NAB HEAD HITS ROOSEVELT RESIGNATION

Indirectly assailing the resignation of Elliott Roosevelt from the National Association of Broadcasters, Neville Miller, NAB President, on Sunday entered a vigorous defense of the new broadcasters' code, which outlaws the sale of radio time for "the discussion of controversial public issues".

Speaking from Washington over a Columbia network of 45 stations, Mr. Miller denied that the Code bars opinion from the air. It merely provides, he said, "that those holding other views shall not be deprived of the right to present their views under similar conditions."

Without mentioning Elliott Roosevelt's name, Mr. Miller hit at the expression of "personal opinions under the guise of news". He went on to say that "the job of the news broadcasters in a democracy ends with the presentation of the news as it happens."

"If one giving a news broadcast wishes to express on the air his personal opinion about a public controversial matter, he has an opportunity to do so on time freely allotted for the discussion of public controversial questions, but his opinion does not belong on a news broadcast."

Elliott Roosevelt in a broadcast on October 7 defied the NAB to stop him from expression his opinion on neutrality issues in his news comments. Friday, However, after action by the NAB, the Mutual Broadcasting System announced that he would conform to the Code in his network comments. At the same time the President's eldest son stated that he would resign from the NAB and take with him ten Texas station members.

The Code restrictions on news commentators also apply to others who may seek to purchase radio time to discuss controversial subjects.

Mr. Miller maintained that before the Code was adopted "there was a danger that, due to the mere possession of money, various groups might monopolize, dominate or control the discussion of public issues over the radio, precluding a fair opportunity for the opposition."

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CHICAGO LABOR STATION GOES OFF THE AIR

The Federal Communications Commission this week made permanent its preliminary order refusing a renewal of license to the Chicago Federation of Labor's short-wave station, W9XAA, and denying permission to transfer the license to the Radio Service Corporation of Utah.

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EDUCATORS JOIN N.Y.C. IN PLEA TO ALTER FCC RULE

Prominent educators and the operator of an international short-wave educational radio station joined Mayor LaGuardia of New York City this week in urging the Federal Communications Commission to remove its prohibition against the rebroadcasting of short-wave programs by a long-wave outlet.

Mayor LaGuardia explained that New York City wants to pick up certain programs of Station WBUL, operated by the World Wide Broadcasting Foundation, for rebroadcasting on Station WNYC, the New York municipally-owned station. He was joined in his request by Walter S. Lemmon, President of the World Wide Broadcasting Foundation.

Among others who endorsed the change in rules to permit a wider distribution of educational broadcasts were:

Professor William Y. Elliott of Harvard; Frank Schooley, Executive Secretary of the National Association of Educational Broadcasters and Program Director of Station WILL of the University of Illinois, and S. Howard Evans, Executive Secretary of the National Committee on Education by Radio.

It was their contention, supported also as a technical proposition by Mr. Lemmon and by Moris Novik, Director of Station WNYC, that programs can be picked up and rebroadcast as proposed without affecting adversely the maximum efficiency in operation of Station WBUL, the protection of which is the object of the Commission's existing prohibitory ruling.

The rules of the Commission do not now permit regular stations to rebroadcast the programs of international broadcast stations located within the United States except where wire lines are not available to transmit the programs to regular broadcast stations.

Mayor LaGuardia's petition for amendment of the rule in favor of non-commercial stations is regarded as a test case by which will be determined whether relaxation is possible of the prohibition to permit the rebroadcasting of special programs from international stations by non-commercial stations, including those owned by and operated by municipalities and other government agencies, universities and other educational institutions and non-profit organizations.

It has been the belief and policy of the Commission, and was contended by Andrew D. Ring, the FCC's Assistant Chief Engineer, at the hearing, that indications point to the impossibility of making such rebroadcasts without detracting from the efficiency of operation of international stations.

Mr. Lemmon, however, argued that, with the development of the radio art and by the use of improved directional antenna in his own station, and capable of installation in other stations

at an approximate cost of \$1,000, such rebroadcasts can, in fact, be made.

Both agreed that the test is whether or not programs as broadcast to foreign stations can be clearly heard when picked up by short-wave over radio sets in this country, and that no conclusive evidence on this point was at present available.

Mr. Ring conceded the possibility of such clear reception here and abroad and under certain conditions, but declared that an exhaustive survey would be essential to determine the facts.

Mr. Lemmon presented affirmative telegrams received from listeners in many parts of this country in response to a general request broadcast by his station for reports from all parts of the world on the clarity of reception of its programs.

He conceded that these returns from the United States were not conclusive, but argued that they were indicative.

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AIRING OF FEUD SCHEDULED IN BOSTON NEXT MONTH

A long smouldering feud between John Shepard, III, operator of the Yankee Network, and Lawrence Flynn, a former employee, is scheduled for an airing in Boston on November 8, when an Examiner of the Federal Communications Commission takes testimony on the application of Mr. Flynn for a permit to use WAAB's 1410 kc. wavelength.

The Shepard-Flynn row has been before the Commission for more than a year and in the Fall of 1938 caused a minor political explosion when a hearing was scheduled and later withdrawn on charges against the Yankee Network head.

Broadcasters are interested in the matter because of the question involved in the original controversy as to whether a station owner may conduct a crusade and express editorial opinions over his radio outlet. Since the Shepard episode, however, the NAB Code has placed restrictions on the broadcasting.

Mr. Shepard also is at odds with the National Association of Broadcasters regarding enforcement of the Code provision which would stop the paid broadcasts of the Rev. Charles E. Coughlin after October 29th on the Colonial Network. Mr. Shepard was reported, however, to be considering a proposal to give Father Coughlin the time after the expiration of the present contract.

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NEW DEVICE TO AID STUDY OF SHORT-WAVES

An invention announced this week by the Bell Telephone Laboratories is expected to aid the study of disturbances in short-wave radio transmission.

By enabling astronomers to study the activity of the solar corona - the flaming halo around the sun - the device will permit the forecasting of short-wave interference which originates in the sun.

The machine was invented by Dr. A. M. Skellett of the laboratories. It has been successfully tried out in the private observatory of Dr. G. W. Cook at Wynnewood, Pa.

The new system or machine, named the "coronaviser", uses the principles of television, which can discriminate between steady light and variations. In effect it "scans" a ring around the sun, discarding the light from the sun itself and throwing on a cathode ray reproducer only the image of the corona. This was impossible with ordinary apparatus because the main body of the sun is a million times brighter than its luminous envelope.

In the actual operation of the system in Dr. Cook's observatory it was discovered that almost perfect conditions of cleanliness of reflectors and lenses must prevail to get a true image. The slightest smudge or grain of dust on the glass plate supporting the scanning hole unit showed up on the reproducer.

Occasionally tiny specks of brilliant light would float across the screen, the sources of which were puzzling. They finally were traced to wind-blown seeds or specks of dust drifting across the path of the light reflected from the siderostat mirror into the eye of the scanning system.

The real worth of the coronaviser, the Bell Laboratories said, will not be definitely determined until it has been used under the clear skies encountered on mountain tops, where the principal observatories are situated, and where a telescope pointing directly at the sun can be used. At Wynnewood, only a horizontal mounting was feasible. This, the inventor said, caused considerably more glare than will be encountered in a vertical mounting.

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LONDONERS REGRET TABU ON TELEVISION

"It has been pointed out to us that nobody said a word in the Radio Times about the passing of television", the Radio Times, of London, comments. "That is quite true, but so many things were passing, too, on that ominous week-end at the beginning of September, that television was at least not singled out for neglect. As a matter of fact we ourselves, as viewers, miss television as much as anybody could. It seems to us that it would have been the ideal entertainment for the black-outs - something to keep you happy that does not mean going out, that does not cause crowds to collect, and that you can enjoy in a darkened room."

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The Federal Trade Commission announces that hearings to take testimony were to be held in the case of the Automatic Radio Manufacturing Company, Inc., Boston, and others, on Monday, October 23rd, and Wednesday, October 25th, at Philadelphia and New York respectively. The case involves unauthorized use of well-known trade names.

The possibilities of radio in advertising and why many opportunities for increasing sales have been slighted because of unfamiliarity with a still more or less unexplored technique are examined in "Radio as an Advertising Medium", by Warren B. Dygert, Assistant Professor of Marketing at New York University and Secretary and Account Executive of F. J. Low Advertising Agency. The volume is published by the McGraw-Hill Book Company, Inc., at \$3.00

Seasonal increases in radio factory employment, payrolls and working hours were detailed in the current employment report for July 1939 of the U. S. Bureau of Labor Statistics. Radio factory employment last July increased 8.1 percent over the preceding month and was 43.7 percent above radio employment in July 1938. The July index figure on radio employment was 117.3 compared with the June index of 108.5. A supplementary government report stated that in the monthly turnover rate per 100 radio employees, there were layoffs last July of only 1.34 per 100 and 1.35 per 100 in August, while the ratio of new employees hired was 6.51 last July and 8.16 in August, compared with 5.36 in August 1938.

"Americans All - Immigrants All", the U. S. Office of Education's series of dramatic radio programs devoted to promotion of racial and religious tolerance, has just received the Fourth Annual American Legion Auxiliary Radio Award. Citations on silver plaques were presented to Sterling Fisher of the Columbia Broadcasting System and to John W. Studebaker, U. S. Commissioner of Education, praising the series for its "endeavor to present a cross section of community life through several generations of America's immigrants". In announcing the award at the Chicago convention of the auxiliary, Mrs. William H. Corwith, Chairman of the National Radio Committee, said that "Americans All - Immigrants All" is "a program which best inculcates the characteristics of the American way of life and government."

WENY Elmira's new radio station, will be affiliated with the Mutual Broadcasting System when the station is formally opened within a few weeks, it was announced this week by J. T. Calkins, of the Elmira Star-Gazette, Inc., owners of WENY, and by Fred Weber, General Manager of the Mutual Broadcasting System. The station will operate on 1200 kc., 250 watts power and unlimited time.

BRITISH LURE NAZI LISTENERS BY PRISONER LIST

The British are trying out a new idea to get their propaganda over in Germany - tempting the Germans to tune in on a radio broadcast of news items favorable to the allies by sandwiching in the names of German prisoners of war, according to the Associated Press.

The broadcasts originate in the studios of the British Broadcasting Corporation. Twenty names are read daily. Ten names are repeated from yesterday's list, and ten new ones are added.

The program was beamed toward Germany from powerful short-wave transmitters in Daventry, England, it was stated. The actual reading of the names takes only about half a minute; the rest of the time is given over to the reading of the news items.

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EDITOR SAYS ELLIOTT'S WRONG, NAB RIGHT

Following is an editorial which appeared in the Washington Post this week:

"The ban which the National Association of Broadcasters voluntarily imposed upon the sale of time for discussion of controversial issues has caused Elliott Roosevelt to withdraw from membership on the ground that the new rule constitutes 'censorship in its worst form', Representative Cochran of Missouri has also characterized the ruling as 'a direct assault upon one of the most sacred provisions of our Constitution - freedom of speech'.

"These views betray a profound misconception of the nature of the problem with which the NAB is trying to deal. The new ruling does not involve any curtailment of constitutionally guaranteed rights of free speech. Nor is there any element of censorship apparent in a resolution that simply defines the conditions under which controversial discussions may be broadcast. Indeed, it can be argued quite plausibly that greater freedom of discussion is encouraged by putting the man who cannot pay for radio time on the same footing as one with money.

"Radio transmission is clearly 'affected with a public interest'. Hence, it has been subjected to Federal regulation on an extensive scale. And regulation will unquestionably become more sweeping as the potentialities of the radio for influencing public opinion are better understood. Without restrictive rules and regulation bedlam would result. Moreover, for the sake of good taste and the preservation of public morals, a certain amount of censorship over programs is essential. There is no difference of opinion on that point; the only question arises as to where to draw the line in specific cases.

"There is certainly room for doubt as to the practicability and desirability of the new policy. But there is no warrant for assuming that a man's freedom of speech is invaded because he is unable to buy time on the air to broadcast his personal opinions to the world."

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HEINL RADIO BUSINESS LETTER

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No. 1169

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2 bills introduced -
will see that we
have copies
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MORTGAGE STATION CONTROL HIT; LICENSE REVOKED

The Federal Communications Commission this week struck a blow at mortgage control of broadcasting stations as it revoked the license of a Maryland station and set for hearing the renewals of two other stations.

The license of Station WSAL, Salisbury, Md., was revoked by the FCC and hearings were scheduled on renewal of licenses of two other stations on the ground that they were controlled by a Washington radio engineer, Glenn D. Gillett, in violation of the Communications Act.

Mr. Gillett was said to have obtained control of the stations by purchasing mortgages on them. He failed, however, to have the stations transferred legally to him by FCC approval of the deals.

Simultaneous with the revocation of the WSAL license, Frank M. Stearns, its operator, filed an application to assign the permit to the Eastern Shore Broadcasting Co.

The two other stations said by the FCC to be controlled by Mr. Gillett through mortgage holdings are WBAK, Wilkes Barre, Penna., and WQDM, St. Albans, Vt. Both were granted temporary license renewals pending hearings.

Mr. Stearns was said by the FCC "to have made false and fraudulent statements" with regard to the station's financing, equipment and ownership.

The WSAL license revocation is effective November 13, unless the licensee applies for a hearing, in which case it will stand suspended until decision of the Commission following such hearing.

On January 13, 1938, Frank M. Stearns was licensed to operate station WSAL, daytime hours on 1200 kc., with 250 watts, the FCC stated.

"He is held to have made false and fraudulent statements and failed to make full disclosure to the Commission concerning the financing of station construction, equipment used, and ownership, management, and control, facts which would have warranted refusal to grant construction permit and station license had they been known to the Commission", it added. "It further appears that the rights granted under the terms of the license have, without the Commission's written consent, been transferred,

assigned or otherwise disposed of by the licensee, in violation of the Communications Act of 1934, as amended. There is evidence that Glenn D. Gillett, mortgagee, has been in actual control of the station.

"Gillett is also in apparent control of Stations WBAX and WQDM, in violation of Section 310(b) of the Act. License for WBAX, (1210 kc., 100 watts, unlimited time) is in the name of John H. Stenger, Jr. That for WQDM (1390 kc., 1 KW, day) is held by E. J. Regan and F. Arthur Bostwick."

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WMCA EXONERATED; MILDLY REPROVED BY FCC

Station WMCA, New York, was exonerated of any serious illegal action in broadcasting military information of British and German authorities at the outbreak of the European war in an order issued this week by the Federal Communications Commission.

The order, while removing the threat of license revocation, contained a mild reproof of the station management and stated that the case would be considered in any future examination of the licensee.

The decision was unanimous despite the fact that shortly after the public hearing on September 27 several members of the Commission were reliably reported to be insistent that WMCA's license be revoked.

After reciting the circumstances of the broadcast and the advertisements of "scoops" in trade journals, the FCC said in its order:

"That the broadcasting of the substance of the messages described runs counter to the provisions of Sec. 605 of the Communications Act admits of little doubt. The evidence in this case shows conclusively that the messages in question were important orders of the governments of Germany and Great Britain, respectively; that they were to govern important ship movements in anticipation of, and perhaps during war; that they were addressed communications, albeit to multiple addressees; that they were intercepted without the authority of the senders; and that WMCA knowing that the messages had been obtained by means of interception, broadcast the substance thereof from its station. This conduct of the station must be viewed in the light of the great international stress then prevailing and of the special duty of American broadcasters, who are licensed for the purpose of serving the public interest, to conduct their operations with a corresponding degree of care.

"While, as has already been pointed out, the specific statutory prohibition now before us applies generally, a violation of it by a holder of a radio broadcast license must command

our special attention. Especially is this true since there threads throughout the statute both generally and specifically the notion that broadcasters perforce of law undertake to serve the public interest. The legal concept of public interest is not different in time of crisis although its factual content may vary from time to time as the public necessarily and properly shifts the emphasis of its concern from one predominant fact to another.

"Apart from the broadcasts of the station and the inadequate response to the Commission's order to show cause, the irresponsible actions of the licensee in connection with the full-page advertisement quoted above warrant comment. Regardless of the legality of such advertising as a trade practice it raises a question as to the character and responsibility of the management in the light of its obligation to operate the station in the public interest. More than honesty is at stake. The advertisement creates the possibility that competing broadcast stations will be drawn toward the same line of illegal broadcast activity boasted by this station. The President of the licensee corporation, Donald Flamm, admitted that the statements the station quoted from the George Ross column were false and that although he examined the "layout" of the advertisement, neither he nor anyone else in his organization made any investigation or gave consideration to the question as to truth of the representations. When asked what disciplinary action had been taken in this connection Flamm replied merely that he had given directions that all future advertisements were to be submitted to the attorney for the station.

"On behalf of the licensee it is recognized that the broadcasts in question occurred during a period of unusual activity in the gathering and dissemination of news of special interest to the public. Speed in transmitting through the air news flashes bearing on the European crisis was assumed to be of the essence of this and other stations' service. The same international stress which made the conduct grave created the urge to scoop the other stations. As was recognized broadly new and important problems in connection with radio broadcasting arose from the war crisis. Under these circumstances the Commission will assume that these particular broadcasts were provoked by the occasion and are not necessarily indicative of more widespread infractions in the course of this station's broadcast activities.

"After consideration of the record and all the attendant circumstances in this matter, the Commission is of the opinion that an order of revocation need not be entered at this time. On the whole, however, grave doubt has been cast upon the licensee's qualifications to operate its station in a manner consistent with the public interest. Accordingly the record made in the different phases of this proceeding must be of cumulative weight in determining the disposition to be made upon any future examination into the conduct of this station."

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RADIO COMMITTEE NAMES PUBLICITY DIRECTOR

John W. Studebaker, United States Commissioner of Education and Chairman of the Federal Radio Educational Committee, has announced the appointment of J. Kenneth Jones as Director of Information of the Committee.

Mr. Jones comes to the Committee after serving briefly as Publicity Director of the Community Fund of Chicago. Prior to that he was on the continuity and production staff of Station WHAS, Columbia outlet in Louisville, Kentucky, and before his radio service he was Executive Secretary of the National Committee on Public Education for Crime Control, in New York City.

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CAPITAL GETS HIGH FREQUENCY STATION

The Federal Communications Commission this week authorized granting of a construction permit to McNary & Chambers, Washington, radio engineering firm, for erection in Bethesda, Md., of a radio broadcasting station of the high frequency modulation type, heralded by radio engineers as the coming instrument of high fidelity transmission and receiving.

The station will operate on a frequency of 42,600 kilocycles with 100 watts power. This is in the ultra-high frequency band. Present home receivers are limited to 1,600 kilocycles.

A report filed with the Commission disclosed the operators plan to study the nature of the service delivered, using frequency modulation receivers installed in homes and buildings throughout Washington and adjacent areas.

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WAR STRESSES VALUE OF EDUCATIONAL BROADCASTS

Recent evacuation of British cities in the face of European war dangers has emphasized the importance of radio in the English educational system, the National Committee on Education by Radio points out. When the children were moved out into the country, they left behind them their libraries, museums, picture galleries, and motion picture facilities. The most readily available means of filling this gap is the radio. The city teacher who had some skepticism about the value of radio is now coming to understand why the rural schools, cut off from educational facilities available in cities, have been benefitted particularly by the broadcasts of the BBC.

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RADIO CARRIES ON IN CHINA WAR ZONE

Shanghai, though in the occupied Japanese area, is still the center of broadcasting in China, some 40 stations operating within the foreign concession area, according to a Consular report to the U. S. Commerce Department.

"Many shifts in the ownership of Chinese stations have occurred during the past two years", the report states, "while an increasing number of Japanese stations have been opened. The Chinese Government 35,000-watt short wave stations at Chungking, which came into operation during 1938, have since February 1939 been broadcasting to important countries of the world. Foreign owned stations in Shanghai operate from 6 a.m. to as late as 1 a.m., while Chinese operated stations continue their programs well into the night.

"Programs of Chinese stations consist largely of Chinese musical pieces, drama, dialog, monologs, news comments, religious services, health talks, safety talks, and similar subjects. Some stations feature lessons in English, French and German, while others broadcast several hours of western music. Foreign dance music has become popular among Chinese listeners, and several Chinese stations are now featuring such programs.

"Foreign owned stations in Shanghai broadcast 95 per cent musical programs, consisting mainly of recordings. Musical selections include classical numbers, dance music, and orchestra selections. Shanghai, being a very cosmopolitan city, is well provided with musical programs appealing to the several nationalities. Recorded humorous dialog is used extensively in sponsored programs.

"Programs of stations in interior cities under Japanese control are mainly of Chinese appeal, including music, drama, speeches, news, and propaganda.

"At Shanghai most Chinese stations carry advertisements or sponsored programs. Rates are highly competitive. The principal foreign-owned stations, XMHA, XMHC, XQHB, and XHMO all carry advertising. There is no fixed scale of rates and confidential discounts are common. Rates on the Chinese stations are very irregular. Some of the stations in Japanese occupied areas operate commercial; others are maintained by the Japanese authorities."

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The Federal Communications Commission entered its final order denying the application of the Moody Bible Institute Radio Station, Chicago, for a permit to construct a new non-commercial educational broadcast station to operate on frequency 41,300 kc. with power of 100 watts, unlimited time. The order is effective November 1, 1939.

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FLY DEFENDS NAB CODE IN MAIDEN RADIO SPEECH

The self-imposed Code of the National Association of Broadcasters was approved in principle last night (Thursday) by James L. Fly, Chairman of the Federal Communications Commission, in his first address since he took office. The talk was broadcast by the Columbia Broadcasting System.

While avoiding mention of names, Chairman Fly suggested to broadcasters and others that the NAB Code be given a fair trial and that all members of the trade organization should look to the "over-all benefits" rather than find fault with a rule which restricts them.

Elliott Roosevelt, son of the President, announced his resignation from the NAB last week in protest against a Code provision barring expression of opinion on controversial issues in a sponsored broadcast. Other stations have threatened to quit because of the ban on paid broadcasts by the Rev. Charles E. Coughlin, Detroit priest, after expiration of present contracts.

"It may be obvious that even self-regulation, voluntarily imposed, may at times actually regulate", he said. "We are reminded of the boy, who, understanding the problem, meets with a group and decides upon the rules of the game which shall be applicable to all concerned. Thereafter, when one of the particular rules has its impact upon his own conduct, and the boy breaks up the game, picks up his playthings and goes home, he is hardly displaying the highest type of sportsmanship.

"The adoption of the Code and its self-imposition by the broadcasters is an example of democracy at work. Democracy can hardly mean either in a game or in a form of Government that those who have adopted the regulations will abide by them only so long as they serve their own particular interest. Any set of regulations, even when self-imposed, is apt at some point along the line to apply to every particular person who has adopted the regulation. No one particularly enjoys the regulation the moment it restricts his own activity; but still, he should be capable of viewing the over-all benefits which may be derived from a comprehensive and effective set of rules applicable to all alike.

"But control of radio in the public interest is more serious than any game.

"A ready illustration of the character of the problems and the necessity of supplementing existing regulation was demonstrated by conditions at the outbreak of the current war. The crisis precipitated serious problems of completeness, fairness and accuracy of war news, and of the delineation and proper identification of war propaganda. Broadly, the integrity of the service was at stake. The problem of neutrality itself was involved. In that instance, representatives of the broadcasting industry drafted, and, to their credit, most of the broadcasters

adopted, a code of practices concerning war news and comment, effectively meeting these problems.

"It should be noted that neither this nor the general code already adopted was the work of the Communications Commission. They are none the less important as examples of self-regulation consistent with the public interest.

"To return to the provision of the Code voluntarily adopted last July which has provoked considerable discussion, the one having to do with the handling of controversial issues. This article recognizes that a well-balanced program of a radiobroadcasting station should include, as part of the station's public service, time for the presentation over the air of public questions, including questions of a controversial nature. However, it is provided that time for the presentation of controversial issues over the air shall not be sold except for political broadcasts. The Code does not prohibit selling time for the discussion of controversial public issues in the public forum type of program when such program is regularly presented as a series of two-sided discussions of public issues.

"It seems to me that here again, the problem is one of giving the rule a fair opportunity to work. The job of the broadcaster is to see that the public has opportunity to hear free debate upon all controversial problems.

"The one limitation in the Code is that time on the air may not be sold for the presentation of controversial issues. The Code places the duty on broadcasters to bring both sides of such issues to the public regardless of the ability of the speakers to pay for the time. It has been, and we may expect it to continue to be, the policy of the broadcasting companies to give free time to the responsible leaders who desire to speak on controversial issues. And at the same time to provide for the listeners an equal opportunity to hear the other side.

"The really grave issue is whether or not the right to speak and to present one-sided arguments on public questions shall be limited to those who can buy the time. In other words, shall single individuals or groups of individuals through sheer economic power be permitted to buy the limited amount of time and space in these limited channels of expression in order to advocate in a one-sided manner the views which they themselves desire to promote. Shall this mode of expression be sold to the highest bidder? If carried to the logical extreme, how then can the millions of the public constituting the radio audience be assured of receiving the complete and balanced discussions of public issues which they are entitled to receive. The least freedom exists in those countries today where only limited groups of powerful individuals can utilize the radio waves with absolute freedom.

"It is worthy of repetition that both sides in public controversies should be heard; that there should be as full and complete a discussion of public issues as the time and facilities will permit. In turn, it must follow that no single powerful

person or group should be able through the exercise of economic or other power to present only their side of controversial issues, and through the exercise of the same power exclude the other side from the radio channels.

"I have no particular brief for any detailed form of rule. It may well be that in the light of experience, the rule need be changed in some particulars, with a view to assuring the public that it does have full opportunity to hear full, free and two-sided discussions of all the great issues. Radio as a social force can only move along the line of giving to the public the fullest and freest expression of information, comment and opinion on all the great problems. Under the true system of democracy it can never be made available exclusively to the limited and powerful group who will present only their own side of any issue.

"It should be borne in mind that the Government does not license the radio station itself because it thinks that the owner has any legal right to be heard. The real reason the station is permitted to operate is because of the service which that station undertakes to give to all of you - the radio audience. I repeat, that much is basic."

Mr. Fly added that the FCC "neither asserts nor seeks the power to censor" radio programs and that "neither the Congress nor the Commission undertakes to act as a general lord for the industry."

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BULOVA DEAL UPHELD IN FINAL FCC ORDER

The Federal Communications Commission this week entered its final order approving the controversial deal of Arde Bulova, New York watch manufacturer and broadcaster, to close an Atlantic City and a New York City station and operate a new outlet in New York, Station WBIL.

Following a public hearing at which the Bulova deal was attacked and defended, the FCC issued an order which upheld an earlier ruling granting the application of the Greater Broadcasting Corporation, of New York, a license to operate a new station on 1100 kc., with 5 KW power, unlimited time, in New York.

Station WPG in Atlantic City, N. J., which now operates on 1100 kc., with 5 KW, and shares time with Station WBIL, in New York City, will cease to operate in Atlantic City. Station WOV, New York City, now operating on 1130 kc., with 1 KW power, will also cease operation. The order is effective November 1.

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SWEENEY SAYS OWN SURVEY SHOWS SUPER-POWER NEED

A one-man post-card survey contradicts findings of the Federal Communications Commission and shows the need for super-power broadcasting by Stations such as WLW, Cincinnati, to serve rural areas, Representative Sweeney (D.), of Ohio, said this week.

In an extension of remarks in the Congressional Record Representative Sweeney set forth in detail the results of his survey.

"Mr. Speaker, after months of work, and I might say after a great deal of time and effort, I am prepared now to give the House the result of a postal-card survey I personally made of the broadcasting situation as it exists today", he said. "I made this survey in an effort to show that the action of the Federal Communications Commission in denying clear-channel stations additional power to meet the demands of rural listeners was arbitrary, unwarranted, and capricious.

"You will recall that last May the Federal Communications Commission, and after a stormy hearing that lasted several months, decided - I might say against the weight of all social and economic evidence - to deny clear-channel stations a power output in excess of 50 kilowatts. This decision meant that people living in rural areas in many States of the United States would be left with poor, and in a very great percent of the instances, without any satisfactory radio reception. At the time the Commission arrived at this strange decision to put aside the public interest and to administratively legislate for a very small minority in the broadcasting field, I criticized this finding and called attention of Members of the Congress to this unexplainable act. At that time I did not have many facts and figures available other than the information which was brought out at the hearings. Because I found such a great deal of interest both in the House and on the outside in my criticism of the Commission, I decided to make a survey of my own and see what the situation was at the present time.

"With this in mind, I sent out 25,000 cards to rural route box holders in Louisiana, Kentucky, Michigan, Florida, Virginia, Kansas, Missouri, West Virginia, Alabama, North Carolina, Mississippi, Ohio, Indiana, and Arkansas asking them to select the first 4 stations of their choice both in the daytime and at night, and to also give me their comment on the business of broadcasting. I got back, to date, a 10 percent return on these cards and the result has been amazing, not only to me but I am sure it will be likewise amazing and probably very interesting to the Federal Communications Commission. The survey card which I sent was almost an exact duplicate of the one sent out by the Commission in 1935 and again in 1937, and bears out exactly what I said on the floor of this House on Tuesday, May 16, 1939, when I made the statement that rural America stands condemned to the 'tongueless silence of the dreamless dusk'. That rural and suburban America depend upon and listen to clear-channel stations has been demonstrated by the returns of this survey. This is unquestionably substantiated by the fact that in the

14 States mentioned, the clear-channel stations which now have the greatest amount of power are almost alone in the field of preference of the rural radio listener. Rural America depends upon the clear-channel stations and if I am to believe the comments contained in the cards that I got back, most of this cross section of the country, not only are anxious, but demand power that will put them on a par with their metropolitan brothers in the matter of radio reception.

"In this connection I might add that many of the cards came back to me with the notation to restore the power of the Ohio station which was the only one permitted to operate in excess of 50 kilowatts for a specified time. The survey demonstrates beyond the shadow of a doubt that this station, in its experimental operation, was able to furnish good radio reception to the rural areas, a condition that cannot now be approached since the station was arbitrarily reduced from 500 kilowatts to 50 kilowatts power last March.

"From every section of the country comes the demand that Congress should take in its own hands the business of permitting clear-channel stations to operate on power greater than 50 kilowatts. If the Ohio station served the rural listener so effectively, I cannot see why the Commission does not probe the question a little further, and should it do this I am sure it will reach the unalterable conclusion that the only answer to reception parity in radio is power. If the Commission would decide to grant licenses to clear-channel stations for power in excess of 50 kilowatts the answer would be automatic in the affirmative."

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CELLER OFFERS BILL TO CURB DEFAMATION ON RADIO

A bill was introduced in the House by Representative Celler (D.), of New York, this week to provide criminal and civil remedies for the defamation of classes of persons, groups, etc., either over the air or through the mails.

The legislation provides the right to bring civil action for damages in the Federal Courts against any person or persons who use the radio or the mails or the press in transmitting in interstate or foreign commerce printed or oral defamatory, slanderous or libelous statements concerning any religious, racial, national, fraternal, industrial, commercial or labor group.

Similarly, any person or persons who shall by radio or by press or through the mails, send or transmit, or shall cause to be sent or transmitted in interstate or foreign commerce, any written, printed or oral communication which is defamatory of any religious, racial, national, fraternal, industrial, commercial, or labor group, shall be liable for imprisonment for a term not to exceed one year, or to a fine not to exceed \$5,000 or both. In such action, as in the civil action, the defenses of truth and privilege shall be available.

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 :::: TRADE NOTES ::::
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World Radio Market releases of the U. S. Department of Commerce this week included reports on Chosen, French Guiana, Canary Islands, and China.

David Lawrence, editor of the United States News, and Edgar L. Bill, of the National Association of Broadcasters, are scheduled to air opposing views on the new NAB ruling on controversial broadcasts in talks via CBS network Sunday, October 29, and Sunday, Nov. 5, respectively. (WABC CBS, 1:35 to 2:00 P.M., EST, Sunday, Oct. 29, and 1:45 to 2:00 P.M., EST, Sunday, Nov. 5). The title of Mr. Lawrence's address is "Freedom for the Thought We Hate", and is in reply to one made over CBS Sunday, Oct. 22, by Neville Miller, NAB President. Mr. Bill, President of Station WMBD in Peoria, Ill., and Chairman of the NAB Code Compliance Committee which promulgated the ruling, has "The Code Means Fair Play to All" as his topic.

An application to remove its transmitter to Kearney, N. J., will be filed with the Federal Communications Commission, it was announced this week by Donald Flamm, President of Station WMCA. Selection of the site was made recently following an agreement with the City of New York to eliminate the two 300 foot towers from the Flushing plant held to be a hazard to the new North Beach airport. Pending approval of the application, WMCA will continue operation from the present location.

G.T.C. Fry will become Sales Promotion Manager for Columbia's Detroit office, effective November 1, it was announced by Victor M. Ratner, CBS Director of Sales Promotion. Mr. Fry comes to Columbia from a post as Assistant Promotion Manager for Esquire Magazine, and will report directly to Mr. Ratner.

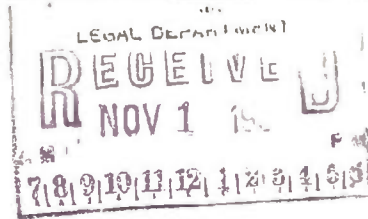
Appointment of a receiver for the Majestic Radio & Television Corporation was asked in Chicago Federal Court yesterday by Attorney Norman Nachman, who said he represented creditors. Interests closely identified with Majestic Radio & Television Corporation were responsible for the heavy selling of the company's stock just before trading was suspended Tuesday by the New York Curb Exchange, an investigation by State Attorney General John J. Bennett, Jr., disclosed, according to an Associated Press report under the date line of New York, Oct. 25. Temporary suspension of trading of that company's stock in the Curb Exchange was ordered on October 24.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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No. 1170

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October 31, 1939.

NAB, EMBROILED IN CODE ROW, SUMMONS DIRECTORS

With the controversy over the NAB Code ban on paid broadcasts of controversial topics growing, Directors of the trade organization will meet in Chicago on Thursday and Friday of this week in an attempt to mollify critics and avert a wider split within broadcasting ranks.

While Washington officials of the NAB predicted that the Directors will reaffirm their support of the Code provision, the Directors will consider at least one proposal to modify the controversial ban.

With the expiration of most station contracts with the Rev. Charles E. Coughlin last Sunday, the NAB has been informed that many of the stations are determined to renew the weekly series of talks regardless of the consequences.

John Shepard, III, President of the Yankee Network, whose Northeastern stations have formed the backbone of the Coughlin hookup of 40-odd radio outlets, has taken the lead in demanding modification and has stated that he will renew the series even if he has to give the time to Father Coughlin.

So far, NAB officials said, only four formal resignations have been received since the Code controversy arose. Three of these are owned by Elliott Roosevelt and his wife, and the fourth is associated with his interests. Young Roosevelt, when he announced his intention of quitting the NAB, said ten members of the Texas network would resign as he did.

NAB Directors, while encouraged by the general endorsement of the Code by James L. Fly, Chairman of the Federal Communications Commission, have been disturbed by attacks from other quarters. Elliott Roosevelt criticized it in a broadcast from Windsor, Ontario, and David Lawrence, Washington editor, assailed it in a national hook-up over the week-end. (See stories elsewhere in this issue).

The Committee on Industrial Organization, on the basis of action taken at the recent national convention, is advising its member unions to challenge the NAB Code and demand the right to purchase time for the discussion of controversial issues.

Holding that the Code ban on paid controversial broadcasts is an infringement of free speech, the C.I.O. contends that the provision can be used to preclude all labor issues. Labor organizations, its officials insist, should have the right both to buy time and demand free time in certain cases if the discussions are "in the public interest".

A legal question also has arisen to bother the NAB Directors. Mr. Shepard has made the point that because the Code, which became effective October 1, sanctions existing contracts up to a year from that date, Father Coughlin carriers may continue at least until October 1, 1940, without violating the Code.

Fear that failure to observe the Code provisions might result in punitive action by the FCC, was expressed in some industry quarters. Recalcitrant stations, it was thought might be regarded as vulnerable to attack before the FCC which could take judicial notice of their purported failure to observe Code provisions in applications dealing with their facilities or in connection with license renewals.

At the FCC, however, no basis could be found for such observations or rumors. While NAB President Neville Miller and Public Relations Director Ed Kirby have discussed the Code provisions with members of the FCC, they pointed out they did so simply to keep key officials informally advised of steps being taken by the industry to improve operating standards.

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ELLIOTT ROOSEVELT SEES WAR OVER NAB CODE

Elliott Roosevelt, discussing what he called a "great battle" developing in the radio industry over a recent Code ruling of the National Association of Broadcasters, said in a broadcast talk Saturday night that in America "today, more than ever, outspoken free speech should be encouraged". His broadcast came from Windsor, Ontario, Canada.

Mr. Roosevelt referred to the NAB ruling which forbids purchase of radio time for discussing "controversial issues", except under certain conditions, and said:

"Many broadcast station owners are up in arms over its provisions and claim that it is a flagrant example of censorship that throttles free speech and is the opening wedge for the Government to step in and take over this job.

"When that occurs, broadcasting in this Nation will become nothing but a propaganda tool. The Texas State network has expressed its disagreement with the Code and has stated any one can buy time on its facilities to discuss any controversial issue."

Mr. Roosevelt, who spoke over Windsor Station CKLW, said that the Rev. Charles E. Coughlin, Royal Oak (Mich.) priest, was "welcome" to purchase time on the Texas network. Father Coughlin of late has been devoting his Sunday radio hour to the neutrality question as it involves the arms embargo.

"Officers of the Texas radio network have stated that Father Coughlin is welcome to purchase time to discuss anything he pleased on our facilities just so long as he observes the Constitution of the United States, which means that he does not foster racial or religious hatred or advocate a change in any way of our form of Government", Mr. Roosevelt said.

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FCC MAKING STUDY OF COMMUNICATIONS FACILITIES

The Federal Communications Commission is investigating communications facilities in anticipation of a national emergency, James L. Fly, Chairman, said this week.

The needs of governmental agencies, especially the armed services, are being examined in the light of plans for national defense, Mr. Fly said.

While Mr. Fly denied that the program was being undertaken as a direct result of any immediate developments in world affairs, he said that it was part of the national defense scheme. He likened it to the work of the War Plans Divisions of the War and Navy Departments, where new situations constantly are visualized and plans made to meet them.

The whole program also is being studied in connection with a review of the laws which might be applicable, and if there are any obstructions found to any plans, with the view, either to get the legislation ready now for introduction when the emergency arises, or, insofar as possible, clear the air promptly.

The President is given broad powers over communications in time of a national emergency, or even to enforce the neutrality laws. He may take control of stations and amend or issue new regulations to suit the situation, but, of course, with a provision that if the Government does exercise control, there must be just compensation. While there is authority to take the stations over for control, or even to close them and remove their apparatus, there is nothing which would give the Government the right to put censors in their offices. At this time there is no way in which the Government can lawfully inspect messages going out of the country over the radio or cable communications.

The task, under present conditions, would be a gigantic one, it was pointed out by Chairman Fly, because many of the messages are in code and there are about 60,000 such messages every 24 hours in New York City alone. It would take hours, and perhaps days, it was pointed out, for the experts to break down the codes, and even when broken down, maybe the users would have shifted to a new one.

Of course, it was explained, in time of war, codes might be prohibited to private individuals and firms which would lighten but not entirely remove the problem, because there are codes using even plain language, with even the text reading smoothly, and these are declared to be the most difficult to break down, because they are hard to recognize as code.

Efforts are being made to ascertain the needs of all departments of the Government - this is particularly true so far as services are concerned - so that a program can be worked out which would immediately become effective if necessary. With this the Commission is seeking to determine what may be expected of the communications industries under this system to acquaint them with the governmental needs.

SENATE MAY GET AMPLIFYING SYSTEM

A survey of the possibilities of installing an amplification system in the staid United States Senate chamber is being conducted at the Capitol although officials decline to discuss it at this stage.

Complaints that visitors in the galleries failed to hear some of the words of distinguished Senators during the neutrality debate induced the study, it is understood. The House, equipped with "mikes", had no such complaints.

The Senate chamber offers more of a practical problem than the House, however, because Senators talk from their seats of wherever they happen to be standing, whereas members of the House speak from the "well", or just in front of the Speaker's desk.

Recalling the ire with which several veteran Senators greeted the dial telephone, Capitol officials are apprehensive of the fate of "mikes" if they are placed on every senatorial desk.

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CROSLEY TO SELL TIME ON NEW S-W STATION

With the completion in November of its new 50,000 watt international station, Station WLWO, owned by the Crosley Corporation, Cincinnati, Ohio, will sell time on the station pursuant to the new rules governing international broadcasting stations permitting sponsorship. Formerly known as WBXAL, the station will begin operation with entirely new equipment and will beam its signals toward the South American market.

The station management and operation, along with the pioneering work in time sales, will be under the direction of James D. Shouse, Crosley Vice-President in Charge of Broadcasting, and Robert Dunville, General Sales Manager.

The signal will be concentrated along the east coast of Brazil, Uruguay and Argentina, directed toward such cities as Rio de Janeiro, Buenos Aires, Montevideo and Sao Paulo. It is estimated that WLWO will transmit more than 100,000 watts in this direction. A rhombic antenna concentrates the station's full output in a small beam, making it possible to deliver a signal strength of more than 600,000 watts at any given point, it was stated.

The station will operate on six frequencies, which will be changed throughout the day so that the comparative signal strength always reaches the east coast of South America. The frequencies are 6060; 9590; 11,870; 15,270; 17,760, and 21,650 kc.

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THREE CONGRESSMEN CROSS WORDS AT FCC HEARING

An FCC hearing room looked like the House of Representatives chamber on Monday last week when three members of Congress tangled in oral arguments involving pending applications of their respective constituents.

The free-for-all developed after Representative Kent Keller (D., Ill.) appeared as co-counsel in behalf of the application of Orville W. Lyerla, Postmaster of Herron, Ill., for a new local station there on 1310 kc. The Federal Communications Commission had granted the application last July but vacated it on motion of KFVS, Cape Girardeau, Mo., and WEBQ, Harrisburg, Ill., time-sharing stations on 1210 kc., which had mutually conflicting applications.

After Reed T. Rollo, Washington counsel for Mr. Lyerla, had made his general reargument and had introduced Representative Keller, George O. Sutton, counsel for the other two stations, presented Congressmen to speak on their behalf. Representative Clyde B. Parson (D., Ill.) then extolled the virtues of WEBQ, while Representative Orville Zimmerman (D., Mo.), followed suit for KFVS. Indignant because he said his brother Congressmen had not kept "within the record", Representative Keller then sounded a five-minute eulogy in behalf of Herron and its need for facilities. Acting Chairman Walker tried several times to shut off this mode of discussion without avail.

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PRESIDENT LAUDS RADIO IN SPEECH TO FORUM

Radio as a transmitter of ideas was praised by President Roosevelt last week in an address transmitted from Washington to the Herald-Tribune Forum in New York City.

"I am glad to say a word in this forum because I heartily approve the forum idea. After all, two eighteenth century forums in Philadelphia gave us the Declaration of Independence and the Constitution of the United States", he said.

"It is the magic of radio that has so greatly increased the usefulness of the forum. Radio listeners have learned to discriminate over the air between the honest advocate who relies on truth and logic and the more dramatic speaker who is clever in appealing to the passions and prejudices of his listeners.

"We have had an example of objective reporting during recent weeks in the presentation of international subjects, both in the press and the radio. Right here I should like to throw bouquets to the majority of the press and the radio. Through a period of grave anxiety both have tried to discriminate between fact and propaganda and unfounded rumor and to give their readers and listeners an unbiased and factual chronicle of developments. This has worked so well in international reporting that one may be pardoned for wishing for more of it in the field of domestic news. If it is a good rule in one, why is it not a good rule in the other?"

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MUSICIAN CONTRACTS TO BE DISCUSSED IN NEW YORK

Preliminary negotiations for the revision, extension, or renewal of contracts between organized musicians and the broadcasters will be discussed this week at a conference between spokesmen of the American Federation of Musicians and Independent Radio Network Affiliates.

With the present contracts expiring on January 17 for network affiliated stations, the IRNA Board will convene in New York Wednesday, November 1st, preparatory to its meeting with AFM the following day. Contracts of non-network independent stations with AFM locals, following closely the terms of the network affiliate agreement expire in September.

The IRNA Executive Committee, after holding its preliminary session, will meet with the labor experts of the major networks. Under the existing contracts, the networks share in defraying cost of hiring musicians for stations, based on a stabilization fund through which they contribute to payments made by affiliates.

The IRNA Executive Committee also will meet with a group representing National Independent Broadcasters, Inc., headed by former Federal Radio Commissioner Harold A. Lafount, on the same problem. The contract evolved by independent stations differs only slightly from that entered into by the affiliated stations through IRNA.

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ADVERTISERS TOLD RADIO AUDIENCE HAS GROWN

The Association of National Advertisers, who collectively foot the bill for this country's radio entertainment, were told that the radio audience has grown since the outbreak of the European war when they met last week in Hot Springs, Va.

The growth, it was explained, was not due so much to extra sales of receivers as to the fact that set-owners are listening more often to keep abreast of international developments.

At the same time the advertisers were reported as being worried at the increasing cost of radio talent and the trend toward unionization in the industry. Neville Miller, President of the National Association of Broadcasters, addressed the convention on the work of the trade organization in advertising research.

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DAVID LAWRENCE ASSAILS NAB CODE OVER CBS

As one of the most outspoken critics of the Code of the National Association of Broadcasters, David Lawrence, distinguished editor and columnist, took the air Sunday to answer Neville Miller, President of NAB, and amplify his opinions on the ban on sponsored broadcasts of controversial topics.

Edgar Bill, Chairman of the Code Compliance Committee of the NAB, is scheduled for a broadcast next Sunday to answer Mr. Lawrence. Mr. Bill will be heard from Peoria, Ill.

Some of the highlights of Mr. Lawrence's address follow:

"The NAB says that it will gladly give 'free time' for the discussion of controversial questions. But how much 'free time'? There we encounter the true censorship difficulty. Occasionally -- but not regularly and 'when facilities permit', there will be 'free time'. The opportunity to have a regular week-by-week program on a controversial subject is, therefore, to be denied hereafter to any group or organization or citizen. You can buy time for a series of programs to sell toothpaste, but not to sell ideas.

"The reason given by the NAB is that it is desired to prevent the wealthy from having too much time on the air. At first glance, this sounds plausible. But let us examine the merit of the contention. In the first place, the NAB permits itself a conspicuous exception. It will allow the sale of time for political broadcasts during campaigns but conveniently forgets to equalize the financial handicaps of the political party with the lean purse as against the political party with the fat purse. If unequal financial capacity is to be the measure of self-restraint between campaigns, should it not also be applied at a time when political parties, well supplied with funds, seek to exploit the people or that part of the electorate which is sometimes referred to as the 'underprivileged'?

"Again while we are on the subject of finances, if the radio station owners are solicitous about financial inequality, will not some day the question be asked them why they permit huge corporations and big businesses to buy all the time they want to sell their products while the competing businesses not so fortunate must face that competition in sales? Was it not Thurman Arnold, Assistant Attorney General of the United States, who raised this very issue recently as to the alleged unfairness of large sized capital in using huge advertising appropriations to keep the little fellow from successful competition? Have we forgotten already the Tugwell doctrine written into some of the codes of the NRA days whereby advertising was to be limited by concerted action of the code members?

"Clearly we draw ourselves into the ensnaring web of collectivism when we start equalizing financial and economic opportunities and it is transparently fallacious to say that an organization with an idea to sell -- as, for instance, a labor union seeking to buy time to carry on a campaign for better wages for its members -- is not engaged in selling an economic or material thing.

"Radio is under no legal or moral obligation whatsoever to hold the scales even between those who can or cannot afford to buy time for any lawful purpose. Nor is there such a grave danger of undue influence in a buy-as-you-please policy as you may have been led to believe. I can remember political campaigns, for example, in which one political party paid huge sums for newspaper advertising while its opponent did not, and instances also where all the newspapers in a given city backed a particular candidate and yet neither of these advantages affected the outcome of the election even though there was at the time no medium like radio with which to appeal for votes.

"I do not believe we need fear the people's capacity to discriminate between sound and unsound argument irrespective of the fact that the actual quantity of words may be greater in the presentation of one side than the other. . . .

"Now it is claimed that if the radio stations sell time on the air the controversialists will monopolize the air. This seems to me more of a pretext than a reason because we all know that a balanced program can be arranged by any station just as is the case with the issuance of a newspaper which keeps a general ratio between the amount of news matter and advertising.

"The radio business is a form of publishing. The radio station itself can limit the amount it will accept from advertisers for a given series of programs and yet be above criticism. American newspapers confronted often by mechanical problems at the last moment of going to press lay aside some paid advertising. Also there are newspapers which do not accept an excessive quantity of what is termed political paid advertising and in some instances none at all is accepted. But, in the main, newspapers are careful not to bar anybody who conforms to the laws of libel and they do not discriminate between users nor do they join with other newspapers across the country in a national boycott of particular kinds of lawful advertising.

"The new code adopted by the NAB is confessedly created to prevent governmental regulation of radio programs. In my judgment it will bring on radio regulation by Government faster than any other single circumstance through the action of aggrieved parties seeking redress. For history shows that so-called voluntary efforts to exercise police power in an industry have invariably resulted in public clamor to have a 'disinterested' institution do the regulating. Usually, Government as the representative of all the people and the theoretical custodian of their delegated power, offers itself as the 'disinterested' institution.

"What then is the answer? We have evolved the answer through centuries of time with respect to the press. Let each owner decide for himself what he shall permit to be published. If he abuses that privilege, the listener can turn off the radio station and move his dial to another station just as the reader can decline to subscribe to a publication he dislikes. Stations which put on undesirable programs involving bad taste or unfairness in any respect as a chronic policy lose listeners rapidly and that means a loss of advertising potentiality.

"Let each and every radio station management be the judge of what it shall not carry on its programs and let no group of owners attempt in concert to foist on the American people a form of censorship of radio. The only censorship we should ever tolerate is the censorship imposed by the listeners themselves. For in any other direction lies the end of precious civil liberties and the introduction of government control over all mediums of communication whether spoken or written.

"It is not too late for the NAB to modify its course. It should withdraw from its code those provisions relating to the purchase of its facilities by public organizations and offer its wares in a balanced relationship between information, argument and entertainment which individual management, exercising good judgment, can easily achieve."

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TWO STATIONS GRANTED FOR ONE CITY

The Federal Communications Commission last week entered its final order granting the application of Saginaw Broadcasting Company for a new station in Saginaw, Mich., to operate on 1200 kc., 100 watts night, 250 watts, local sunset, with specified hours of operation, and the application of Gross and Shields for a new station in Saginaw to operate on 950 kc. with 500 watts power, daytime hour. The order is effective November 1, 1939.

The FCC also granted the application of Spartanburg Advertising Company for a new station in Spartanburg, S. C., to operate on 1370 kc. with 100 watts at night, 250 watts until local sunset, unlimited time.

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BROADCAST MUSIC PLAN IS COMPLETED

With its plan of organization completed, the new \$1,500,000 Broadcast Music, Inc., subsidiary of the National Association of Broadcasters, hopes to begin active operation as soon as formalities of the organization are cleared through the Securities and Exchange Commission.

A meeting of the Broadcast Music Board was scheduled for New York today (Oct. 31),^{27th} and the organization plan was to be approved in final form. President Neville Miller reported prior to the meeting that response from the industry has been encouraging and that pledges made at the special convention on copyright in Chicago September 15 for the \$1,500,000 stock would soon be solicited. It is expected a series of NAB regional meetings, in the 17 districts into which the country is divided, will be arranged for this purpose.

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The Electrical Division of the U. S. Bureau of Foreign and Domestic Commerce has an inquiry from a Commercial Attache for names of manufacturers of pocket radio sets with headphones for use by foot patrolmen. Firms making such equipment are requested to communicate with the Division, in order that an up-to-date list can be prepared.

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The Federal Trade Commission has scheduled a hearing involving the Automatic Radio Manufacturing Company, Inc., Boston, and others, for Wednesday, November 1, at 10 A.M., Room 410, Federal Building, Buffalo, N. Y. Unauthorized use of well-known trade names is the complaint. Trial examiner, Lewis C. Russell; Carrel F. Rhodes, Commission attorney.

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The Metropolitan Life Insurance Company Saturday filed suit in Federal Court of New York, charging the New Jersey Broadcasting Corporation with making defamatory statements in the Italian language. The insurance company asked for \$250,000 damages. The plaintiff alleged that the radio company, operating through Station WHOM, made false and derogatory statements in a series of broadcasts made at intervals between January 1 and August 29. In the first of these, the complaint asserted, the Metropolitan company was accused of distributing pamphlets that reflected on the character of a man who figured in the broadcasts. The broadcasts continued despite warnings, it was alleged.

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Akron, Ohio, labor leaders said last Saturday night they had asked the Federal Communications Commission to "take action" in connection with cancellation by Radio Station WJW of a weekly broadcast contract with the Akron Union Industrial Council (C.I.O.). S. H. Dalrymple, Council spokesman, asserted the station cited the new Code of the National Association of Broadcasters banning "controversial material".

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The monthly index of direct-mail volume in the current Printer's Ink shows an increase of 0.5 percent over 1938 for September. Cumulative volume for nine months is 3.6 percent better than in 1938. The index of radio advertising in September was up 28.5 percent over 1938, but off 6.1 percent from August. For nine months the index records an increase of 15.5 percent over 1938.

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EDITOR HITS RADIO IN ASCAP ROW

Following are excerpts from a recent editorial appearing in the Chicago Daily News and subsequently copied and circulated by American Society of Composers.

"Why are the radio interests so determined to deprive song writers and song publishers of reasonable recompense for the products of their creative talents and industry? In some half dozen states in recent years legislators have been prevailed upon to enact so-called 'Anti-monopoly' statutes against the American Society of Composers, Authors and Publishers, more familiarly known as ASCAP. ASCAP is an unincorporated, voluntary association of creative artists and publishers formed many years ago to safeguard the rights of its members under federal copyright laws. . . .

"Yet even among broadcasters there seems to be a dawning realization of the futility of an effort to nullify federal copyright laws through state legislatures. Perhaps this explains a movement begun by broadcasters at a recent convention in Chicago.

"Enthusiastically backed by nearly every radio station in the country, this looks toward the establishment of a radio-controlled rival for ASCAP. Such an organization would eventually give radio power to deal dictatorially with a carefully controlled clique of publishers, composers and authors. Happily, this effort seems as surely foredoomed as all previous attempts to crush ASCAP. ASCAP has done more than merely safeguard the economic rights of its members. It has served to educate them to the nature and importance of those rights. The only manner in which the new organization might grow into a real rival for ASCAP would be through assuring its members greater security and more adequate recompense for their talents."

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KDKA READY TO OPEN 50 KW. STATION

Westinghouse Station KDKA, Pittsburgh, will go on the air next Saturday from its new 50,000-watt transmitting station at suburban Allison Park, 19 years and two days after it broadcast the world's first scheduled radio program over a puny 100-watt transmitter.

In striking contrast to that first fragile, adolescent equipment which included a wire aerial fastened to a factory chimney, the new transmitter is equipped with banks of sleek, powerful transformers, streamlined cabinets concealing all radio apparatus, a sound-proof master control room, and a 718-foot antenna tower.

Although for the present the new transmitter station will send out only the standard broadcasts of KDKA, it is designed ultimately to assume the broadcasting of short-wave programs over the Westinghouse international station WPIT (formerly W8XK), which is now operating at Saxonburg, and to inaugurate noise-free experimental short-wave programs over a "pickaback" aerial which will perch atop the 718-foot standard broadcast tower. Standard wave length broadcasting facilities of the station have been transferred from Saxonburg to Allison Park in order to provide more powerful radio reception for Pittsburgh's metropolitan area, Walter C. Evans, Manager of the Radio Division of Westinghouse, explained.

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