

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



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June 2, 1942

WAR SOLE TOPIC AT RMA ONE DAY CONVENTION NEXT WEEK

Limited to one day - the briefest business session in its history - the annual and first wartime convention of the Radio Manufacturers' Association at Chicago next Tuesday, June 9, will discuss one subject almost to the exclusion of everything else. This subject, of course, will be the war, and what the radio manufacturers may do further to bring it to a speedy and victorious conclusion.

High officials of the War Production Board and those prominent in the Government radio program will attend, including William L. Batt, Chairman of the Requirements Board of WPB; Frank H. McIntosh, head of the WPB Radio Section, and former Chief Technician of the Fort Industry Company, and Leighton H. Peebles of the WPB Communications Branch. An urgent invitation has also been extended to J. S. Knowlson, Director of WPB Industry Operations and former President of the RMA.

A special message on the industry's military radio production program will be brought to RMA by Mr. Batt, who is a chief aide to Chairman Donald M. Nelson of WPB. Under the pressure of his numerous other jobs in the war effort, Mr. Batt recently resigned as WPB Director of Materials. At that time he appointed A. L. Henderson, who has been Deputy Director and closely associated with him in the materials field since the creation of the National Defense Advisory Commission to succeed him.

Mr. Batt announced that he would remain as Chairman of the Requirements Committee of the WPB. American member of the combined raw materials board established last January by President Roosevelt and Prime Minister Winston Churchill of Great Britain, Coordinator of the Russian aid program and Chairman of the United States-Canada Coordinating Committee.

Mr. Batt is from Philadelphia, where he was President of S. K. F. Industries, Inc.

Paul V. Galvin of the Galvin Manufacturing Corporation, of Chicago, and President of the Radio Manufacturers' Association, will preside at the Association's membership luncheon on Tuesday and will deliver an annual report of special interest, on the "all out" war effort and problems of the industry. A proposal to extend RMA war services by organizing transmitting apparatus manufacturers in a new division of the Association will be voted on. Another proposal to change the name of the Amplifier and Sound Equipment Division to the "Speaker" Division has been postponed. Officers

and Directors of the Association and of all Divisions will be elected, and several important Committee sessions are scheduled.

Annual meetings of the National Radio Parts Distributors' Association, whose president is George D. Barbey of Reading, Pennsylvania, and of "The Representatives", whose president is S. K. MacDonald, will be held on June 7 and 8, preceding the RMA convention on June 9, for discussion of the replacement parts and other problems of radio distributors. Acting Chief Albert Watterston of the OPA Radio Unit and other OPA officials have been invited to attend the parts distributors' and sales representatives' meetings.

The only social feature of the industry meeting will be the annual golf tournament, following the convention, on June 10, at the Calumet Country Club.

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SUPREME COURT CLEARS WAY FOR NETWORK FCC TEST

The 5-to-3 decision of the Supreme Court that the Columbia Broadcasting System and the National Broadcasting Company were entitled to judicial reviews of the Federal Communications Commission's proposed regulations on chain broadcasting, clears the way for a judicial review of the basic issues raised by the so-called network "monopoly" rules of the FCC.

The Supreme Court decision does not settle the question raised by the Commission that it had the power to bar issuance of licenses to radio stations because of alleged monopoly affiliations. The high court action simply permits CBS and NBC to sue for injunctions.

It is, in effect, a victory for Columbia and National over the Communications Commission.

The FCC argued that the regulations issued did not constitute "a final order" and thus no review was permitted. Charles E. Hughes, Jr., son of the retired Chief Justice and John T. Cahill, attorneys for the companies, stated in argument that "drastic damage" had already been done, because there were indications that affiliates would cancel contracts.

A three-judge Federal Court in New York City last February ruled by a 2-to-1 decision that it had no jurisdiction in the suits brought by NBC and Columbia to restrain the FCC from enforcing its so-called "anti-monopoly" regulations. The court comprised Judge Learned Hand of the Circuit Court of Appeals and Federal Judges John Bright and Henry W. Goddard.

In effect, the decision denied an injunction against the FCC, but on March 2 the three judges granted a temporary stay until May 1. On March 16 the Supreme Court agreed to review the decision dismissing the suits.

Joining in the Supreme Court appeal were the Woodmen of the World Life Insurance Society, which owns and operates Station WOW in Omaha, and the Stromberg-Carlson Telephone Manufacturing Co., which owns and operates Station WHAM in Rochester, N. Y.

The Mutual Broadcasting System, Inc. intervened in the litigation on the side of the FCC.

Chief Justice Stone delivered the 5-3 Supreme Court opinion that the broadcasting companies had a right to a Court review of the Commission's order. Those concurring in this were Justices Roberts, Murphy, Byrnes and Jackson. Those dissenting were Justices Frankfurter, Reed and Douglas. Justice Black did not participate.

All "the elements pre-requisite to judicial review are present", said Justice Stone, adding that "the threat of irreparable injury to the business" of the broadcasting chains had been established. Justice Frankfurter, writing the dissent, stated that Congress did not authorize resort to Federal courts "merely because some one feels aggrieved, however deeply" by an FCC action, and remarked that "even irreparable loss" did not justify the review.

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BROADCASTING "APATHETIC" CHARGE AROUSES HOOSIERS

Criticizing a recent broadcast, the Terre Haute, (Ind.) Star says:

"A certain Mr. Brown who dispenses his views on news for one of the large radio broadcasting systems has aroused the ire of a number of Hoosiers. He said among other things that Indiana was 'apathetic and unconcerned' about the war effort.

"Listeners in New York or Alabama or Washington may believe that 'the people of Indiana do not know there is a war going on. . .!' Hoosiers, of course, know he never had any intimate contact with Indiana - in fact, he certainly did not bestir himself for any extensive inquiry in Indianapolis which seems to have been his single point of contact.

"The omniscient Mr. Brown was disturbed, no, he was amazed 'to find people who think gas restrictions too irksome to endure in these times'. That may be a possible comment from the New York viewpoint but it does not apply to Indiana. Nothing is 'too irksome' for Hoosiers if it involves a substantial contribution to winning of the war. The Hoosier viewpoint is that so long as gasoline is on their very doorstep they see no reason for having it denied to them. Under present production schedules, gasoline used in Indiana is not gasoline denied to our armed forces. The only reason for gasoline rationing in the East relates to transportation of the fluid from the South or Middlewest.

"Our suggestion would be that the next time the Columbia Broadcasting System desires comment on conditions in Indiana, it send its commentator to Indiana sufficiently in advance of the time of his public pronouncements that he may know his subject."

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NO SUCCESSOR YET FOR HARRY BUTCHER AS CBS V-P

It may be some little time yet before a successor has been chosen to fill the place of Harry C. Butcher, Vice-President in charge of the Columbia Broadcasting System resident in Washington, who has been called to active duty by the Navy Department. There will soon be a conference between William S. Paley, President of CBS, Edward Klauber, Executive Vice-President, and Paul W. Kesten, Vice President and General Manager, to decide who will replace Mr. Butcher. However this meeting will be postponed until the return to New York of Mr. Kesten, who is now in Arizona.

In the meantime, "Mef" Runyon, Vice-President in Charge of Stations, will take Mr. Butcher's place in the Domestic Broadcasting Committee of the Defense Communications Commission. A. D. Willard, Jr. will continue as General Manager of WJSV, CBS key station in the Capital.

Mr. Butcher has been in the Naval for the past four years. He holds the rank of Lieutenant-Commander and is now on duty in the office of Director of Naval Communications.

Mr. Butcher joined the Columbia Broadcasting System twelve years ago. He was a friend of Sam Pickard, former Radio Commissioner and later CBS Vice-President. Mr. Pickard, in fact, thought so highly of Butcher that he wanted him to succeed him on the Commission. He proved highly successful as an executive, made friends everywhere, and in 1934 was advanced to Washington Vice-President.

At the moment nothing definite is known as to Lieut. Commander Butcher's future assignment, but the impression seems to be that he will be stationed in Washington for sometime to come.

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Three new Government-owned aluminum plants have started operations so far this month, a fourth is expected to begin production early in June and the entire first expansion program of seven plants will be in production by August 1, 1942. All seven plants will be completed ahead of schedule. The flow of aluminum metal is expected to increase every month from now on until the early part of 1943 when the entire aluminum capacity as planned by WPB will be operating at its peak.

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30-DAY COPPER STAY GRANTED TUBE MANUFACTURERS

Receiving tube manufacturers have received a 30-day stay from the drastic Copper Conservation Order, prohibiting virtually all civilian use of copper, including production of replacement parts after May 31. Extension of the copper order for replacement tube production until June 30 has been granted by the WPB Copper Section. Similar relief for radio parts manufacturers was not included in the WPB action, but is still being pressed vigorously by the WPB Communications Branch and the Radio Manufacturers' Association through the latter's special Committee on Replacement Parts, of which J. J. Kahn of Chicago is Chairman.

The 30-day extension from the copper order was secured for tube manufacturers in order to develop a definite 1942 program of replacement tube production. A total of 40 million replacement tubes in 1942, compared with about 33 million replacement tubes in 1941, is now under consideration. An official limitation or "L" order is in prospect early next week, authorizing the 40 million replacement tube program for this year, with quotas equitably divided, by the WPB Radio Section under Chief Frank H. McIntosh, among the seven RMA tube manufacturers.

The question of a definite replacement parts program and possibly similar relief for parts manufacturers under the copper order, Chief McIntosh advised RMA, will now be taken up following the 30-day stay secured on replacement tube manufacture. The tube "L" order is scheduled to be issued early this week, and immediate attention then will be given to the replacement parts problem, particularly in connection with the copper order.

Pending action on replacement parts, parts manufacturers are not permitted under the copper order to use their copper inventory after Sunday, May 31, for further production of replacements. A number of parts manufacturers have filed their appeals with WPB from the drastic copper order, but WPB Copper Section officials advised RMA that relief action to parts manufacturers was "practically nil". Virtually all radio manufacturers' appeals, except for the 30-day stay given tube manufacturers, are being denied, officials stated. Relief from the copper order for replacement parts production is not expected until after the WPB Radio Section conducts further negotiations with the WPB Copper Section officials and until progress is made on a replacement parts production program, similar to the 40 million replacement tube program.

While the copper order exempts use of copper on military radio and other war contracts, there is not a similar exemption on Lend-Lease contracts. WPB approval for use of copper on such Lend-Lease contracts is required.

Detailed requests for copper for tube replacements already have been filed by the Radio Section with the Copper Branch for tube production from June 1 to December 31. As about 20 million replace-

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ment tubes have already been manufactured, the proposed 1942 replacement tube program of 40 million tubes will contemplate production of an additional 20 million tubes from June 1 to December 31. Similar procedure for replacement parts also is being worked out by the WPB Radio Section. A questionnaire is now being prepared for transmission to all radio parts manufacturers, to secure necessary data on which to base the prospective replacement parts and material allocation program.

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MC DONALD SEES DANGER IN LIFEBOAT RADIO PUBLICITY

There is sharp criticism from Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, about a story which appeared in this News Service May 12th based upon an official release, which stated that Admiral R. R. Waesche of the Coast Guard had issued a regulation requiring merchant vessels of more than a thousand tons to carry at least one portable radio for installation in lifeboats.

"Please remember that I am not criticizing you in this letter, I am just criticizing the principle", Commander McDonald writes.

"Your article entitled "Portable Radios Ordered Put Aboard Lifeboats", I feel sure has been given out some place officially or you wouldn't have published it. Can you picture Hitler or any of the Nazis giving out a story like this - certainly not. You'll find that this, and articles like it, will get into their hands and the next thing the submarines will do will be to search every life boat to find out whether it has a portable transmitter or not. If it has, it will be wrecked, then what value is it?

"I might carry my argument above a step further and say that the enemy submarines, if they don't have time to search the lifeboats to ascertain whether it has a transmitter on it, might take a shot at it saying to themselves, "It might be equipped with a transmitter which will give the location of our attack too soon.

"Just a suggestion."

Since it has not been possible to find out exactly where the Lifeboat story came from, a copy of this correction is being sent to Capt. Leland P. Lovett, Assistant Director of Public Relations, at the Navy Department, for his information.

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MORE CONGRESSIONAL BRICKBATS FOR WINCHELL

Walter Winchell, recently characterized by Senator Clark, of Missouri, as "the radio commentator who disgraces the uniform of the Navy of the United States" was again assailed in Congress, this time by Representative Clare Hoffman, of Michigan, who said:

"On May 24, Sunday last, Walter Winchell, in his broadcast, repeated the substance of the charge printed in the New Republic, and he added that I had never stopped claiming that he, Winchell, tried to smear me.

"For once in his long record of misstatement Walter is correct. I have not stopped claiming that he tried to smear me.* *

"Not long ago he stated that I was a member of the House Naval Affairs Committee. I never was on that Committee and the House membership is aware of that fact. I was quoted as saying that he, Winchell, should be sent to Samoa. No such statement was ever made by me. Unable to learn who on the Naval Affairs Committee had exposed him, he charged it up to me. It was a good job, well done, even though I did not do it. * * * * *

"Winchell states that, while broadcasting, he does not wear the uniform of the Navy. He does not, however, tell us when he does wear it. He does not say that he does not wear it while visiting saloons, dives, and disreputable resorts gathering information. He does not deny that, as a Lieutenant Commander, he is in the Navy on full-time pay of a Lieutenant Commander. Nor does he explain to the public how he can carry on a money-making business and still be a full-time Lieutenant Commander.

"Yet he is the man who attempts to tell the people of the United States who they should elect as their Representatives in Congress. Winchell is courageous. He must be. He tells us he is. He is a fighting man. He must be, for he wears the uniform of the Navy, and that is a fighting organization.

"His statements as to his own virtues leave us in no doubt as to his patriotism. Continuously he announces his willingness to sacrifice. It is interesting to compare his utterances before December 7 with those he has made since that date.

"What some of us cannot understand is why a man as brave as he is, possessing his courage, with all of his professed animosity toward the Germans and the Japs, with his willingness to fight, does not make some practical use of the uniform which he wears, and get into the Navy, instead of loitering around New York, questioning the patriotism and the motives of the people's chosen Representatives."

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SEASONAL CHANGE ALTERS CBS SHORTWAVE FREQUENCIES

Due to seasonal conditions of the ionosphere, the Columbia Broadcasting System's engineering department has altered frequencies of its three shortwave transmitters serving the new Network of the Americas and listeners across the Atlantic Ocean.

The ionosphere is an atmosphere of electrical particles constantly in motion like the sea and varying in distance from 70 to 250 miles above the earth's surface. Radio short waves travel high into the sky and are reflected back to earth at great distances from the transmitters by the ionosphere.

The CBS international broadcasting summer schedule for June, July and August, 1942 (which became effective at 6:00 A.M. Monday, June 1, follows:

WCBX (East Coast, South America) 3:47 PM to 11 PM, 15,270 kc., 19.6 meters; WCRC (West Coast, South America) 3:47 P.M. to 11 P.M., 11,830 kc., 25.3 meters; WCDA (Mexico and Central America) 6 AM to 8 AM, 11,830 kc., 25.3 meters; 4:50 PM to 11 PM, 17,830 kc., 16.9 meters; 9:15 AM to 10 AM, 11,830 kc., 25.3 meters, Saturdays and Sundays only.

Europe - WCBX, 6 AM to 3:45 PM, 15,270 kc., 19.6 meters; WCRC, 6 AM to 3:30 P.M., 11,830 kc., 25.3 meters; WCDA, 3:30 P.M. to 4:45 P.M., 11,830 kc., 25.3 meters.

All times Eastern War Time.

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CITING RADIO UPHOLD UNDERTAKERS RIGHT TO ADVERTISE

The Indiana Supreme Court has just held unconstitutional a law forbidding undertakers to publish prices of their goods and services in newspaper advertisements. It said the act was discriminatory.

"We cannot close our eyes to the fact that in 1939, when this statute was enacted", the opinion explained, "the radio had already come into general use in the advertising field.

"We are unable to conceive of any possible reason for prohibiting licensed funeral directors and embalmers from advertising their prices in newspapers or by handbills and at the same time permitting them to broadcast the same facts to the public by radio."

The State Board of Embalmers and Funeral Directors had revoked the license of Asher L. Proffitt, Crawfordsville funeral director, because he had advertised his price for caskets in the Crawfordsville Journal and Review.

Proffitt sued the Board and the Montgomery Circuit Court ordered his license given back to him. The Board appealed to the high court.

The Hoosier State Press Association had filed a petition to intervene as a friend of the court. The petition criticized the law.

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RCA SCRAP DRIVE NETS 763 TONS FOR WAR USE

A million-and-a-half pounds of scrap metal, enough to build a U.S. Navy mine layer, or to make twenty-two 30-ton tanks for the Army with enough left over for three Army "peep" cars, has been salvaged from the Camden plant of the RCA Manufacturing Company in the first quarter of 1942. This announcement was made last week by the Industrial Salvage Section of the Manufacturers' Committee of Camden County.

This mountain of steel, aluminum, brass, bronze, copper, lead, nickel, tin, zinc, mica and other metals has come from the huge factory, now given over to war production, in a daily stream which helps to feed the maws of ten metal furnaces in the Philadelphia area.

In converting one RCA factory building at Camden to war production, 191 tons of steel was recovered from machinery formerly used in commercial production but useless for war work. In addition, in March alone, twelve tons of commercial tools not adaptable to war production were disposed of as scrap.

An idea of the immensity of the scrap realization plan may be gained from this fact: in the three-month period, 1,181,318 pounds of steel were removed from the plant as scrap. In the same period, 100,193 pounds of aluminum, 80,135 pounds of brass, 1,969 pounds of bronze, 114,779 pounds of copper, 6,504 pounds of lead and 1,658 pounds of nickel were salvaged. So were 10,752 pounds of zinc, 894 pounds of tin, and 34,843 pounds of miscellaneous metals. The total weight of the metals is 763 tons.

A scrap salvage drive was launched throughout the Camden plant on March 1, with the use of such posters as "Get in the scrap; America's war industries need metals, paper, old rags, rubber. Get it back in war production." Each production worker was reminded by his foreman of the importance of saving every scrap of the metals precious to the tremendous war production program.

RCA's scrap conservation efforts have not been confined to metals alone. When the War Production Board sent out a call for scrap rubber to keep the rubber reclaiming plants in operation, the news was passed along to the Camden plant. The first few days produced a ton of the material, with the search far from complete.

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 ::: TRADE NOTES :::
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Newly appointed head of the National Broadcasting Company's Press Department in San Francisco is William E. Shea, Jr. Mr. Shea advances from National Spot Sales Representative for the company in that city to the publicity post. Prior to joining NBC, early in 1941, he was with the San Francisco Examiner, McCann-Erickson, advertising agency, and Hearst Radio.

 Otto Sorg Schairer, Vice President of the Radio Corporation of America, in charge of RCA Laboratories, last Saturday was awarded the honorary degree of Doctor of Engineering by the University of Michigan. The degree was in recognition of "the unusual achievements of one of the University's alumni in the conduct and administration of scientific research for industrial purposes."

Dr. Schairer was graduated from the University of Michigan with an A.B. degree in 1901, and received his B.S. degree in electrical engineering in 1902. He then entered the service of the Westinghouse Electric and Manufacturing Company at East Pittsburgh as a graduate student or apprentice.

 The Associated Broadcasters, Inc., of San Francisco, have applied to the Federal Communications Commission for a license to cover a construction permit for a new international broadcast station.

 So that the men in service may be able to receive them, no matter in what part of the world they may be stationed, each program directed to "Men in Service" will be broadcast by the General Electric Company three different times from KGEI in San Francisco, twice from WGEA and once from WGEO in Schenectady.

 After months of complaint that Southern Negroes were not being trained to meet the shortage of workers in shipbuilding, the President's Committee on Fair Employment Practice has been officially advised that the regional Labor Supply Committee covering Southeastern States has called on the educational authorities to set up training courses for colored workers in "all major shipyard occupations."

This action, which was announced by Dr. Malcolm S. MacLean, Chairman of the Fair Employment Practice group, of which David Sarnoff of RCA, and Mark Ethridge of WHAS, Louisville, are members, took place in Birmingham, Ala., where the Labor Supply Committee met a few days ago.

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SIXTH EDITION OF RADIO AND TELEVISION BIBLIOGRAPHY

The sixth edition of the Radio and Television Bibliography, prepared by the Columbia Broadcasting System Reference Library, Research Department is just off the press.

"The most comprehensive bibliography in the field," Dr. Paul F. Lazarsfeld, Director, Office of Radio Research, Columbia University, writes appraising the new edition.

"This compilation is very effective in bringing within one cover the vast information on broadcasting that is available today", says Carlos A. Franco, of Young & Rubicam, Inc., New York.

The contents of the 1942 edition of the Bibliography are:

Books, Pamphlets and Reports on Broadcasting - General, Advertising and Audience Studies, Drama, Education, Engineering, Music, News and Special Events, Techniques and Careers, and Television; Magazine Articles of Special Interest; Names and Addresses of Radio and Advertising Trade Periodicals Containing "Radio Sections"; Names and Addresses of Principal Publishers and Other Organizations Issuing Material on Broadcasting; Publications of the Columbia Broadcasting System and Index by Titles of Books, Pamphlets and Reports.

The Bibliography is published by CBS to assist students and others interested in radio and television in finding the principal books, pamphlets and articles in this field. CBS invites students of radio and television to consult the books and other material in its Reference Library at 485 Madison Avenue, New York City.

"In the past, distribution of this reference book has been confined largely to educators and writers", Dr. Frank Stanton Columbia's Director of Research now in Washington with the OFF, states. "But so many requests have been received and so many people have told us how useful they found this book that we have brought the bibliography up to date."

Apparently a wider distribution of the book is now contemplated.

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ONLY INSANE WOULD START NEW NET NOW, SAYS McCOSKER

Free competition in network broadcasting is at stake if legislation is passed nullifying the Federal Communications Commission's network regulations, Alfred J. McCosker, Chairman of the Board of the Mutual Broadcasting System, warned the House Committee on Interstate and Foreign Commerce when it resumed hearings last Wednesday on the Sanders Bill to reorganize the FCC. The Commission's proposed network regulations are supported by the Mutual Broadcasting System.

"If the regulations or their substantial equivalent are not put into effect", Mr. McCosker testified, "and if for the first time in years free competition in network operation is not made possible, it is not reasonable to expect that any other group will attempt to project or operate a national network. If Mutual after a try of over seven years, cannot firmly establish itself, with all the advantages it offers, no one outside of an insane asylum would try it again. The man who would try it would need a guardian more than he would need a wave length."

The Mutual executive expressed the hope that no legislation will be passed which will unduly hamstring the FCC in its regulations of radio, impair its efficiency, or cause unnecessary delays.

"The complaint is that certain people don't like the Commission's decisions", Mr. McCosker pointed out, "and they are afraid that the courts will uphold what the Commission has done. That is the reason they have come to Congress to try to get the law changed, first to the Senate Committee on Interstate Commerce a year ago and, having failed there, they now come to this Committee. I do not think they are really very much interested in the technical procedural parts of this bill."

Mr. McCosker stated that "through all these hearings and arguments, the Commission's report of May 2, 1941, has not once been attacked for any inaccuracy in its findings of fact. None of the witnesses appearing before you has called attention to a single misstatement of fact in the entire document, however violently they may have attacked the Commission's conclusions and its regulations." Mr. McCosker urged the Committee to carefully read the FCC network report before passing judgment on the Commission's order.

The MBS official said he could not find in the Commission's order any tendencies toward government ownership of stations or that the Commission suffers from a common-carrier complex.

"If either charge has any foundation, I don't know what it is and have not observed any basis for it. If such persons are talking about the network regulations, and I am sure that they are, it seems to me that they are just about 100% wrong. The Commission has obviously acted to restore and increase competition and to prevent it from being unlawfully restrained - so that there will not be any need either for regulation of rates and other kinds of regulations of the common carrier variety, or for having the government take over industry."

Mr. McCosker insisted that Mutual's primary interest is in having the Commission's network regulations go into effect. "We oppose any legislation that would cause further delay and that would deprive the Commission of its power to adopt such regulations, or that would cast any doubt on that power." Mr. McCosker pointed out that three of the proposed amendments in the Sanders Bill apparently come within this description.

Mutual is opposed to any licensing of networks, Mr. McCosker continued. "It seems to us that to license networks is to invite the very sort of governmental interference that NBC and CBS profess to fear, control over programs and control over rates - in other words, censorship and common carrier regulation. There is nothing else to regulate, unless those who urge such an amendment entertain illusions that by a rigid licensing system they can keep down the number of competing networks."

Mr. McCosker insisted that Mutual's future, and the future of all networks, depends upon not being so restricted by government regulations that they cannot engage in sound, efficient, and profitable operations.

"We have never departed from that point of view, and I can assure you that no one in Mutual has had the attitude of wanting to see confusion or impairment of network broadcasting simply in the hope of being able to grab something out of the wreckage."

"While we are proud of Mutual's affiliates and its annual increases in revenue, particularly in view of the obstacles we have had to overcome, we trust you will not be misled by the figures and charts which have been presented by witnesses for NBC and Columbia at this hearing. They give a flattering but highly exaggerated notion of Mutual's growth and size. When you compare networks as they did, simply in terms of the number of affiliate stations each network has, and overlook mentioning the relative desirability of the stations as to power, coverage, location and other vital factors, it is very much as if you compared the wealth of four men according to the number of bills each has in his pocketbook without looking at the denomination of the bills.

"Similarly, when you compare the revenue of networks simply by percentage of increase over a certain period of years according to some arbitrary base, and leave out the figures for the actual revenue of each network in dollars and cents, you can make the network that started from scratch in the middle of the period look

like a skyrocket when it is really nothing of the sort.

"You would never guess from Columbia's exhibit, or from anything you have heard from any witness that has yet appeared before you, that in 1940, for example, Mutual's total time sales were slightly over \$3,600,000 as against about \$41,700,000 for NBC and \$35,600,000 for Columbia, and that the profits of NBC and Columbia for that year were, in each case, very much greater than Mutual's total time sales - \$5,800,000 for NBC and \$7,400,000 for Columbia (before Federal income taxes)."

Mr. McCosker concluded his testimony with the hope that during the next two or three years, a more truly American system of broadcasting will develop, and that harmony will be restored in the industry.

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FCC LOOKS INTO FOREIGN LANGUAGE "TIME BROKERS"

The Federal Communications Commission has directed its staff to ascertain the activities of "time brokers" in foreign language broadcasts over domestic radio stations. A letter requesting full information in this respect is to be addressed to licensees using their facilities for broadcast programs in foreign tongues.

Approximately 210 standard broadcast stations in this country have foreign language programs, and it is estimated that nearly half of these sell time to "brokers". These "brokers" are not station employees, but rather are independent contractors, apparently independent of any one station for their livelihood. In general, they obtain blocks of time over a given station and arrange their foreign language programs, selling on their own account spot announcements for use during their allotted time. Many act as their own announcers and seem to enjoy large followings among foreign-born listeners.

The FCC seeks to learn which "brokers" operate over which stations; the precise relationship existing between the "brokers" and their respective stations; the titles of the programs aired; the nature of the programs; and whether in the opinion of the licensee there are objections to, or useful functions for, the broker system. Copies of contracts and agreements concerning the operations of the brokers and stations in connection with the foreign language programs are to be filed with the Commission.

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COPPER RELIEF FOR PARTS MANUFACTURERS

Relief from the Copper Conservation Order prohibiting virtually all civilian use of copper after May 31, is now being granted to July 1 in individual cases by the Copper Section of the War Production Board to radio parts manufacturers for immediate and limited production of replacement parts. Some individual appeals are now being approved for parts manufacturers from the copper order, following further conferences with officials of the Copper Section by Frank H. McIntosh, head of the WPB Radio Section and representatives of the Radio Manufacturers' Association.

Some parts manufacturers, according to the determination of the Copper Section in each individual case, are being granted extensions of thirty days or more for the immediate use of their copper inventories in the production of radio replacement parts. The restricted and limited relief for radio parts production follows similar relief granted to radio tube manufacturers, who also received individual 30-day extensions, to July 1, from the copper order. Extensions being granted to parts manufacturers for thirty days or more in the use of their inventories to produce replacement parts is based entirely, according to WPB officials, on the special circumstances in each individual parts manufacturer's inventory and other circumstances. Such relief from the copper order for radio replacement parts production was urged last week by the RMA. A conference with WPB Copper Section and also WPB Radio Section officials was held by the Association's representatives, including Chairman J. J. Kahn of the special RMA Committee on Replacement and Repair Parts.

The extensions to parts manufacturers for the use of their inventories under the order which is known as the M-9-c, are being granted while Chief McIntosh and the WPB Radio Section are working out a definite program for allocation of materials for a future replacement parts production schedule. A similar program, covering replacement tubes during the remainder of this year, is now being completed by the Radio Section. A limitation or "L" order is now being drafted in connection with the replacement tube program, and will provide for assignment of replacement tube production quotas to the various manufacturers.

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A unique radio situation, in which two stations will carry a half hour recorded program at the same time for the same sponsor has developed in Tulsa, Oklahoma, where the NBC-Radio-Recording Division's "Flying for Freedom" will take the air over stations KTUL and KOME at 8 P.M., starting June 11, and be heard over both stations for 26 weeks.

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07/07/15

LARGE SUM SOUGHT FOR NEW FCC INTELLIGENCE DIVISION

J. L. Fly, Chairman of the Federal Communications Commission appeared before the House Appropriations Committee last Thursday to request a supplemental national defense appropriation of \$2,149,876. This was for the extension of foreign broadcast monitoring in connection with the newly created Radio Intelligence Division of the National Defense Operations Section of the Engineering Department. The Intelligence Division is under George E. Sterling, who was recently appointed Assistant Chief Engineer and Chief of the Division.

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BBC 1942 HANDBOOK COMES THROUGH DESPITE WAR

Not even a World War has been sufficient to keep the BBC Handbook for 1942 from coming out on schedule time. The book is really the annual report of the British Broadcasting Corporation but is popularly written, handsomely illustrated and so interesting throughout that it is hard to put down. One might think that such a publication would necessarily command only the attention of a broadcaster or someone in that particular line of business but this British yearly report published as it was amidst bombings and terrible war, also furnishes the finest kind of reading matter for the listening public itself.

One chapter which catches the American eye is the "Brains Trust". This, it seems, is a popular British program which, if it were broadcast in the United States would be known as the "Brain Trust". It started out in January, 1941, with the BBC labeled "Any Questions?" Apparently it was on the order of our program, "Information Please". In the first year the "Brains Trust" received ninety thousand questions and answered four hundred of them. Nationwide arguments were started by questions like the one from a pilot in the Royal Air Force - "How does a fly land on the ceiling?" - and like that other question - "Why does a horse rise on its forelegs and a cow on its hindlegs?"

Other chapters in the 1942 BBC Handbook are devoted to a Survey of the Year's Work in Broadcasting; Overseas Networks; Empire Collaboration; Broadcasting to North America; Broadcasting to Latin America; Broadcasting to the Far East; Broadcasting to the Near East; Broadcasting to Europe; Home and Forces Programmes; Up and Down the British Isles; Music for Home and Overseas; Radio Documentary; Radio Drama; Variety; Talks for Home Listeners; The Sunday Postscript; Outside Broadcasting; Home News; News Reading; Talks in the News; Religious Broadcasting; The Week's Good Cause; Broadcasting to Schools; Group Listening; Allied Occasions; "Calling Forces Overseas"; Children's Hour; Parents and Children; Recording Service; Listener Research; Some Notable Broadcasts of 1941; Rebroadcasting and Exchange Broadcasting; Wartime Studios.

In the Appendixes are chapters devoted to Control; Finance; Development of the BBC's Overseas Services; The Time Signal Service; Receiving the Home and Forces Programmes; Programme Contracts; Programme Copyright; The BBC's Advisory Councils and Committees; BBC Publications; BBC Addresses.

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MOST EVERYBODY IN NORTH DAKOTA HAS A RADIO

North Dakota Gets a high radio rating in the report of the 1940 census just made public:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - North Dakota The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling units (including urban)	152,043	131,000	17,179	3,864
Rural-nonfarm dwelling units	47,024	39,396	6,585	1,043
Rural-farm dwelling units	70,950	60,230	8,819	1,901
Fargo	8,618	8,030	361	227

The number of homes having a radio is shown for this State in statistics from the 1940 Census of Housing announced by Director J. C. Capt of the Bureau of the Census, Department of Commerce. The announcement gives the preliminary figures for each county, for the rural-nonfarm and rural-farm parts of each county, and for each city of 25,000 inhabitants or more but only the State and city data is given above. These figures as well as similar data for urban places of 2,500 to 25,000 inhabitants and for the metropolitan districts will be presented in the Second Series Housing Bulletin for the State which will be published in the near future.

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6/5/42

WAR DEPARTMENT LEASES GLOBE WIRELESS

The Federal Communications Commission announced that it had granted permission to Globe Wireless, Limited, of San Francisco to furnish its commercial radio facilities to the War Department under lease arrangement beginning June 1.

As a result of this arrangement, Globe Wireless will be withdrawn temporarily from the business of handling public message traffic during the life of the contract.

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WEBER FOR MUTUAL ALSO BACKS FCC RULES

Going counter to the National Broadcasting Company and the Columbia Broadcasting System, Fred Weber, General Manager of the Mutual Broadcasting System, lined up squarely behind the Federal Communications Commission in testifying before the House Interstate Commerce Committee considering the Sanders Bill.

Chairman James L. Fly of the Federal Communications Commission had been expected to appear before the Committee Friday but he will be called next Wednesday, June 10 instead. FCC Commissioner T.A.M. Craven will present the minority views of that organization.

Mr. Weber told the House Committee that "evils and abuses on the part of the large radio networks made recently promulgated Federal Communications Commission regulations "eminently practical and reasonable".

The FCC regulations restricting the use of "option time", under which Mr. Weber said the NBC and CBS networks "secure right of way and priority rights over all or most of the best hours of nearly all the best stations in the country", is a center of the dispute over changes in the law.

Mr. Weber told the Committee that Mutual in 1941 negotiated with publishers of a magazine for a nationally known program and were given to understand that the system would be used for the next year.

Then, he said, NBC told the publishers that if Mutual were used NBC would exercise its option privilege in such a way that the program either would be eliminated from stations in a number of important markets "or would be forced to the disagreeable alternative of delayed broadcasts by transcription."

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6/5/42

READY TO HANDLE CUT-RATE SERVICE MESSAGES

Radio and cable companies of the International group - All America Cables and Radio, Commercial Cables, Commercial Pacific Cable Co., Mackay Radio and Telegraph Co. - are prepared to handle the large volume of 60 cent special text messages which are expected from American soldiers at outlying bases as a result of the announcement by the War Department of this new service. The service was established by the War Department at the proposal of the communication companies to enable the American boys at distant stations to telegraph home without too much strain on the pay. The announcement stated that a similar service, from family to soldier, will be ready in about ten days.

Arrangements for the service have already been made for the men in Great Britain, North Ireland, Newfoundland, Hawaii, Puerto Rico, Panama and other bases in the Caribbean region. Of the companies associated with I. T. & T., Commercial Cables serves the North Atlantic points and Great Britain. All America Cables and Mackay Radio serve the Western Hemisphere bases, and the Commercial Pacific Cable and Mackay Radio connect Hawaii with the mainland.

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DONATE TIME FOR NEW "VICTORY" BROADCASTS

The top-ranking programs of two major networks, featuring the nation's favorite radio personalities, will contribute to America's war effort this Summer with the presentation of two separate Victory series. One "Victory Parade" will be heard over stations of the National Broadcasting System, beginning Sunday, June 7; the other "Victory Theatre" over the Columbia Broadcasting System, starting Monday, July 20, it was announced by the Office of Facts and Figures today.

All stars, directors, and writers will donate their services as their contribution to the two series. Air time involved is the contribution of the two networks and their affiliated stations.

There will be no commercial sponsor identified with any of the broadcasts. Time ordinarily devoted to commercial announcements is to be given over to government messages of vital importance in the war effort.

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: : :
: : : TRADE NOTES : : :
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Because of the Japanese attacks on Dutch Harbor, all radio stations on the Pacific Coast were reported off the air last Wednesday and Thursday nights.

Six hundred patents, most of recent date and many of immediate importance to the American war effort, were taken over Wednesday from their German and Italian owners by the Alien Property Custodian. Processes and equipment covered by the patents will be made available to American industry.

Patents owned by Robert Bosch and covering electrical equipment, particularly in the ignition field, were seized, as were many patents in the fields of radio, television, and aircraft instruments. Several of the seized patents related to the electron microscope, currently of great importance in scientific fields.

Completion dates for the Baliban & Katz Chicago television stations W9XPR and W9XBB have been extended to May, 1943.

Of the 33,291 homes in Nevada, 26,200 were reported by the Census Bureau to have radios. Out of 4,212, rural-farm homes, 2,906 are radio-equipped.

Corporations with multiple plants have been especially enthusiastic about labor-management production committees, of which more than 800 have now been formed, it was pointed out yesterday at War Production Drive headquarters.

War Production Drives to bring the output of war material up to the victory level are now under way in more than three plants each of 16 companies. These companies include some of the largest industrial organizations in the United States. War Production Drives have been organized in 66 plants of the popularly termed du Pont group of corporations and 50 in the U. S. Steel group, comprising two of the largest industrial groups extant.

A list of the concerns in which labor-management committees are functioning includes the R. C. A. Manufacturing Company with 4 plants.

Station KYA, Hearst Radio, Inc., San Francisco, Calif., has applied for assignment of license from Hearst Radio, Inc., to Palo Alto Radio Station, Inc.

Philco Corporation - March quarter: Net income \$286,035, equal to 21 cents a common share, compared with \$269,772, or 20 cents a share, in the first quarter of last year, after adjusted taxes. Gross sales amounted to \$17,139,891, against \$16,476,996.

Station KFEL of Denver, Colo. has applied for a construction permit for increase in power from 5 kilowatts to 5 kilowatts night, 10 kilowatts night, and make changes in transmitting equipment.

Bob Best, the American born newspaperman who refused to return to America, and, according to Leonard Lyons, columnist, "preferred in 'behalf of history' to broadcast for the Nazis, is married to a Viennese Countess 20 years his senior. The reporters who knew him describe him as a 'small time newspaperman who grew roots in the gutters ov Vienna'."

General Electric has expanded its training program to teach military men and its own employees how to maintain in the field the great variety of war devices, many of them new and highly technical, which the company is making in vast quantities.

"This is a war of science", Vice President Roy C. Muir, Chairman of the company's Education Committee, explains. "A new type of engineering is required. Electrical machines and circuits must be coordinated with highly complex mechanical mechanisms, optical systems, and radio. All that has been learned in the last 20 years about electronics, frequency modulation, television, and high frequency phenomena is now being applied to the airplane and warship."

Station WIBW, Topeka, Kans., has applied for a construction permit to make changes in transmitting equipment and increase power from 5 kw to 5 kw night, 10 kw day, using directional antenna day and night.

W6XLA, Television Productions, Inc., Los Angeles, Cal., has been granted construction permit for new television relay station (in lieu of permit which expired Oct. 15, 1941) to operate on frequencies 204,000-216,000 kilocycles (Channels 11 and 12), 800 watts peak visual power only, A-5 emission and time of operation in accordance with Section 4.4(a).

The RCA Review for April contains the following articles: Wartime Engineering, by Dr. Alfred N. Goldsmith; Low-Frequency Characteristics of the Coupling Circuits of Single and Multi-Stage Video Amplifiers, H. L. Donley and D. W. Epstein; An Improved Inter-Electrode Capacitance Meter, Allen A. Barco; Television Reception with Built-in Antennas for Horizontally and Vertically Polarized Waves, W. L. Carlson; Low Capacitance A-C Power Supplies, Garrard Mountjoy and Charles W. Finnigan; A Discussion of Several Factors Contributing to Good Recording, R. A. Lynn; Receiver Input Connections for U-H-F Measurements, John A. Rankin; Technical Articles by RCA Engineers.

The Plain Dealer Publishing Co. (Transferor), The Forest City Publishing Co., (Transferee); WHK, United Broadcasting Co. (Licensee), Cleveland, Ohio, WHKC, Columbus, Ohio, WCLE, Cleveland, Ohio, have been granted consent to transfer control of United Broadcasting Company from the Plain Dealer Publishing Co. to the Forest City Publishing Co., on condition that no authority contained herein shall be construed as a finding with respect to, or as an approval of any future transfer of control of the licensee arising out of changes in the stockholdings of Forest City Publishing Co. or otherwise.

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HYGRADE SYLVANIA MARKET DEBENTURES

Public offering of a new issue of \$4,000,000 of 3 $\frac{1}{4}$ per cent sinking-fund debentures of the Hygrade Sylvania Corporation is reported by the New York Times as being made by a banking group headed by Jackson & Curtis. The debentures, due on June 1, 1957, are priced at 101 $\frac{1}{2}$ and accrued interest.

The debentures, dated June 1, 1942, will constitute the entire funded debt of the corporation, which manufactures electric light bulbs and radio tubes, with plants in Salem, Danvers and Ipswich, Mass. and in Emporium, St. Marys and Towanda, Pa. Of the proceeds of this issue approximately \$2,075,000 will be used to repay bank loans, of which \$968,000 were incurred for plant expansion and equipment. The balance will be added to the company's working capital.

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ZENITH NET PROFIT \$1,637,000

The profits for the fiscal year of the Zenith Radio Corporation, before provision for taxes, amounted to \$3,073,146.80 which, after deduction of \$1,436,097.55 for these taxes, left a net profit after all taxes of \$1,637,049.25, equal to \$3.32 per share on the 492,464 shares of outstanding stock. This includes adjustments of prior year operating items aggregating net \$242,788.21 and write-offs arising from the Government's order to discontinue manufacture of radio receivers for civilian use, after April 22, 1942.

"The company's progress during the year was again due, in a large measure, to radical new developments, advanced engineering, outstanding values and a broad aggressive sales program", Commander E. F. McDonald stated in his report to stockholders. "One of the new products was the sensational 'Trans-Oceanic Shortwave Portable Radio'. No other manufacturer had a comparable product or was able to claim so much for the performance of a radio of this type and no other radio enjoyed such popularity with the personnel of our armed forces.

"By Government order the manufacture of radio receivers for civilian use was discontinued on April 22nd. We welcomed this order as it permitted us to devote our entire energies toward the manufacture of Government radio.

"The company's manufacturing facilities are being devoted exclusively to the manufacture of radio and other electronic equipment for the War Effort and will, no doubt, be operated at maximum capacity for the duration. This means that our engineering facilities and our employees are continuing in radio and electronics - the field in which they are well schooled, and there is no diversification into fields with which they are unfamiliar. The factory is ahead of schedule on the apparatus which it is producing under direct contract with the Government.

"The company's wholly owned subsidiary, Wincharger Corporation, has become the world's largest manufacturer of wind driven electric machinery."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
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No. 1436

June 9, 1942

BBC MAKES BIG STRIDES IN RECORDING WAR BROADCASTS

Now broadcasting in 40 languages, not counting English, Welsh and Gaelic, the British Broadcasting Corporation in its all-out war effort has been giving special attention to the recording of war broadcasts.

"The BBC Recording Service today has three main activities", it is officially explained. "The first is to record things which happen when listeners are asleep or at work, and to play them back when they are awake or at leisure. The second is to send out recording cars to bring back the voices and sounds which cannot be produced in the studio. The third activity is, for the benefit of posterity, to preserve in sound some of those things which characterize our life and times.

"In carrying out the first of these, the Recording Service played a valuable part in forging a closer link between Britain and the U.S.A. Divided from America not only by three thousand miles of sea but also by five hours of time, listeners in this country heard the reproduction from records of speeches by President Roosevelt which they would otherwise have heard only by getting up in the small hours. Millions of people in Britain enjoyed the weekly American Commentary and regarded the speakers as old friends.

"From other quarters too - from Chungking, from Bombay, from Cairo, from Moscow - a twenty-four hour recording service receives - and retains on steel tape, non-inflammable film, acetate disc, or wax record - a first-hand account of the war on Nazism.

"The BBC's own recordings, of which there are already over ten thousand, are supplemented by a hundred thousand commercial gramophone records. With the development of European and Overseas broadcasts these two collections of recordings doubled their scope and acquired new importance. The Recording Service may be asked to choose and despatch at short notice, to any part of the world, such varied material as recordings by Sarah Bernhardt or Woodrow Wilson, or eye-witness accounts of the Dreyfus trial, the eruption of Krakatoa, the arrest of Crippen, or the sinking of the "Titanic".

"Nor is the Recording Service solely dependent on these permanent recordings, nor yet on those made through the medium of the transatlantic telephone or short-wave transmissions from overseas. Its second main activity requires that a fleet of mobile recording units should be based not only in strategic points in Britain, but as far afield as Cairo, to bring back into the common pool stories of life and death from the various war zones.

6/9/42

"Recording is also one medium whereby the Dominion forces in Britain and the children evacuated overseas are able to keep in touch with their homes. 'Greetings from Cairo' and 'Children Calling Home' have taken the place of the field postcards of the war of 1914 to 1918, on which one had the option of saying 'I am well', or 'I am ill'.

"The third activity of the Recording Service - to preserve in sound the history of our times - may be thought the most important of all. Events move so swiftly nowadays that they soon become involved in an obscurity from which the historian can hardly disentangle them. A member of the Brains Trust, when asked at which of the great events in history he would most have liked to be present, chose the occasion of the death of Socrates and the discussion on the immortality of the soul which preceded it. There were no recording machines then, but we can promise that our children's children will, if they wish, hear the sound of the guns defending Moscow in 1941 or the voice of Winston Churchill challenging Nazi domination."

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IDAHO ALSO STACKS HIGH IN RADIO

The Census report shows Idaho homes as having a high proportion of radios:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - Idaho The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	141,727	118,824	18,697	4,206
Rural-nonfarm dwelling units	41,235	33,697	6,363	1,176
Rural-farm dwelling units	49,718	40,332	8,068	1,318
Boise City	7,866	6,984	504	378

A BROADCASTER WHO HAD TO BE COAXED INTO WHITE HOUSE

The presentation of the First Annual Atlass Scholarship for the outstanding radio student at Northwestern University last week brings to mind the fact that its donor, Ralph L. Atlass, head of WJJD, of Chicago, and WIND, Gary, Indiana, is probably one of the few broadcasters who didn't jump at his first chance to meet a President in the White House.

It was in the early days of radio when there was a regular receiving line each day at noon and it was customary for the Chief Executive to greet prominent visitors to the city. Calvin Coolidge was President when Mr. Atlass, then just getting his start in radio, made one of his first visits to Washington.

Thinking he would jump at the chance to meet the President, a friend made an appointment for the noon session that day at the White House for the young man from Chicago. To his amazement Mr. Atlass balked absolutely. "Why should a person as unimportant as I am take up the time of a man as busy as the President of the United States. I haven't anything in particular to talk to him about and I don't want to ask him to do anything for me."

It was explained to Mr. Atlass that those who visited the White House who didn't want anything were rare birds indeed, and were doubly welcome there. Accordingly, he was finally prevailed upon to go and had a pleasant and memorable chat with President Coolidge, despite the latter's reputation of not being much of a talker.

The First Annual Atlass Scholarship was won by Miss Vera Bantz, producer and announcer of the Northwestern U. Radio Play Shop. The presentation was made to Miss Bantz at the School of Speech honors banquet.

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DEINES, NEW G.E. RADIO AND TELEVISION AD MANAGER

Harry J. Deines has been appointed Advertising Manager of the General Electric Company's radio, television and electronics department.

Mr. Deines, who also becomes a member of General Electric's Advertising Committee, had been Manager of Advertising and Sales Promotion for the Receiver Division of the Radio and Television Department since December, 1940.

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UNLICENSED RADIO TRANSMITTER OWNERS MUST REGISTER

The Federal Communications Commission yesterday (Monday) ordered every one in possession of a radio transmitter, who does not hold a radio station license for its operation, to apply for registration not later than June 28, 1942.

Previously, the Defense Communications Board had issued an order in which it determined that the national security and defense and the successful conduct of the war demand that the Government have knowledge of all persons who possess apparatus equipped for the transmission of radio frequency energy.

By its requirement that all unlicensed radio transmitters be registered, the Federal Communications Commission has taken the necessary steps to ascertain the exact locations and amounts of all equipment of this kind in the country. Consequently, the Government will be in a position to take measures to prevent use of the equipment by enemy interests, and to determine its availability for our own war needs.

The Commission requires that a separate application must be made for each transmitter and that each application must be sent to the Secretary of the Commission in Washington, D. C. Application forms will be supplied by the Commission in Washington or by any of the Commission's thirty field offices throughout the country.

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AMATEURS MAY COME BACK FOR OCD WORK

The Amateur Rules of the Defense Communications Board - the rules to govern the limited operation of the amateurs in connection with Civilian Defense, will soon be issued by DCD and OCD, it was said at the Federal Communications Commission Monday.

According to Roy C. Corderman, Regional Coordinator for the American Radio Relay League in Washington, D. C., amateurs will be "permitted back on the air" in this connection. Their work was stopped at the beginning of the war.

Mr. Corderman estimated that at least 500 amateurs are in the District of Columbia area, many of them in Washington for war jobs. He predicted all would want to join in the new endeavor. Although no announcement of duties of the War Emergency Radio Service has been made, it is assumed the Office of Civilian Defense will put the members into special communications jobs.

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LIGHT BULB AND RADIO TUBE ANTI-TRUST CASE JUNE 22

Federal District Judge Phillip Forman at Trenton, N. J., Monday set June 22nd as the date to start trial of the Government's suits against 12 large companies accused of exercising monopolistic control of the electric light bulb and radio tube industry.

The Government seeks to void patent licensing agreements through which, it charges, the companies fixed prices, restrained production and exercised control over the business of domestic and foreign independent manufacturers.

General Electric Co., which the Government termed the dominating concern in the industry, heads the list of defendants. Others are the Corning Glass Works, the American Blank Co., Corning N.Y.; International General Electric Co., Inc., New York; the Westinghouse Electric and Manufacturing Co., Empire Machine Co., Portland, Me.; N. E. Phillips' Gloeilampenfabrieken, Dutch West Indies and New York; Consolidated Electric Lamp Co., Danvers, Mass.; Hygrade Sylvania Corp., Salem, Mass.; Ken-Rad Tube and Lamp Corp., Owensboro, Ky.; Chicago Miniature Lamp Works, Chicago, and Tung-Sol Lamp Works, Newark, N. J.

On April 11 the Westinghouse Company accepted a consent decree filed by the Government in which it accepted wide restraints sought by the Department of Justice.

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WHEN GENE McDONALD PULLED DOWN \$6 A WEEK

Few in the radio industry know that Commander E. F. McDonald, Jr., organized and was first President of the National Association of Broadcasters and still fewer know that he was a pioneer automobile mechanic and salesman.

"In the first place", according to a sketch of Commander McDonald which appears in the June 1 issue of Automotive News, "his first real job was with the H. H. Franklin Co., Syracuse, N.Y., which built that famous air-cooled motor car of the same name. But more about that later on. . . In the second place, he now is the manufacturer of the automobile radio with foot control, an innovation that car owners were just learning to appreciate when government stopped its production a few weeks ago.

"His automobile career goes back to 1906 when the Commander's father rented an old barn to H. H. Franklin to be used for the latter's automobile factory. . . Kid McDonald, given a chance to go to work, turned down an office job to go into the factory, pushing a 14-inch file through aluminum from 7 in the morning until 6 at night at the fabulous wage of \$6 a week. Then he tackled engine assembly, following which he became a road salesman for Franklin. . . In 1910 he went to Chicago with the Hanna self starter

and later, became interested in the electric business. . . Still automobile minded, in 1911 he originated an automobile time payment idea, which was built around buying Ford chassis and buying the bodies from body builders. Therefore, he says, he is the father of automobile time payments.

"After this, the restless Commander sought new worlds to conquer and in 1919 he became interested in the then infant Zenith Radio Corp., started in 1915. Three years later he took over the company and went in strong on pioneering the shortwave, for which he has been given due credit. . . He knew so much about the shortwave that in 1925 he went with Commander McMillan on an expedition to the Arctic Ocean to study the northern magnetic pole and its effect on radio, the educational effects of which are reflected in the development of shortwave."

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CALLS RADIO MUSIC DECADENT

Declaring that music is a spiritual lubricant which can do more to keep the people in good cheer in wartime than thousands of well chosen words, Henry Stoner of Barberton, Ohio, writes to the Washington Post:

"I do not believe our decadent radio music is representative of our great Nation. I do not believe that we are a nation of hill-billies, lullabyists, or college pep artists; but to listen to our radio music, one might get that impression. Our Nation is seething to go to work, to fight, to achieve victory. And our Nation demands the proper music.

"Talk about Congress being behind the public! I accuse the radio stations of being so far behind the public that they hardly know of its existence or present problems. We will in this Nation take these matters in hand if these recalcitrant radio bosses do not act on their own accord. Where there is power, there is duty; and when power is misused, that power is soon nationalized!"

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GERMANS LISTEN AT THEIR PERIL

A card, evidently brought back as a souvenir by some American who had been interned in Germany, and picked up by John Whitmore of WOR when the Drottningholm landed in New York, is of the kind that Germans must put on their radio receivers as a grim reminder not to listen to broadcasts from abroad. A hole in the center of the card is made to fit around a radio dial. A free translation:

THINK THIS OVER!

LISTENING IN ON FOREIGN BROADCASTS IS A CRIME AGAINST THE NATIONAL SECURITY OF OUR PEOPLE. BY ORDER OF THE FUHRER IT WILL BE PUNISHED BY A LONG PRISON TERM.

It is known that the Naxis also impose the death penalty for tuning to broadcasts from the United Nations.

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BROADCASTERS WELL ABLE TO PAY WAR TAX, SAY PRINTERS

Again lambasting the broadcasters, John B. Haggerty, President of the International Allied Printing Trades Association has addressed a strongly worded plea to the House Ways and Means Committee and Members of Congress once more urging a stiff war revenue tax on radio broadcasting. Arguing that many printers had been thrown out of work because of radio competition putting printed publications out of business, Mr. Haggerty has fought continuously for a high broadcasting tax.

Mr. Haggerty's letter just sent to Congress reads:

"The pending Revenue Bill, as reported in the press, indicates that many millions of wage workers and small business persons, those least able to pay, will be forced to accept substantial reductions in their living standards in order to help pay for our winning of the war. These conditions will be accepted by all true Americans, without much complaint, so long as those who are known to be well able to pay are taxed proportionately.

"Surely, something is wrong when we find a small group, well able to pay, exempt, so far, from taxes which the House of Representatives, upon recommendations of the Ways and Means Committee, voted last year. The same is true when we find that the Treasury Department has, as yet, failed to propose this year taxes of many millions of dollars, which were proposed last year, on those which the Treasury Department, after a study, had reported 'possess unusual tax-paying ability which, in view of the Government's present requirements, could properly be subject to special taxation.'

"The Treasury Department report to the Ways and Means Committee, further stated: 'The case for a special tax on radio broadcasting distinct from a tax on advertising, one medium of which is radio, is supported by several considerations. * * a franchise to operate a broadcasting station in any particular area carries with it a measure of monopolistic privilege and the opportunity for an extremely profitable investment. The principal operators in commercial broadcasting earn high rates of return on relatively small investments. They possess unusual tax-paying ability which, in view of the Government's present requirements, could properly be subject to special taxation. Radio broadcasting requires public regulation. Such regulation is provided at public expense, with great benefits to the industry, but without any special costs to that industry.'

"The undersigned, on behalf of some 200,000 highly skilled and organized workers, respectfully asks your consideration of the facts and your insistence that those who, as the Treasury Department report stated, 'possess unusual tax-paying ability, could properly be subject to special taxation', pay their proportionate share of the taxes to be imposed.

"We trust we will have your support and we will be able to report to our members in your District your favorable attitude toward our request."

Accompanying Mr. Haggerty's letter under a heading "Why Favor the Few and Tax the Many?" there is a presentation of statistics calculated to back up his argument that the broadcasting industry is able and should pay a high tax.

Among the documents cited is an extract from a letter, May 27, 1941, from Randolph E. Paul, Assistant to the Secretary of the Treasury, to John B. Haggerty, President, International Allied Printing Trades Association:

"The special tax to which you refer \$12,500,000 on radio networks and commercial stations was incorporated on the 1941 Revenue Bill by the Committee on Ways and Means on its own initiative. It was subsequently eliminated by the Senate Finance Committee, which requested the Treasury to make a careful study of this tax. The Treasury has been studying the proposed special tax as was indicated in the Secretary's letter to you of March 5, 1942, but has not yet concluded its investigation."

There is reprinted the CBS Consolidated Income Statement of May 13, 1942, with Mr. Haggerty adding this comment:

"The statement portrays the current radio networks net profits and merely illustrates the need for levying of substantial excise or franchise taxes, on these holders of governmental licenses free of any Government tax, if taxes are to be levied on ability to pay.

"This report indicates a net profit after payment of all taxes of some 684% on actual invested capital."

Mr. Haggerty concludes:

"Reports of the Federal Communications Commission reveal that of the total net broadcasting revenues of the entire industry, in 1939, not less than 93% was received by the 154 stations which had a gross income of more than \$150,000.

"Radio broadcasters secure entry into American homes through their dissemination of entertainment. All other purveyors of amusement are taxed on gross income. Radio broadcasters should not be exempt. Otherwise one disseminator of entertainment on a national scale unfairly escapes the payment of taxes payable by its competitors."

"Reports of the Federal Communications Commission show that the net profits of the two major networks, namely, National Broadcasting Company and the Columbia Broadcasting System amounted to \$59,509,349 for the years 1931-1940 inclusive. These figures are taken from the Federal Communications Commission Monopoly Investigating Committee's report, Volume 1 and 2, and reports of the Federal Communications Commission for the years 1939 and 1940. These net profits of \$59,509,349 for the ten year period yielded an average annual net profit for these two companies alone of \$5,950,934. The total combined investment in these two companies, on which these unusual earnings were made, was \$4,614,694. The

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total combined investment in these two companies, on which these unusual earnings were made, was \$4,614,694. The average annual net profits, after deduction of all operating costs, payment of Federal income and all other taxes, and including depreciation of \$10,182,021, were therefore some 129 percent.

"It should be added that the net profits for the years of 1936-1940 inclusive were much greater than those for the years of 1931-1935 inclusive. National Broadcasting Company and Columbia combined net profits increased from a total of \$19,017,613 in the first half of the ten year period to \$40,491,736 during the second half of the ten year period, an increase for the years 1936-1940 of 213 percent over the profits for the five year period 1931-1935 inclusive."

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TAKES AMERICAN TURNED NAZI BROADCASTER FOR RIDE

Dorothy Thompson, who evidently knows the gentleman well, has this to say about Bob Best, the American who is now broadcasting by short-wave to this country in behalf of Hitler:

"The other day I turned on the short-wave radio, and there was your voice, Bob Best; your voice, in the pay of Joe Goebbels, talking of all things under the sun, against the Jews.

"Some of your old friends over here are trying to find a way to explain you. Bill Shirer, for instance, says you are a traitor, which, of course, you are, and liable to be courtmartialed and shot. But he says it's because you stayed too long in Europe and went European. With all due respect to Bill, I think that is hooey. You went Nazi and going Nazi isn't going European as it is anti-American. * * * * *

"The truth is, Bob, that you remained after 20 years as intellectually lazy and just about as ignorant as you were when you arrived. You had a good break, too. You belonged to a great generation of American correspondents - the one that produced Gunther and Sheean, and Duranty and Bolitho and the Mowrer brothers and Raymond Gram Swing. They were loyal to one another and have remained friends for life. We heaped one another through emergencies, covered one another if we were ill or on vacation, tried to be truthful and objective, and felt in some way or other that it all mattered because we, too, like the diplomats, represented the United States. * * * * *

"Not one of us ever turned against America. Only you, Bob Best. Well, it's not too great a loss, at that. * * *

"Maybe you remember telling an old friend of yours, just at the time of the Austrian Anschluss, 'If I ever come to America it will be in order to murder Roosevelt.' That's the President of the United States, Bob. Even if you don't like him.

"Well, Bob, we excommunicate you. Not one of us would ever speak to you or shake your hand again. We who say that we're the best friends you ever had. We mind about you because we mind about the profession of journalism and the honor of the foreign correspondent. And if you've got any of your old schoolbooks left, Bob Best, get out 'The Man Without a Country' and read it again. That's where you are, Bob. And though we despise you from the bottom of our hearts, that thought induces a certain contemptuous pity.

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: : : TRADE NOTES : : :
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The testimony of William S. Paley, President of the Columbia Broadcasting System, before the House Committee on Interstate and Foreign Commerce May 6th, has just been printed in pamphlet form. Copies may be had upon application to Columbia.

R. C. Patterson, Jr., former Vice-President of the National Broadcasting Company, has been mentioned as a Democratic possibility for the nomination of Lieutenant Governor of New York State.

Edgar Kobak, Executive Vice President of the Blue Network, addressed the graduates of the classes conducted by the New York Employing Printers' Association at exercises last night (Monday) in New York City.

Quarterly dividends on the outstanding shares of Radio Corporation of America \$3.50 First Preferred stock and outstanding shares of "B" Preferred stock, were announced by Maj. Gen. J. G. Harbord, Chairman of the Board.

The dividend on the First Preferred is 87½ cents per share, and the dividend on the "B" Preferred is \$1.25 per share. They are from April 1 to June 30, and will be paid on July 1.

It looks now as if Chairman James L. Fly of the Federal Communications Commission scheduled for Thursday may not testify before the House Interstate Commerce Committee before Friday. The Committee is considering the Sanders Bill for the reorganization of the FCC. This would make it appear that the hearings may run into next week as Commissioner T.A.M. Craven and several others will have to be heard after Mr. Fly.

Ralph S. Merkle, Commercial Engineer, Hygrade Sylvania Corporation, and Technical Editor of Sylvania News, has been commissioned First Lieutenant in the Co-ordination Branch of the U.S. Army Signal Corps.

Harry C. Butcher, CBS Washington Vice President, a Lieutenant Commander in the Naval Reserve, who has just reported for active duty, left a sign on his desk, according to Leonard Lyons, the columnist, reading, "Left With Loving Kindness for My Successor - H.C.B." Beneath that sign was a package of headache powders.

The FCC states its recent release regarding the completion date on permits of Balaban & Katz should have been shown as August 23, 1942, instead of May 25, 1943.

Allen Miller, former Radio Director of the University of Chicago will collaborate with Judith Waller, Public Service Director of the NBC Central Division, in a course on Public Service programs to be given as part of the NBC-Northwestern University's Summer Radio Institute, beginning June 22nd.

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The impending shakeup of the Government information agencies is expected to see the Propaganda Division of the Office of Coordinator of Information - which unit is a part of Col. "Bill" Donovan's Office of the Coordinator of Information, transferred to the Army. The Division itself is headed by Robert Sherwood, the playwright, and battles the Goebbels propaganda machine by answering the Axis via short-wave radio the world over.

After five years of short wave news and editorial comment to the people of France, Fernand Auberjonois, Chief of NBC's International French Division, will depart on leave of absence for duty in the Bureau of Psychological Warfare of the United States Army. He leaves his assistant, Georges Bernier, as acting head of the Division.

The contents of the June issue of Bell Laboratories Record includes: Transoceanic Telephone Cables, O. E. Buckley; Magnetic Fluxmeter, E. L. Norton, Lead Calcium Test Castings, G. M. Bouton; Portable Teletypewriter Equipment for Army; Factors Controlling Man-Made Radio Interference, R. A. Shetzline; Suppressing High-Frequency Disturbances from Telephone Apparatus, M. E. Krom; A Pilot-Channel Regulator for the K-1 Carrier System, J. H. Bollman.

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ASSERTS RADIO COULD DO TRANSOCEANIC JOB ALONE

Comparing communications in this war with the other great war, F. P. Guthrie, District Communications Manager of R.C.A. Communications, Inc., writes in the June issue of Relay, the company's family magazine:

"Those of us who participated in the First World War are able to sense a distinct difference between that war and the present one. In no part of the war effort is the difference more striking than in communications.

"Radio played an important part in the earlier war but there were not enough stations available, so that the Navy considered it necessary to spend millions of dollars to erect a more powerful radio station in France for use if other means of communication failed.

"Today, if transoceanic cables were cut, radio circuits would carry the load without faltering. We of RCAC are proud of the fact that our Company carries such a large share of the essential intelligence and that we stand ready to shoulder an increased burden."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

PLAN 100

1942

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BROADCASTING "SALACIOUSNESS" CHARGED BY SOLON

Representative Donald L. O'Toole of Brooklyn on the floor of the House declared that though the American standards of broadcasting were far beyond the wildest dreams of any European network, lately there has been a reduction of quality, "a tendency on the part of the so-called comedians to engage in salaciousness at the expense of humor".

"Anyone who knows the theater in America is well aware that its decline was brought about by the introduction of lewdness, obscenity, and salaciousness", Representative O'Toole said. "The introduction of these factors made it almost impossible at certain times for people who respected each other to attend a theatrical performance jointly. A few of the old-time managers and producers, such as the great George M. Cohan, endeavored to carry on for a clean stage, but they were not very successful. Now if radio intends to turn the same corner that led the stage to destruction, I think we must protest.

"Broadcasting is not a natural right. It is a licensed privilege, and as a privilege it should be treated with respect by those who have been given this license and who have made fortunes for themselves, their sponsors, and their writers. While I do not desire censorship of the radio, being too great a believer in the privilege of free speech, I cannot fail to take cognizance of the fact that no man, no matter how strong the guaranty of free speech, can walk the streets of our cities and towns and call out indecent and salacious statements. Neither have these companies or sponsors the right to pump into our homes that which is not clean. We, who buy the products, are assembled fathers and mothers, boys and girls, young and old, and we insist that the sanctity of our homes be preserved. Can it be that these funny men have such a limited intellect that they have already exhausted all fun-making possibilities, and must now go back to the filth of their burlesque-house beginnings?

"I know what their response will be. They will say that they are good, patriotic Americans. That at the present time they are traveling from camp to camp giving entertainment to the men in service. Do not be misled by this hiding behind the flag, for these sponsored programs given in the various camps are the best form of advertising for both the sponsors and the performers. They are not receiving exactly the same salaries that they received when the programs emanated from commercial studios. If these performances did not have the additional advertising value, they would not be made.

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"If the broadcasting industry does not attempt to clean its stables, I can assure them that the effort will be made from other sources. I do not promise them this, I pledge it."

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PHILCO SECURES CONTROL OF NATIONAL UNION

That Philco is now in control of the voting power of the National Union Radio Corporation, of Newark, was made known in the following letter which James T. Buckley, President of Philco, addressed to holders of common stock of National Union:

"Philco Corporation has recently purchas^{ed} more than 100,000 shares of National Union Common Stock from several of the larger holders at $67\frac{1}{2}$ ¢ a share. This price was offered on the basis of a report to Philco by George S. Armstrong & Co., Inc., Industrial Engineers, to the effect that this price, which is substantially the same as book value at December 31, 1941, represented in its opinion the value of the Common Stock at that date on a going concern basis.

"At the date of this letter Philco owns all of the 250,000 outstanding shares of National Union's Convertible Preferred Stock and 859,822 of the 1,347,286- $\frac{1}{8}$ outstanding shares of its Common Stock. These holdings give Philco 69% of the voting power of National Union. If Philco converted its Preferred Stock into Common Stock, its percentage of voting power would be increased to 72%.

"Philco has decided to give all holders of National Union Common Stock the opportunity to sell their shares at the same price as it has paid to large holders. Accordingly, Philco will pay $67\frac{1}{2}$ ¢ a share, less transfer taxes, for all shares of National Union Common Stock which may be tendered on or prior to July 31st, 1942. Those of you who desire to sell may do so by delivering certificates to Philco at the office of Fidelity Union Trust Company, 755 Broad Street, Newark, N. J. on or before July 31, 1942. The purchase price, less transfer taxes, will be paid within a few days after delivery of your certificates endorsed in blank for transfer, with signatures properly guaranteed and otherwise in acceptable transferable form."

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Station KFAC, Los Angeles Broadcasting Co., Inc., Los Angeles, Calif., has asked the FCC for a construction permit to increase power from 1 to 5 kilowatts, install new transmitter, install directional antenna for night use and move transmitter (1330 kc.)

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COMMUNICATIONS INVENTORIES MODIFIED

Restrictions on inventories in the radio and wire communications industries have been modified so that material for specific Army, Navy and other war projects may be stocked without interference with normal operating inventories.

Order P-129 makes an A-3 rating available to an operator or his supplier for deliveries of materials essential for maintenance, and repair and protection of service in connection with radio and wire communication operations. Order P-130 makes the same rating available for deliveries of materials going into normal operating construction of telephone companies.

Both orders prohibit operators from accepting deliveries of materials, whether rated or not, until the dollar value of their inventory has been reduced to a practicable working minimum interpreted as 27½ percent of the dollar value of materials used by them for all purposes during 1940.

WPB's Communications Branch has found that these inventory restrictions have worked a hardship on some operators, who have been forced to acquire large inventories of material for specific projects authorized by the Director of Industry Operations. The restrictions have prevented these operators from acquiring normal inventory for current operations.

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FURTHER ELECTRIC BULB MATERIALS CURTAILMENT

The use of critical materials in the manufacture of electric light bulbs will be curtailed without curtailing the production of the light bulbs themselves, by an amendment to Limitation Order effective July 1.

This will be made possible through the use of substitutes that will not affect the efficiency of the light bulbs. The base, formerly made of solid brass, will be made of steel plated with brass. Lamp leads, formerly made of a 50-50 combination of nickel and copper will be made of iron wire plated with nickel and copper. Filament supports, formerly made of nickel and molybdenum, will be made of iron wire plated with nickel. The filament itself will continue to be made of tungsten, since no satisfactory substitute has been found. The plating process will require only about a tenth as much of the critical metals as was used before.

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TOMMY THOMPSON, ZENITH VICE-PRESIDENT, DIES

Sylvester Thomas Thompson, Vice-President in Charge of Production and Export of Zenith Radio Corporation, Chicago, and Vice Chairman of the Priorities Committee of the Radio Manufacturers' Association, died last Monday morning in Oak Park, Ill., after a month's illness.

Mr. Thompson, for the past twenty years, has been one of the radio industry's best known and most important figures. His activities at Zenith have included direct supervision of the corporation's extensive production projects in peace and wartime, as well as direction and development of the company's foreign trade.

Paying tribute to Mr. Thompson, Commander E. F. McDonald said:

"The condensation required by the newspapers and other publications always makes an obituary look like a cold, hard and glittering record of a man's personal achievements, and it is rarely possible to place into an obituary written for the general public eye, the things we would really like to say about a man like Tommy.

"I'll say here, to our fellow members of the trade, what I cannot say in any mere matter of fact record of Tommy's life. We may have lost a fine, efficient and capable officer. Naturally we feel this loss deeply in an organization sense.

"But what is more important, in living life Tommy was a fine human being, who was beloved by all in our organization for his sympathy, understanding, sincerity and honesty of purpose. He had many friends who were real, not superficial friends. Everybody here, including the night watchmen and the doormen, shares acutely in the deep grief at his passing.

"Business executives are many. But business executives with a real understanding of human relations are indeed few. Tommy was one of these latter and he never failed to practice the simplest and noblest of all human formulae, 'Do unto others as you would have them do unto you.'"

Some time previous to associating himself with Zenith, Mr. Thompson was Executive Vice President and Director of the manufacturing subsidiary of Kolster Radio, Inc., and Manager of Federal Telegraph Company, which at the time were owned by the International Telephone and Telegraph Company. Subsequently, he became Vice President and General Manager of Pilot Radio Corporation, Long Island City, New York.

Always an ardent exponent of fair trade practices, Mr. Thompson's activities for the advancement of export industry in general and of the radio industry in particular were numerous and diversified. As a member of The Executive Council of the South African Reciprocal Trade Committee, Mr. Thompson represented the

radio industry in its fight against propaganda detrimental to the importation of American merchandise into South Africa.

He was Special Adviser to the Export Committee, Vice Chairman of the Priorities Committee, a member of the Executive Committee and a Director of the Radio Manufacturers' Association.

Mr. Thompson was born in Suffern, N. Y. in December, 1892. He is survived by his widow, Mildred Eloise Thompson. Services were conducted in Oak Park last Tuesday night.

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VICTORY, RMA CONVENTION KEYNOTE - GALVIN RE-ELECTED

Every resource of the industry was pledged and victory was the keynote of the annual gathering of the Radio Manufacturers' Association last Tuesday in Chicago. Usually this convention lasts about a week but on account of the war, it was cut down to one day. Nevertheless about 400 manufacturers attended from all parts of the United States.

The RMA officers named for the forthcoming year were:

President - Paul V. Galvin, of Chicago, reelected; Vice-President - Ray H. Manson, of Rochester, N.Y., reelected; Vice-President - M. F. Balcom, of Emporium, Pa., newly elected; Vice-President Ray F. Sparrow, of Indianapolis, Ind., newly elected; Vice-President - James P. Quam, of Chicago, reelected; Vice-President G. W. Henyon, of Schenectady, N. Y., newly elected; Treasurer - Leslie F. Muter, of Chicago, reelected; Executive Vice President - Bond Geddes, of Washington, reelected; General Counsel - John W. Van Allen, of Buffalo, N. Y., reappointed.

The newly elected RMA Directors were: M. F. Balcom, of Emporium, Pennsylvania; W. P. Hilliard, of Baltimore, Maryland; L. L. Kelsey, of Chicago, Illinois; J. J. Nance, of Chicago, Illinois.

Praising the radio industry for its war contribution, William L. Batt, Chairman of the WPB Requirements Committee, stated that "the job of the radio industry in this war is staggering in its dimensions. The firms that turned out \$250 millions worth of home sets last year are now confronted with present war contracts for the Army and Navy of \$400 million". Stating that the "radio industry has gone to war and is now in uniform", Mr. Batt cited the \$50,000 worth of complex radio devices in a heavy bomber and \$5,000 worth of radio in a tank in the industry's crucial part in modern warfare.

"And in this task of going forward to a better world", said Mr. Batt, "you of the converted radio industry can have a significant part. The responsibility of the American industry to the American

society is the real, the true uniform you have put on. I am happy today to be marching with you."

Among the new projects for the war period which were established by the RMA Board of Directors at the Chicago convention were: provision for standardization of military radio equipment; organization of a new Transmitter Division to include manufacturers of all transmitting and also electronic apparatus; plans for providing sufficient radio service men to maintain radio sets in the hands of the public, including possible recruiting of Boy Scouts for servicing; conservation and substitution of scarce materials, and a bureau to assist parts manufacturers in the exchange and utilization of surplus materials. The governing board also suspended for the emergency, several civilian activities, such as its Advertising Committee, but created a new "War Production Committee" to have general charge of manufacturers' all-out war problems.

The following are the RMA Chairmen for 1942-43: Set Division, Ray H. Manson of Rochester, New York, reelected; Tube Division, M. F. Balcom, of Emporium, Pa., elected to succeed Roy Burlew of Owensboro, Ky.; Parts and Accessory Division, Ray F. Sparrow, of Indianapolis, Ind., elected to succeed H. E. Osmun, of Milwaukee, Wis., and the Amplifier and Sound Equipment Division, James P. Quam, of Chicago, reelected. George W. Henyon, of Schenectady, N. Y., was elected Chairman of the new Transmitter Division.

Preceding the RMA convention, a "victory" dinner, attended by several hundred radio distributors, dealers and servicemen, was held by the National Radio Parts Distributors' Association, the Sales Managers Clubs, and "The Representatives". The Chairman was J. J. Kahn, of Chicago, Chairman of the RMA Replacement and Repair Parts Committee, and addresses outlining the industry's war efforts were made by Chief Frank H. McIntosh, of the WPB Radio Section, Ray C. Ellis, also of WPB and others.

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COUNSEL CONTENDS KILLING FCC RULES MEANS TRADE RESTRAINT

As shown by the so-called anti-monopoly regulations made by the Federal Communications Commission, Louis Caldwell, counsel with Hon. Frank D. Scott for the Mutual Broadcasting System, told the House Interstate Commerce Committee holding hearings on the Sanders Bill to revamp the FCC that the technical needs of network broadcasting can still be met "for a reasonable amount of clearance against local obstacles without yielding to the importunity of those who could control it all".

"If you nullify these FCC regulations, you will be putting the Congressional seal of approval on one of the clearest possible cases of unreasonable restraint of trade, a restraint of trade that is vastly more harmful to the public interest than most restraints

because it has to do with an agency of the mass-communication of intelligence", Mr. Caldwell declared.

"It seems inconceivable to me that Congress would want a statute which would require its radio licensing authority to be an accessory before the fact to building up an unlawful monopoly or a restraint of trade, leaving it to some other agency of the Government, such as the Department of Justice, to tear down the structure. I think this is just what you will do if you amend the law so as to forbid the Commission to take the fostering of competition into account in applying the standard of public interest, convenience, or necessity."

Mr. Caldwell went on to say that actually the Communications Act which the Sanders bill seeks to amend is one of the best drafted and "most finely" conceived of the many statutes which serve as charters for Federal administrative agencies.

"It has withstood the test of time remarkably well, particularly when you consider that it deals with one of the most rapidly-advancing scientific arts", Mr. Caldwell said. "Those who claim that it is antiquated have, I think, a heavy burden to point out in what respects this is so, and I have not heard anyone do this. Have you heard anyone say that this statute has proved defective in any particular in the regulation of the many new kinds of radio communications and radio services that have developed since 1927? * * *

"The real complaint, I think, is that the sponsors of the statute foresaw not too little but too much, and specifically provided for the regulation of stations engaged in chain broadcasting because they were concerned not merely with the technical aspects but were anxious to do everything possible to prevent monopoly and unreasonable restraints on competition in broadcasting. It is to their everlasting credit that they foresaw advances in the art and provided both the basic principles and the flexibility indispensable to deal with them as they arose."

Mr. Caldwell expressed the belief that the FCC lacked power to make newspaper owners ineligible for broadcasting station licenses but added:

"Whatever you may think of the Commission's network regulations, or of its pending investigation of newspaper ownership of broadcasting stations, or of its television or frequency-modulation regulations, it has for the past two or three years endeavored increasingly to bring its policies out into the open in the form of regulations, after full and fair hearing, where their actions can be examined and criticized as they have in this very hearing. This was instead of the old hit or miss method which largely prevailed in the earlier days, where exactly the same subjects were dealt with but were buried in its written decisions in particular cases or, what is worse, were talked about only behind closed doors and in chambers, and did not achieve written or published form. This has required industry, patience and an infinite amount of study, and it has also required courage."

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Commenting upon a thought suggested by counsel for the Columbia Broadcasting System who in answer to a question from a member of the Committee stated that the relationship between a broadcasting station and a network was exactly like that between a newspaper and a press association, such as the Associated Press, Mr. Caldwell said:

"Let us examine that thought. At present the Washington Post has an Associated Press franchise. It also receives the United Press service, the New York Times service, and perhaps others. There is nothing in its arrangements with any of them preventing it from taking the service of another service, or which requires it to use any news furnished by any one of them, or to assign any particularly important space in the newspaper to its material.

"Then let us apply an analogy drawn from the situation in broadcasting. I suggest it would be something like this: At the top of the front page would be 'The Associated Press' in large type, and underneath, in small type, would be 'The Washington Post'. No other news from any other agency would be permitted. All but one or one-and-a-half columns on the front page would have to be devoted to the Associated Press material, with 'Associated Press' printed in large type over and over again, and the better positions in the rest of the paper would have to be treated likewise. In addition, the Associated Press would secure most of the national advertising using the Washington Post and insist that the advertising be placed immediately adjacent to its news.

"Of course, the analogy can be carried to the point of being absurd, and I do not mean to do so. The real point is that, instead of some 1800 or 1900 vigorous independent and competitive newspapers of this country, you would have three organizations in New York, controlling all of them and, through them, controlling most of what the public reads. They would have the power to kill off a competitor at birth. The economic prosperity or failure of every newspaper in the country would be for them to determine. Every advertiser would be at their mercy.

"Fortunately, as shown by the Commission's regulations, we can still meet the technical needs of network broadcasting for a reasonable amount of clearance against local obstacles without yielding to the importunity of those who would control it all. The way has been shown by the Commission's regulations."

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Baukhage, NBC commentator in Washington, said after calling Hitler a dog that he had received letters saying he should apologize for this. "All right", Mr. Baukhage replied over the air, "I apologize to every dog in Washington. Furthermore I apologize to my own dog."

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RCA PROVIDES ALL THE ANSWERS

Putting itself on the spot by giving the "answers to questions that are often asked", the Radio Corporation has just published a handsomely illustrated 48-page booklet "RCA - What It Is - What It Does."

Among the hundreds of questions about the RCA itself and its subsidiaries in this novel presentation the following are typical:

(Q) What led to the formation of RCA?

(A) Prior to and during the first World War, the United States depended largely upon British cables and foreign-owned wireless stations for communication with many important parts of the world. Great Britain was the communication center of the world. The war revealed to Americans that radio offered a new and competitive system; a startling opportunity for dissemination of intelligence. Development of radio would give the United States preeminence in radio communication, independent of other countries.

To accomplish this, RCA was formed by the General Electric Company, as a result of suggestions by officials of the United States Navy. Arrangements were made to acquire the assets of the Marconi Wireless Telegraph Company of America. A charter was granted RCA under the corporation laws of the State of Delaware on October 17, 1919. The business and property of the American Marconi Company were acquired by RCA on November 21, 1919. On December 1, 1919, RCA began business as an all-American organization.

The first Chairman of the Board of RCA was Owen D. Young; the first President, Edward J. Nally; David Sarnoff was Commercial Manager.

(Q) How many people are employed by RCA and its subsidiaries?

(A) At the opening of 1942, RCA and associated companies had 30,461 employees, of whom 18,915, or 62% are men, and 11,546 or 38 % are women.

(Q) What are RCA's wage and labor policies?

(A) The management recognizes that the loyal cooperation of employees is of basic importance to the success and progress of RCA. It is the company's policy to pay as high wages, under as favorable hours and working conditions in similar classes of work, as those prevailing in the areas in which the company's plants are located or operations are carried on. The most modern working conditions conducive to health, safety and comfort are maintained, together with a wide variety of educational, social and recreational facilities.

(A) (Continued) In instances where employees choose to bargain collectively, the employing company deals willingly and frankly with their authorized representatives. At present there are in force a number of contracts between the various companies and the unions, of which several are affiliated with A. F. of L., several with C.I.O., and one is independent.

Edward F. McGrady, who for four years had been Assistant Secretary of Labor, in 1937 became RCA's Vice President in charge of Labor Relations and a member of the Board of Directors.

(Q) Who owns the Radio Corporation of America?

(A) Ownership of RCA is widely distributed among approximately 240,000 stockholders, in every state of the Union. No individual owner of record holds as much as one-half of 1% of the stock. Less than 6% of the stock is held by foreign stockholders.

(Q) Does RCA make its inventions and patents available to other manufacturers?

(A) RCA has more than 150 patent licensees, competitive manufacturers in radio and other fields. Under the company's license policy numerous sources of supply are open to the Government and to the public. To assist its licensees, RCA Laboratories maintains an Industrial Service Section through which licensees are kept informed of new technical developments and are advised how best to apply them.

(Q) How many stations are affiliated with the NBC network?

(A) 137 stations are affiliated with NBC. Six stations are owned by NBC. They are: WAAF, New York; WRC, Washington; WTAM, Cleveland; WMAQ, Chicago; KOA, Denver; KPO, San Francisco.

(Q) How many stations are on the Blue Network?

(A) 127 stations are affiliated with the Blue Network Company. It owns three stations: WJZ, New York; WENR, Chicago; KGO, San Francisco.

(Q) Are all NBC and Blue Network overseas commentators American citizens?

(A) Yes.

(Q) What is R.C.A. Communications, Inc.?

(A) Following its organization in 1919, the Radio Corporation of America promptly undertook the task of establishing an all-American, world-wide radiotelegraph system. RCA's international communication service, therefore, was one of its first activities. By 1929 the system had become so extensive that on January 3, R.C.A. Communications, Inc., became a separate company with William A. Winterbottom as Vice-President and General Manager instead of a department of RCA. It is, however, wholly-owned by the Radio Corporation of America and is engaged primarily in international and inter-city message (radiogram) communication as a service to the public.

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 ::: TRADE NOTES :::
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An additional 600 enemy-owned patents were taken over Wednesday by Leo T. Crowley, Alien Property Custodian. The patents seized included more than 200 owned by Telefunken, relating primarily to radio and television equipment.

An offer of one million dollars by the General Electric Co. and the Westinghouse Electric & Manufacturing Co. to the Radio Corporation of America in settlement of an RCA stockholders, accounting suit was approved by the Supreme Court of New York Wednesday. The stockholders had charged that RCA had suffered losses through a series of financial transactions in the period before 1932, when General Electric and Westinghouse held large blocks of RCA stock.

The FCC has approved the sale of WWDC in Washington, D. C. from Stanley H. Horner, Dyke Collum and Edwin M. Spence to Joseph Katz, G. Bennett Larson and Charles M. Harrison, for \$110,000.

WWDC, which was started about 2 years ago has 250 watts power on 1450 kc. Mr. Spence was formerly Secretary of the National Association of Broadcasters and Joseph Katz is a prominent advertising man of Baltimore.

Chairman James L. Fly conferred at the White House with President Roosevelt earlier in the week. One guess was that it had to do with the reappointment of Mr. Fly whose term is about to expire. Another was a revival of the old rumor that Fly was to be transferred to another position.

The application of Earle C. Anthony, Inc., Los Angeles, Calif., Station KSEE for modification of construction permit which authorized a new television broadcast station has been dismissed at request of the applicant. It called for changes in aural equipment, changes in antenna system and extension of completion dates.

The Federal Trade Commission ordered Maurice L. Myers, trading as Charles B. Joyce Co., 2425 North Halstead St., Chicago, to cease and desist from selling or otherwise disposing of merchandise by means of a game of chance, gift enterprise or lottery scheme. Commission findings are that the respondent, dealing in radios, clocks, flashlights and other novelty merchandise, sold assortments of articles so packed and assembled as to involve the use of a lottery scheme when the merchandise was distributed to consumers. One assortment, according to findings, consisted of a radio together with a punch board device.

Station KEVR, Evergreen Broadcasting Corp., Seattle, Wash., granted license to cover special service authorization which authorized operation on 1090 kc., 250 watts, unlimited time at present site. This authorization is granted upon definite assurance heretofore given that licensee will apply for authority to increase stations's power to 5 KW as soon as practicable to do so; and licensee should surrender its present license to operate on 1400 kc.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1438

NATIONAL BROADCASTING COMPANY, INC.
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June 16, 1942.

SERIOUS SITUATION SEEN IN STATIONS LOSS OF MAN POWER

The drain of the war on the man power of the broadcasting stations of the country is viewed with considerable apprehension by the Federal Communications Commission. Discussing this situation, Chairman James L. Fly said Monday:

"The problem of our employees in the broadcast industry - I am referring, of course, to engineers and technical experts - is rapidly getting no better. Naturally there has been a great drain on the personnel in the broadcasting industry due to opening up of other technical jobs and to a certain extent due to the desire to get into something which seemingly was more active in terms of war work. As you know, the Defense Communications Board has given this matter considerable attention and the Commission in particular has lowered its requirements for skilled personnel on two or three different occasions in order to get the greatest assurance of continuity of service from what we thought was the minimum requirements from the standpoint of technical skill and qualifications.

"We were hopeful that that would assist the small stations in particular. I find the small stations throughout the country are harder hit than the big stations. Very properly the Broadcasters Victory Council has been giving that some detailed attention. I think we've all got to bear that situation in mind. It will be too bad if we have a shortage in the industry and not at all fortunate that the little stations are going to be the ones hit worse. Particularly since the big stations are tending to draw those people from the little ones. I think the little stations are less in position to protect themselves in this situation than the big ones are.

"I hope to see that process of movement from one station to another slowed down if it can consistently be done. I think in back of the whole thing may be an assumption that broadcast industry is not essential in time of war - those of us at this end of the line and the industry feel that it is very essential in time of war. Something that affects the people in terms of mass communication, in terms of information, and perhaps fully as importunately in terms of existing morale. It can hardly be over-emphasized and I think it is clear that anyone that stays with the broadcasting station and does a real job toward keeping the station on the air is doing something affirmatively to aid in the war effort.

"I certainly don't want to discourage anyone moving toward an active part in fighting the war but this business of trying to nudge seemingly closer to the war I think may be based upon the superficial assumption that broadcasting industry is not doing a real job in the war. I think it is doing a real substantial job and is bound to continue to do a real substantial job. We have all got to

keep it going for that reason and the knowledge of the significance of broadcasting is a real reason why we have done all we could to keep it going - so it would keep going without any lowering of standards and without any lessening of service for the full duration, and I am hopeful that skilled personnel will think twice before leaving the industry and people in the lurch here.

"Anything we can do here on the problem we are going to do. We are going to make some special studies along with the War Manpower Commission and Selective Service people - try to make some surveys of the situation and assist in any way we can to see that the man power we have got available will do the best job possible for all concerned. I don't know whether Selective Service will want to establish any policy of deferments or not but I should think that in any balancing of the interest of different activities that broadcasting ought to stand pretty high in the list. I think that the BVC is entirely right in pressing the matter and certainly all of us want to try to do what we can about it."

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STATION OWNERS WARNED TO GO SLOW ON WFAA DECISION

L. Metcalfe Walling, Federal Wage-Hour Administrator in New York, warned employers that his office took a limited view of the applicability of the 5-to-4 Supreme Court decision authorizing the A. H. Belo Corporation, publisher of the Dallas Morning News and operator of radio station WFAA, to make individual contracts with employees whose hours were irregular. Under the individual contracts the workers receive a fixed weekly salary, although they work more than forty hours in some weeks.

As a general rule, Mr. Walling said, the wage-hour division would "continue to be guided by the broader interpretation" contained in the Court's 8-to-1 decision that the overtime provision of the law required the Overnight Motor Transportation Company to pay its employees 150 per cent of the "regular, not the minimum wage."

"It is expected that a considerable amount of litigation will be necessary before the contours of the Belo decision are fixed, since the Court stated that it could not 'provide a rigid definition of regular rate when Congress has failed to provide one', Mr. Walling said. "I believe it only fair to warn that the Court in the Belo decision was passing on the particular state of facts before it and that generally the division will continue to be guided by the broader interpretation contained in Overnight Motor Transportation Company v. Missel."

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AMATEUR JUNK TO PROVIDE OCD EMERGENCY SERVICE

Radio amateurs who were silenced at the beginning of the war will stage a grand comeback by providing emergency two-way short-wave radio systems for Civilian Defense use in our cities in event the telephone service is disrupted by bombs. Furthermore, these resourceful amateurs will build much of their equipment from discarded material. It was said that thousands of radio stations could be constructed of junk.

An experimental system will be set up in the National Capital which is expected to be a model for the other cities of the United States. An official statement of the plan follows:

"Two-way radio communication in air raid emergencies, employing the skill of civilian technicians, including radio amateurs, was envisaged by the Office of Civilian Defense and the Federal Communications Commission which announced a new War Emergency Radio Service. The two agencies are collaborating their activities relative to proposed emergency civilian defense radio systems to be available in the event air raids damage or destroy other means of communication.

"Thousands of compact radio stations to be constructed and operated under prescribed restrictions largely by persons who have had amateur radio experience are expected to augment the services of the OCD organizations throughout the nation. According to radio engineers the two-way radio stations can be constructed of the unused 'junk' material which amateurs and radio repairmen usually accumulate in their 'storerooms'. The transmitters will use not more than 25 watts input power, which will tend to limit their effective communicating range to approximately ten miles - the longest distance ordinarily necessary for this type of service.

"Persons holding commercial radio operator licenses, including radio engineers employed in broadcast stations, qualified repairmen, and others interested, are expected to join the civilian defense communication system. Printed manuals designed to facilitate administrative operation will be distributed by the OCD, through its regional offices.

"Officials at the Communications Commission explained that blanket licenses for all civilian defense radio stations within a civil defense operations area would be granted to an 'instrumentality of local government' when the equipment is in the possession or control of the local government. A 'radio aide' for the local instrumentality must be certified and appointed in accordance with FCC rules. Separate operator licenses designated 'War Emergency Service Operator Permits' will be issued to persons assigned to operate each radio station. However, it was emphasized at the FCC that no individual operator permit of this special class will be issued unless the applicant first holds a regular FCC operator license or permit, and only after the FCC has been satisfied in regard to the integrity and loyalty of each applicant for a War Emergency Service Operator Permit.

"James L. Fly, Chairman of the Defense Communications Board and the Federal Communications Commission declared that:

"This gives thousands of amateurs an opportunity to employ their radio skill in their local protection services. The new emergency service may be described as a stand-by facility to be used when other means of communication fail. We have assigned certain bands of frequencies above 112,000 kilocycles for the use of the OCD organizations, and provision has been made for testing during blackouts and other mobilization trials."

"Since the United States has been at war, all amateurs have been banned from the air by the FCC as requested by the Defense Communications Board. Since that time a representative amateur organization of national scope, the American Radio Relay League, has been cooperating with the OCD and the FCC to the end that radio amateurs will be made available to assist in alleviating the damaging effects of possible air raids on this country. The FCC acted immediately after the Japanese attack on Pearl Harbor last December to 'silence' all amateur radio stations in this country, but soon thereafter permitted some of the amateurs to operate when they were needed for 'local defense'. However, on January 9th the FCC issued an order stating that because of events subsequent to its December 7th Order and because of military requirements all amateur radio operation must be suspended."

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TAX INCREASED ON RADIO AND WIRE COMMUNICATIONS

The Ways and Means Committee recommended last week a substantial rise in the tax rates for telephone, telegraph and radio messages.

On telephone and radio telephone toll service charges of more than 24 cents, it was decided to impose a flat tax of 20 per cent as recommended by experts of the Treasury and the Joint Committee on Internal Revenue.

For telegraph, cable and radio messages, on which the tax is now 10 per cent, it was voted to levy 15 per cent.

No change was made in the tax for leased-wire services, but the present tax of 6 per cent on local telephone service was raised to 10 per cent of the monthly bill. The expected additional yield on telephone and radio calls was put at \$26,800,000 and on local telephone bills at \$36,800,000, or a total of \$63,600,000.

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GALVIN HANDS ORCHIDS TO RMA WAR LEADERS

There was praise for his associates for their wartime conversion of the radio industry with so little dislocation from Paul V. Galvin, President of the Radio Manufacturers' Association, speaking at the Chicago convention last week. Mr. Galvin, who was re-elected, said:

"Throughout the epic-making period of transition, it fell to the lot of the Radio Manufacturers' Association to supply industry leadership in all of the various negotiations. Evidence as to how well prepared RMA was for this industry responsibility and how well the industry fared under the leadership is to compare our experience to that of other industries, such as automotive or refrigeration. The record speaks for itself.

"As members of RMA and the radio industry, you are deeply indebted to a number of individuals, and I hereby pay honorable mention to some of them who gave of their time and talents so willingly to the industry problems of this last year. I lead off with Jim Knowlson who so ably led us through the first four months of this year - the early months when things were shaping up. There wasn't a lot of fanfare as to what Jim was doing, but I was in a position to know what was going on and saw the master strokes.

"Bond Geddes and the entire paid staff turned in the best year in his entire RMA career. Many of you not in a position to observe will never realize the splendid job that was done by Bond in ably keeping on top of a rapidly changing picture. The things that were prevented by his vigilance, things many of you never heard of, were as important as the things you know about.

"You will never realize the weeks and weeks of effort put in by Fred Williams on RMA and industry matters. Roy Burlew was almost constantly on the job in Washington on industry tube problems. Sylvester Thompson - Dr. Baker - Henry Bonfig - Abe Bloom - Al Wells - Ben Abrams - Ray Sparrow - Jerry Kahn - Hal Osman - Jim Quam - Les Muter - your Executive Committee and your entire Board of Directors were ever ready and willing.

"I wonder how many of you really realize the importance radio is and will play as a major deciding factor as to who is going to win this war. What is it that gives the vicious efficiency to vehicles of destruction in modern mechanized warfare? It is radio.

"What is it that is today revolutionizing aircraft, naval and anti-aircraft tactics and strategy? It is radio and radar.

"It is our job - the industry's job - to deliver these precious and important instruments. Have we lots of time in which to accomplish this task? No - the time is altogether too short. But let that not be an excuse. We must not fail. How will it be done most successfully? By every last one of us having an assignment of some specific part of the job, and, come what may, overcome all obstacles.

"Your Association membership today is the highest it has been in numbers in the last twelve years. We have practically 100 per cent of the set and tube manufacturers, and a great preponderance of the parts manufacturers. We are, at the present time, developing and establishing a division for transmitter manufacturers which will round out the activities of the Association for greater effort in the war and after the war. The great expansion of the electronics field as a result of war activities will bring on new horizons after the war. Your Association is cognizant of this and is approaching these problems in a progressive fashion. Your Association is ever vigilant of the importance of governmental relations to an industry, and we are progressively active in these matters in the interest of the industry.

"A short-sighted person might ask unthinkingly, 'Do we need an association during the war?' To him I will suggest that he go to Webster's Dictionary and look up the word 'association', and he will find therein - 'Association, a union of persons in a society for some common purpose'.

"If we ever had a common purpose to bind us together into an association, it is now."

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CENSUS REPORTS ON VERMONT AND NEW MEXICO RADIOS

Two widely separated States were heard from last week in the canvass of radio sets - Vermont and New Mexico. According to the census report, of the 92,435 homes reported on in Vermont, 80,253 had radios; 10,316 had no radio and 1,866 did not report. Of the 35,164 rural-nonfarm dwelling units, 30,213 were equipped with radio, 4,273 had no radio and 678 did not report. As to rural-farm dwelling units, out of the 24,806 total, 19,636 had radio, 4,627 had no radio and 543 did not report. In Burlington, the largest city, 6,732 out of 7,138 had radios.

Out of the total of 129,475 homes in New Mexico, 66,609 were found to have radio sets, and 58,525 had no radio, while 4,341 did not report. Of the 43,097 rural-nonfarm dwelling units, 19,824 were equipped with radio, 21,835 had no radio and 1,438 did not report. Of the rural-farm dwelling units, 39,665, those with radio were 14,105 and 24,310 had no radio while 1,250 did not report.

In Albuquerque, the only big city in New Mexico, out of a total of 9,884, 8,073 had radios, 1,235 had none, and 576 did not report.

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ROOSEVELT NOMINATES FLY FOR ANOTHER 7 YEARS

President Roosevelt last Monday nominated Chairman James L. Fly for another seven years on the Federal Communications Commission. It was evidently this subject that the President and Mr. Fly discussed when the latter visited the White House a few days before.

The reappointment of the New Deal Democrat who has made it so hot for the networks, who is making newspaper publishers fight for the right to own a station, who blocked television until they did it his way, and who made an all out defense of Goodwin Watson, alleged Red on the FCC payroll, is apparently the President's answer to Mr. Fly's critics. The only hope his enemies now seem to have is that he may be transferred to some other position. Mr. Fly has been mentioned for Solicitor General and other important posts.

Mr. Fly, who is a graduate of the Naval Academy and hails from Texas, is now 44 years old. He received an L.L.B. degree at Harvard, served as a Special Assistant U. S. Attorney General acting as Government counsel in actions involving restraint of trade under Federal anti-trust laws. In 1934, Mr. Fly became General Solicitor and head of the Legal Department of the Tennessee Valley Authority and served in this capacity until 1937 when he became General Counsel of TVA.

The new seven-year term of the Chairman, who was appointed September 1, 1935, begins July 1st. The salary is \$10,000. The next Commissioner's term to expire will be George Henry Payne, who will be up for reappointment next year.

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FCC RULES ON APPLICATION INVOLVING MARSHALL FIELD

The Federal Communications Commission has granted the petition for reconsideration of application for consent to the transfer of control of Hammond-Calumet Broadcasting Corporation, licensee of Station WHIP at Hammond, Indiana, from George F. Courier to John W. Clarke. WHIP, located as it is just outside of Chicago, is the station Marshall Field began negotiations with sometime ago to acquire.

The Commission explains its ruling, in which Commissioners Craven and Wakefield dissented, thus:

"On June 2, 1942, the Commission considered this application and designated the same for hearing. At that time it appeared that Marshall Field, the owner of newspapers in Chicago and New York, had purchased debenture bonds of the licensee corporation in the principal sum of \$75,000, and that an additional \$75,000 in debenture bonds would be sold, probably to the same individual; and that there appeared to be some question as to whether or not the proposed trans-

fer of control involved the acquisition of interests in a broadcast station by one holding interests in newspapers.

"In connection with the petition for reconsideration and grant of the application, it is shown that Mr. Clarke, the transferee, has agreed to purchase the additional \$75,000 of the licensee's bonds and has stated in his affidavit that he will assume and retain actual control of the station in the event the instant application is granted.

"Based upon the representations and assurances of the transferee, the Commission finds that the proposal does not involve the acquisition of broadcast station interests by one associated with newspapers, and that its present policy of placing applications of that type in the pending files until the determination of the issues involved in the proceedings under Order No. 79 is not applicable in this instance. The licensee corporation is in a grave financial condition and the contemplated transfer will place it in a much sounder position financially, thereby giving assurance of improved quality of broadcast service to the public. Accordingly, the Commission finds that public interest will be served by the granting of the instant application, subject to the condition hereafter set forth.

"Accordingly, It Is Ordered this 9th day of June, 1942, that said petition Be, and It Is Hereby, Granted; that the hearing on said application Be, and It Is Hereby, Cancelled; and that said application Be, and It Is Hereby, Granted, upon the express condition that:

"Nothing contained herein shall be construed as a finding upon or with respect to an approval of any future transfers (including relinquishments) of control of the licensee which might arise out of further stock transfers, the exercise of voting privileges thereon, or otherwise or the future exercise of control over the station by anyone other than the licensee."

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EARL GAMMONS NEW DIRECTOR OF CBS WASHINGTON OFFICE

The Columbia Broadcasting System announced yesterday (Monday) the appointment of Earl H. Gammons, as Director of its Washington office. He succeeds Harry C. Butcher, recently called into active service by the Navy and on leave of absence from the company for the duration.

Mr. Gammons has been with the CBS for 13 years as Manager of WCCO, Minneapolis, and has been in radio broadcasting since 1924. Since his association with WCCO and CBS, Mr. Gammons was increasingly prominent in industry affairs and several times served as a Director of the National Association of Broadcasters. He saw active service in France in the last World War.

Mr. Gammons will assume his new duties in Washington about July 1. His successor as Manager of WCCO will be announced shortly.

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NEW WAR INFORMATION OFFICE TO REVAMP S-W SET-UP

One of the first things affecting radio in the consolidation of press and radio services in the new War Information Office just created by the President and headed by Elmer Davis, CBS ace commentator and former New York Times star reporter, will be a clarification of the foreign short-wave situation which, up to now, has been in the hands of Col. William J. Donovan, Coordinator of Information, and Nelson Rockefeller, Coordinator of Latin-American Affairs.

Speaking of this at his press conference yesterday, Chairman James L. Fly said:

There was one provision in the directive from the White House which called for collaboration with the Defense Communications Board and the War Information Office on foreign shortwave - I think it's what it is called for, and it has been our plan heretofore to have a foreign shortwave set-up by a separate Executive Order.

"We have had one drafted and that was held up pending development of the War Information set-up, and I would presume that the Executive Order will be gotten out now and get some sort of business and engineering set-up to handle the business and engineering end of shortwave broadcasting. The only reason that has not been done thus far is because the information end of it was in doubt."

It is believed that the radio structure as regards domestic broadcasting will remain pretty much as it is. W. B. Lewis, in the Office of Facts and Figures, who has most of this work, like Mr. Davis is a former CBS executive. The appointment of Mr. Davis puts Columbia in the front seat but nobody in Washington believes he will play any favorites in this respect.

At one swoop President Roosevelt consolidated in the new War Information Office, the Office of Facts and Figures, the Office of Government Reports, the Division of Information in the Office of Emergency Management controlling the press services, the War Production Board, the Office of Price Administration, the War Labor Board, and the Office of Coordinator of Information. The only thing that escaped was Nelson Rockefeller's Inter-American Affairs office.

Mr. Davis, the new Director, was authorized, among other duties, to do these things in which radio was concerned:

"Use the press, radio and motion pictures for information programs designed to form an intelligent public understanding of the war.

"Review, clear and approve Federally-sponsored radio and motion picture programs."

One view taken of the appointment of Mr. Davis was that in drawing a man directly from the ranks of radio that the President was indirectly taking a slap at the press and thus endeavoring further to subordinate the printed word which the Government couldn't control to the spoken word which it could control. The answer here was that Mr. Davis was formerly a newspaper, as well as a radio, man.

The former radio commentator, who will have sweeping powers to clip red tape and to co-ordinate the information services of Federal agencies, said in an interview that he would not criticize the Government information setup of the past, but made it clear that he had some opinions of the operation of the information services.

When asked to express his critical opinions, Mr. Davis said the conflicting statements on gasoline and rubber and the scarcity of information in some fields could be considered among the subjects calling for adverse criticism.

Mr. Davis, who is 52 years old, is from the little town of Aurora, Indiana, which oddly enough was likewise the home of Edwin C. Hill, also a famous radio commentator and newspaper man.

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INVENTS "RADIO COAT" FOR SOLDIERS

A complete radio transmitter and receiver is built in the coat or "two-way radio garment" which is the subject of a patent (No. 2,285,083) granted to Berkley E. Cover, Sr., of Chicago, Ill.

The radio coat is designed for wear by troops or policemen, since it leaves the hands free and eliminates the carrying of separate packs of equipment.

The earphones are mounted on the collar and the microphone on the sleeve. The transmitting and receiving equipment is in compartments inside the coat. Earphone and microphones are connected to the equipment by wires in an insulated conduit.

The radio coat can be quickly slipped on and off and is intended to permit soldiers to maintain communication with one another and their commanding officers in the field or in battle.

The patent is assigned to the Electra-Voice Corporation, Wilmington, Del.

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Jo Ranson, Radio Editor of the Brooklyn Eagle, has joined the press staff of the National Broadcasting Company.

Mr. Ranson is an authority on that Mecca of the millions - Coney Island and was co-author of the best seller, "Sodom by the Sea", a picturesque history of that famed resort at the tip of Brooklyn.

According to a report filed with the Securities and Exchange Commission, William S. Paley, as President and Director of the Columbia Broadcasting System, in 1941 was paid \$202,155, including \$160,186 as bonus or share in profit. CBS also paid \$102,400 to Edward Klauber and \$62,543 to Paul W. Kesten, Vice-Presidents.

Sydney H. Eiges has been named Assistant Manager of the National Broadcasting Company's Press Department. Mr. Eiges has been on the NBC press staff for more than a year, coming from International News Service, by which organization he was employed for eleven years, latterly as Night Editor and Cable Editor in the New York office.

Philco has just elected three new Vice Presidents - David Grimes, Chief Engineer of the Philco Corp., Philadelphia, since 1939, elected Vice-President in Charge of Engineering of the Radio and Television Company; Joseph H. Gillies, Works Manager of the company since 1939, named Vice President in Charge of Radio Production; and Robert F. Herr, Manager of the Parts and Service Division, made Vice-President in Charge of Service.

The Sponsoring Committee of what is expected to be the largest and most spectacular Fourth of July celebration in the history of Washington, includes among its members A. D. ("Jess") Willard, Jr., Manager of WJSV, Kenneth Berkeley, Manager of Station WMAL, and William Dolph, of WOL.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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No. 1439

SEES BACKWARD STEP SPLITTING FCC AS IN SANDERS BILL

Testifying before the House Committee on Interstate Commerce, Chairman James L. Fly, discussing the proposals of the Federal Communications Bar Association made the following observations on the Sanders Bill to reorganize the Federal Communications Commission:

"As you know, the Commission now consists of seven members who function as a unit with respect to all matters. The proposed bill would force the Commission to divide itself into two independent divisions, one of which is to be known as the Division of Public Communications and the other to be known as the Division of Private Communications. Each division is to have three members. The Chairman is to be the executive officer of the Commission but may not serve on either division except in case of a vacancy.

"It seems to be the general idea that the Division of Public Communications will handle radiobroadcast matters and that the Division of Private Communications will handle all matters relating to telephone, telegraph and radio communications by common carrier or otherwise, which are addressed to a particular person. The full Commission retains jurisdiction over all other matters.

"To compel the Commission to split up in this way would be a long step backward in the effective performance of the Commission's business. To do so would be to disregard the lessons we have learned from experience and to nullify the important advantages which the creation of the Federal Communications Commission was designed to achieve."

"The proposed bill would compel us to adopt a system which we tried for three years and found to be unsatisfactory. In addition, it would remove the one stabilizing factor which existed under the old system. I am referring to the fact that under the system which the Commission tried between 1934 and 1937 the Chairman of the Commission was automatically a member of all three divisions. It was thus possible for the Chairman to attempt to coordinate the work of the three divisions. At least this was effective to some extent in securing coordination in the three branches. Under the proposed bill, however, the Chairman cannot sit in either division and is to perform functions largely of an administrative and of a ceremonial nature. Thus, the Chairman is declared (Section 3(4); Committee Print, pp. 9-10) to be the executive officer of the Commission who is to represent the Commission before Committees of Congress and in conferences with other government departments and agencies. I submit to you that there is no point at all in having a chairman of a commission if he is only to have the atrophied functions which this bill commits to him.

"Under the proposed bill the system of granting applications without a hearing is completely altered. In order to make a grant without a hearing, we are told that not only must we find that public interest would be served thereby but also that the grant would not aggrieve or adversely affect the interest of any licensee, applicant or other person. Moreover, even if we were to conclude from an examination of the application that public interest would be served thereby and that no person would be adversely affected by the grant, any interested person may, by filing a protest within thirty days, require the Commission to set aside the grant and to designate the application for hearing upon the issues set forth in the protest."

"One of the most far-reaching changes contained in the present bill is the provision that the filing of a protest or the filing of a petition for rehearing shall operate to postpone the effective date of the Commission's order. Under the proposed bill it is laid down as an inflexible rule that new stations cannot come into operation until after the conclusion of hearings which could be demanded virtually as of right by existing licensees and which they could protract almost indefinitely. This provision, it is submitted, practically gives to existing licensees the power to keep newcomers off the air for long periods, a power which the Congress has for more than 15 years expressly negated. Existing licensees could advance their selfish interests by filing protests or petitions for rehearing which would automatically postpone the establishment of new facilities and thus result in the injury of the public."

"I have described in some detail the cumbersome and lengthy procedure which the Bar Association would have the Commission follow. They do not stop with making this procedure applicable to applications for such instruments of authorization as construction permits and licenses. They would make this procedure applicable to every application for an instrument of authorization regardless of the nature of the authorization requested. The effect of this can best be seen by describing to you some of the special authorizations which we issue.

"First, I want to describe some of the special authorizations which we issue to common carriers. I have told you that companies engaged in sending messages by radio are authorized by their licenses to communicate only with designated points. Such restrictions in the license are essential, both for competitive reasons and to prevent interference. However, it is occasionally necessary that a radio common carrier be immediately authorized to communicate with points not covered by its license. Such authorizations are important in time of peace. They are absolutely essential in time of war. Let me give you an example.

"When the Japs took Manila all commercial radio communication with this country was cut off. However, in Cebu, just south of Manila, there was still an R.C.A. circuit in American hands. A request by R.C.A. to use this circuit came to the Commission in the middle of the night, was examined and granted at once. In

fact, we have set up a night staff to handle just such matters. Likewise, upon the fall of Batavia and the loss of the station at Bandoeng, circuits were authorized between the United States and low-powered Dutch station in the mountains near Medan in northern Java, thus providing communication with the remaining isolated forces in Java. At the specific request of our armed forces temporary communication was established with Noumea, New Caledonia, through the issuance of special temporary authority. On another occasion a new circuit was authorized to points at the Chinese end of the Burma Road when communication was cut off to a point captured by the Japs. In many such cases the station at the foreign point is low powered and makeshift and it is difficult to contact it or maintain communication with it. Consequently, when the contact is made it is necessary that the Commission be in a position to immediately issue authorizations.

It is also essential that the Commission be in a position promptly to grant special authorizations to licensees in what we call the safety services."

"Special authorizations are also important in the broadcast field. As you know, many stations are authorized to operate only in the daytime. However, on occasions of great national or local importance, they frequently request, and are granted, authority to operate at night. An excellent example is the speech of the President to the Nation on December 9, 1941. Another instance where it was necessary to grant authority promptly was when the President postponed a broadcast because of the death of his mother."

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INDIANA PRESS-RADIO MEN FETE WAR NEWS CHIEFS

Newspaper and radio men with an Indiana background will give a dinner Thursday night, June 25th, to greet the three Hoosiers now in command of the war news. They are Elmer Davis, Director of the new War Information Board; Byron Price, Director of the Office of Censorship and Lowell Mellett, Director of the Office of Government Reports.

The Committee in charge of the dinner is Mark Thistlethwaite, of the Indianapolis News, Chairman; Paul Wooton, New Orleans Times-Picayune, Treasurer; Representative Louis Ludlow, of Indiana; Labert St. Clair, formerly of the Associated Press; Robert D. Heinl, Heinl Radio News Service; Everett C. Watkins, Indianapolis Star, and Daniel M. Kidney, Indianapolis Times.

All newspaper or radio men who are from Indiana or who have worked there are invited. Early reservations are suggested.

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COLIN B. KENNEDY, PIONEER RADIO MANUFACTURER, DIES

Colin B. Kennedy, a pioneer among the radio manufacturers, died in Chicago last Tuesday. At the time of his death, Mr. Kennedy was in the war service as an OPM engineer assigned as Civilian Advisor to the Army Signal Corps. Mr. Kennedy's first radio factory was in St. Louis. Later he operated in South Bend, Ind., backed by the Studebaker interests.

At that time the slogan of Mr. Kennedy's sets which, if this writer remembers correctly, was "The Royalty of Radio" with a royal purple background was known the country over.

Mr. Kennedy, slight of figure, always very youthful in appearance and who had a very attractive personality, was a Canadian by birth. He had a host of friends in the industry, among them Commander E. F. McDonald, Jr., who paid him this tribute:

"The death of Colin Kennedy marks the passing of another of radio's original pioneering spirits. When, back in 1921, I became associated with Chicago Radio Laboratory, which two years later became Zenith Radio Corporation, to me the two great names in radio were Grebe and Kennedy, both of whom now have passed on.

"Colin Kennedy, back in those days, headed the radio company bearing his name with St. Louis as its headquarters. He was a pioneer radio engineer, a quiet, modest man, who sought no glory but contributed much to the early days of radio. He was one of the first holders of a license to manufacture home radio under Armstrong patents. When he died, Mr. Kennedy was doing his stint for his country in the Army Signal Corps."

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NEW RMA MEMBERS REACH HIGH RECORD

The addition of fourteen manufacturers as new members of the Radio Manufacturers' Association at the Association's annual convention in Chicago, brought the membership to its highest roster in over twelve years, following expansion of the Association's war production. Following are the new companies elected by the Board of Directors at Chicago to membership:

American Condenser Corp., Chicago, Ill.; Browning Laboratories, Inc., Winchester, Mass.; Communication Equipment & Engineering Co., Chicago, Ill.; Dumont Electric Co., Inc., New York, N.Y.; DX Crystal Corporation, Chicago, Ill.; Electronic Products Mfg. Corp., Ann Arbor, Mich.; Espey Manufacturing Co., Inc., New York, N.Y.; The Hallicrafters Co., Chicago, Ill.; John Meck Industries, Plymouth, Ind.; Mission Bell Radio Mfg. Co., Inc., Los Angeles, Cal.; Philharmonic Radio Corporation, New York, N.Y.; Premax Products Division, Chisholm-Ryder Co., Inc., Niagara Falls, N.Y.; Radio Electronics Laboratory, Inc., Brooklyn, N.Y.; Radio Specialties Division, Isolantite Inc., Belleville, N.J.

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AERONAUTICAL STATION REQUIREMENTS FOR OPERATORS RELAXED

The Federal Communications Commission on June 16th, through its Order No. 102, upon recommendation of the Defense Communications Board, modified certain of its rules for a period of five years or until further order of the Commission, to provide a relaxation of its operator requirements for aeronautical stations utilizing telegraph transmission. (These are ground stations used in connection with aeronautical operations.) This action permits operation of an aeronautical or an aeronautical fixed station by the holder of a radiotelephone permit or radiotelephone license bearing an endorsement attesting to the holder's ability to transmit and receive at least 16 code groups, International Morse Code, per minute.

This action is designed to relieve the rapidly growing shortage of skilled operators being caused by war time conditions and the requirements of the military forces for radio operators. It specifically looks forward to the possibility of training women to assume these duties by providing for such operation without the detailed technical qualifications necessary for the more technical grades of licenses.

It will be necessary, however, at each station where holders of the restricted radiotelephone operator permits are employed as operators, that at least one first or second class radiotelegraph or radiotelephone operator, or, in lieu thereof, in a station using type A-1 or A-2 emission only, a holder of a restricted radiotelegraph operator permit, be assigned to the station at all times for the purpose of making proper adjustments to the equipment and who shall be responsible for the proper operation of the station. This provision, however, will not relieve the station licensee of his responsibility for operation of the station in accordance with the Rules and Regulations of the Commission.

Holders of radiotelephone operator permits or licenses may obtain the required radiotelegraph endorsement by appearing at any of the Commission's District Field Offices or at the Washington D.C. office and demonstrating their ability to transmit and receive at least 16 code groups per minute in International Morse Code. The endorsement will then be written on the face of the permit by the examining officer.

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The American Society of Composers, Authors and Publishers has given over the complete facilities of its organization and offices to cooperate with the War Bond Pledge campaign.

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KNOWLSON AND REED HIT IN SENATORIAL REPORT

Philip D. Reed, a dollar-a-year man on leave as Chairman of the General Electric Company, and James S. Knowlson, former President of the Radio Manufacturers' Association, and President of Stewart-Warner Corp., Chicago, were among those criticized in the report of the Truman Senate Committee investigating the National Defense program, which charged that "dollar-a-year" men were slowing down war work. The report was of such a sensational nature that certain Senators, construing it to be a reflection on the work of Donald M. Nelson, declared that it should not be made public.

Among the conclusions of the investigation of charges by Robert R. Guthrie, a former official of the WPB, that conversion of the consumers' durable goods and textile industries to war production had been resisted by "representatives of these industries serving with the War Production Board on a dollar-a-year basis" were as follows:

Primary responsibility for formulating policies regarding the conversion of industry lay in the Division of Industry Operations and was shared by the Bureau of Industry Branches within that division.

Philip D. Reed, Chief of the Bureau of Industry Branches, a dollar-a-year man on leave from his position as Chairman of the Board of the General Electric Company, it was said, "did not take the necessary action to obtain the maximum conversion of private industry to war production in the shortest possible time."

The report went on:

"The Committee has not been impressed with Mr. Reed's ability or accomplishments, either in the field of conversion or in the field of copper, lead and zinc, where the Committee, in its report of Jan. 15, 1942, had occasion to criticize his failure, when he was Deputy Director of the Materials Division of the Office of Production Management, to recognize that a shortage of these metals was imminent or to take proper action with respect thereto.

"Insofar as Mr. Guthrie is critical of Mr. Reed and certain other dollar-a-year men, and of the slowness with which curtailment orders were issued by the Bureau of Industry Branches, the Committee believes that Mr. Guthrie was correct."

With regard to Mr. Knowlson, the report said:

"In view of the paramount importance of war production and the vital necessity in that connection for conserving critical materials, the committee believes that the delay of this Bureau in issuing orders curtailing civilian production is most unfortunate. The record does show that James S. Knowlson, Director of the Division of Industry Operations, took effective action on March 17, following Mr. Guthrie's resignation, to assure that civilian

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production would be curtailed and conversion of industries accomplished. The Committee, however, believes that an investigation should have been instigated by Mr. Knowlson for the purpose of establishing exactly which individuals were responsible for the delays and causing them to sever their connections with the War Production Board. "

In his testimony before the Committee, Mr. Knowlson expressed the opinion that the employment of dollar-a-year men was a matter of the personal integrity of the individual. The Committee does not wholly concur in this conclusion. It believes that the Guthrie case points to the conclusion that certain dollar-a-year men within the Bureau of Industry Branches are unable to divorce themselves from their subconscious gravitation to their own industries. "

Defending Mr. Knowlson, Senator Lucas of Illinois said:

"I notice the Truman Committee report says 'Mr. Knowlson consistently advocated a policy of temporizing, moderation, and delay.'

"Many a United States Senator has interviewed the War Production Board and discussed with them the possibility of saving some small business from complete demolition as a result of the war effort. I have talked with Mr. Knowlson many times myself, and I agree with the Committee that he has temporized on some important matters in which small business was involved. I know he gave careful consideration to cases wherein it seemed inevitable that employees, anywhere from 20 to 500, were about to be thrown out of employment because the war effort demanded the strategic and critical materials their companies had been using in peacetime.

"Mr. Knowlson, through temporizing, through some delay was attempting to save a small business in many instances. He may have temporized on some of the larger questions of conversion. However, I am willing to give him the benefit of the doubt, in view of the almost impossible task we have thrust upon him and his associates. "

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DON LEE ACQUIRES KDB, SANTA BARBARA

A dispatch from Hollywood states that the Don Lee network acquired its fourth station last week when license of KDB, Santa Barbara, was transferred to the company. Transmitter was originally owned by the late Don Lee and was the property of the estate, being operated as an affiliate of the Coast network of 33 stations.

Other sites owned by the Lee outfit are KHJ, Hollywood; KFRC, Frisco, and KGB, San Diego.

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HOUSE BACKS DOWN ON WATSON, ALLEGED FCC RED

In a conference report on the Independent Offices Appropriation Bill, the House threw up the sponge in its fight to cut off the pay of Dr. Goodwin Watson of the Federal Communications Commission, former Columbia professor, and alleged Red, strongly defended by Chairman James L. Fly.

The House, by unanimous consent, wrote into the Appropriations Bill a prohibition against keeping Watson in his job after the end of the present fiscal year, but this clause was knocked out in the Senate after an hour's debate.

When the Senate amendment went back to the House without debate, the House insisted upon its prior refusal and for a time the fate of Dr. Watson blocked the bill. Had the House prevailed, Watson would have been dropped from the FCC payroll June 30th.

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FCC CLEARS APPLICATIONS FILES FOR THE DURATION

The Federal Communications Commission cleared its docket Wednesday of applications for the construction or expansion of broadcasting stations, through dismissal, without prejudice, of twenty-two applications for new standard broadcast stations; seventeen for new frequency modulation stations, and nine petitions for increases to 500 kilowatts power.

A spokesman for the FCC said that the action removed from the files all such applications as had but slim prospect of being granted for the duration of the war.

It was indicated, however, that they may be reinstated after the war.

Stations that sought increases to 500 kilowatts and the licenses included:

WJZ, National Broadcasting Company, New York; WGN, WGN, Inc., Chicago; KFI, Earl C. Anthony & Co., Los Angeles; WJR, The Goodwill Station, Detroit; WSM, the National Life & Accident Insurance Company, Nashville, Tenn.; WOR, Bamberger Broadcasting Service, MBS, Newark, N. J.; WGY, the General Electric Company, Schenectady, N. Y.; WSB, the Atlanta Journal Company, Atlanta, and WHO, the Central Broadcasting Company, Des Moines, Iowa.

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RADIO MANUFACTURERS SET UP MILITARY STANDARDS

Following the decision to resolve the activities of the Radio Manufacturers' Association from the peace time commercial field to direct contribution to the war effort, its Engineering Department has been continuously studying the problems of the complete conversion of its efforts. It is now felt that a suitable organization has been developed for military standardization required by the war effort and, accordingly, the peace time organization and methods of operation are being subordinated to this work.

The Engineering Department now comprises five sections, as follows:

Military Components Section, Military Tube Section, Military Receiver Section, Military Transmitter Section, Military Electronics Application Section.

These sections work under the direction of Dr. W. R. G. Baker, Director of the RMA Engineering Department, and L. C. F. Horle, Coordinator of Military Standardization.

In view of the need for speed in formulating and adopting standards for these purposes, the slowly moving standardization procedure of peace time operations is revised to permit final approval by a Military Standards Committee composed of the Chairman and Vice Chairman of the five above-mentioned sections, as well as representatives from the armed forces, the N.D.R.C. and the W.P.B.

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FRAENCKEL APPOINTED TO G-E RADIO, TELEVISION DEPT.

V. H. Fraenckel will have charge of the coordination of commercial engineering of all product lines of the General Electric Radio, Television and Electronics Department. G. F. Metcalf, formerly in charge of this work, has entered the U. S. Army with the rank of Lieut. Col., Signal Corps.

A native of Illinois, Mr. Fraenckel attended L'Ecole Polytechnique. Later he took graduate work in physics at the University of Chicago and the University of Michigan.

He was employed by the General Electric Company in October, 1937, working in the Vacuum Tube Engineering Department. In October, 1939, he was transferred to the Research Laboratory where he was engaged in research on electronics and television problems until his recent appointment.

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COLO., NEBR., OKLA., MISS., MONTANA RADIO CENSUS REPORTS

The Census report shows the following radios in homes for the following States:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES
OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - Colorado The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	316,000	258,573	47,251	10,176
Rural-nonfarm dwelling units	77,956	59,231	16,623	2,102
Rural-farm dwelling units	63,285	45,187	16,307	1,791
Colorado Springs	11,842	10,661	835	346
Denver	96,777	86,621	5,855	4,301
Pueblo	13,941	12,279	1,359	303
Area - Nebraska				
The State				
Total Dwelling Units (including urban)	360,744	298,790	53,872	8,082
Rural-nonfarm dwelling units	89,390	72,446	14,986	1,958
Rural-farm dwelling units	125,095	93,916	28,491	2,688
Lincoln	24,633	22,887	1,281	465
Omaha	62,135	56,757	3,564	1,814
Area - Oklahoma				
The State				
Total Dwelling Units (including urban)	610,481	405,754	184,165	20,562
Rural-nonfarm dwelling units	139,605	87,273	47,889	4,443
Rural-farm dwelling units	216,097	114,069	95,739	6,289
Enid	8,353	7,084	1,095	174
Muskogee	9,309	6,995	1,959	355
Oklahoma City	59,494	49,854	7,341	2,299
Tulsa	41,344	35,927	4,034	1,383

	Total	With Radio	No Radio	Not Reporting Radio
Area - Mississippi				
The State				
Total Dwelling Units (including urban)	534,956	205,613	309,756	19,587
Rural-nonfarm dwelling units	95,920	47,177	45,515	3,228
Rural-farm dwelling units	318,676	87,147	219,554	11,975
Jackson	16,423	11,527	4,187	709
Meridian	9,648	5,486	3,903	259
Area - Montana				
The State				
Total Dwelling Units (including urban)	159,963	134,503	21,521	3,939
Total Rural-nonfarm dwelling units	49,737	40,924	7,556	1,257
Rural-farm dwelling units	46,078	36,465	8,498	1,115
Butte	11,881	10,396	1,108	377
Great Falls	9,125	8,311	638	176

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:::: TRADE NOTES ::::

"Control operators at WRVA in Richmond, Va., have made a pact among themselves whereby any man who muffs a cue or otherwise mishandles a program will voluntarily buy a War Stamp for every other member of the control room staff on duty at the time", the Broadcasters Victory Council reports. "I hope", write WRVA General Manager C. T. Lucy, 'no one will wisecrack that such a plan would not be worthwhile in their establishment because of the scarcity of mis-cues, because we all have them and perhaps this more-or-less unique plan will not only make the boys more efficient, but also contribute to the sale of War Stamps and Bonds.'"

General Electric has shipped an FM broadcast transmitter to New York City's newest FM station, W75NY, to be operated by Metropolitan Television, Inc. It is owned jointly by Bloomingdale's and Abraham & Straus department stores. Construction of the station, atop the Hotel Pierre, was begun in mid-March.

Bruce Barton, former Congressman from New York and President of the advertising firm of Batten, Barton, Durstine and Osborn, Inc., speaks over Columbia network on the subject of wartime advertising Monday, June 22 (CBS, 3:30 to 4:00 P.M., EWT). Barton delivers the keynote speech at the convention of the Advertising Federation of America in the Commodore Hotel, New York City.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

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RADIO ENGINEERS TO STUDY FURTHER WAR REQUIREMENTS

Spurred on to renewed efforts by the war, the Institute of Radio Engineers will meet in Cleveland next Monday, June 29, for a three day session. Headliners to speak Tuesday will be J. A. Ouimet of the Canadian Broadcasting Corporation; Paul V. Galvin, President of the Radio Manufacturers' Association and Neville Miller, President of the National Association of Broadcasters. A. F. Van Dyck, President of the Institute of Radio Engineers will preside.

The program follows, in part:

Monday, June 29

"Recording Standards", by I. P. Rodman, Columbia Recording Corp., New York.

"A New Approach to the Problem of Phonograph Reproduction", by G. L. Beers and C. M. Sinnett, RCA Mfg. Co., Camden.

"Measuring Transcription - Turntable-Speed Variations", by H. E. Roys, RCA Mfg. Co., Indianapolis.

"A New Type of Practical Distortion Meters", by J. E. Hayes, Canadian Broadcasting Corp., Montreal.

"Frequency-Modulation Distortion in Loudspeakers", by G. L. Beers and H. Belar, RCA Mfg. Co., Camden.

"The Scanning Microscope" by V. K. Zworykin, J. Hillier and R. Snyder, RCA Mfg. Co., Camden.

"Spectroscopic Analysis in the Manufacture of Radio Tubes", by S. L. Parsons, Hygrade Sylvania Corp., Emporium, Pa.

Tuesday, June 30

"Maintenance of Broadcasting Operations During Wartime", by J. A. Ouimet, Canadian Broadcasting Corp., Montreal.

"High-Power Television Transmitter", by H. B. Fancher, General Electric Co., Schenectady.

"Frequency Modulation Transmitter-Receiver for Studio Transmitter Relay", W. F. Goetter, General Electric Co., Schenectady.

"Effect of Solar Activity on Radio Communication", by H. W. Wells, Carnegie Institution of Washington.

"Television Video Relay System" by J. E. Keister, General Electric Company, Schenectady.

"Mercury Lighting for Television Studios", by A. Breeding, General Electric Co., Schenectady.

"The Focusing-View-Finder Problem in Television Cameras", by G. L. Beers, RCA Mfg. Co., Camden.

"Automatic Frequency and Phase Control of Synchronization in Television Receivers" by K. R. Wendt and G. L. Fredenall, RCA Mfg. Co., Camden.

Wednesday, July 1

"Radio Strain Insulators for High Voltage and Low Capacitance", by A. O. Austin, Barberton, O.

"Brief Discussion of the Design of a 900-Foot Uniform-Cross-Section Guyed Radio Tower", by A. C. Waller, Truscon Steel Co., Youngstown, O.

"Circular Antenna", by M. W. Scheldorf, General Electric Co., Schenectady.

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FLY APPROVAL SEEN CERTAIN DESPITE SENATE COOLNESS

Although called last Monday morning to consider the renomination of James L. Fly, Chairman of the Federal Communications Commission, the meeting of the Senate Interstate Commerce Committee, of which Senator Burton K. Wheeler is the head, was postponed "for several days". Just what caused the postponement, if anything other than the usual pressure of business due to the war, is not known.

The new seven year, \$10,000 a year term of the Chairman, who has had the job since 1935, begins July 1st. So there is no time to be lost if he is to serve continuously. Despite the delay, there seems to be no doubt but that Mr. Fly will be confirmed.

"There will be a lot of spitting and sputtering in the Senate Interstate Commerce Committee and maybe on the Senate floor, but I think Fly will be reaffirmed without any particular difficulty", a well-informed member of Congress declared. "I believe the general opinion is that Mr. Fly has not made a favorable impression in his appearances before the House Interstate Commerce Committee at the Sanders Bill hearings. He has been inconclusive, indecisive and not always respectful.

"Possibly advance knowledge that the President intended to reappoint him for another seven years made Mr. Fly a little cockier than usual. Whatever it is, I think as the result of his attitude on the witness stand, certain House members have become resentful. I believe there is somewhat the same feeling in the Senate. A lot of the fellows over there would like to take a poke at him but cannot do so because they have not any real reason."

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A book just announced "Radio Network Contributions to Education" by Carroll Atkinson, published by the Meador Publishing Company, of Boston, analyzes the various types of broadcasts, including the forum-panel type with the University of Chicago, and others as examples, Children's type, Information-Quiz type, and the Music type (Damrosch) of program.

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RADIO GALORE IN IOWA WHERE THE TALL RADIO MEN GROW

Iowa, noted as the birthplace of prominent Washington radio men, also rates high in the number of homes with radio sets, the Census report reveals.

Among those who hail from Iowa, who have landed with both feet in the Nation's Capital, are Earl Gammons, newly appointed Director of the Washington office of the Columbia Broadcasting System, succeeding Harry C. Butcher, Vice President, recently called to active service in the Navy. Mr. Butcher, too, is from Iowa.

Likewise Frank M. Russell, Washington Vice-President of the National Broadcasting Company was born in Iowa and also Carleton Smith, newly appointed Manager of WRC in Washington, and famous as NBC's presidential announcer. Frank E. Mullen, Vice President and General Manager of NBC was also prominently identified with Iowa having graduated from Iowa State College and served later as Farm page editor of the Sioux City Journal.

The Census report on radios in Iowa homes is:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES OF
25,000 or MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - Iowa The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	701,824	617,006	66,958	17,860
Rural-nonfarm dwelling units	161,077	138,016	19,587	3,474
Rural-farm dwelling units	228,354	194,636	28,277	5,441
Burlington	7,861	7,069	611	221
Cedar Rapids	18,488	17,175	856	457
Clinton	7,467	6,952	362	153
Council Bluffs	11,693	10,487	895	311
Davenport	19,141	17,842	975	324
Des Moines	46,629	42,318	2,263	2,048
Dubuque	11,513	10,602	689	222
Mason City	7,238	6,684	416	138
Ottumwa	9,262	8,427	657	178
Sioux City	22,851	20,664	1,510	677
Waterloo	14,930	14,018	552	360

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GREAT PROGRESS REPORTED IN RECORDING ON A WIRE

The Armour Research Foundation in Chicago told of a development in recording radio broadcasts on a magnetized wire, a thing scientists have been working on for years. Recording on wire is not a new thing but dispatches from Chicago states that this device is far ahead of anything yet achieved and records sound on steel wire as thin as a human hair. The opinion is expressed that it may revolutionize the technique of transcription.

Dr. Harold Vagtborg, Director of the Foundation, affiliated with the Illinois Institute of Technology, credited the device chiefly to Marvin Camras, 26-year-old staff assistant physicist.

The recorder is about the size of a large portable radio and an eight-hour continuous recording can be wound on a spool 5 inches in diameter and 2 inches wide. It records sound magnetically and there is no mechanical change in the wire, which can be demagnetized and used again.

Once the recording is made, the sounds can be played back immediately without processing. Dr. Vagtborg said the wire would retain this recorded sound potential for years or could be wiped clean instantly by the demagnetizing process.

The recorder, he said, can be set to start and stop automatically and needs no attention while running. He said these advantages give it limitless practical applications, such as:

In airplanes microphones placed in the control cabins could pick up all conversations and commands. Housed in an asbestos case, the recorder would survive a crash and tell the story of what preceded it.

It could record millions of words of enemy propaganda at government monitoring radio stations and reduce greatly the amount of critical materials used in making standard type recorders. The storage problem, too, would be minimized.

In the home radio, the device could record a daytime program - such as a baseball game - so that those away could hear it later.

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Station WMRF, Lewistown, Pa., has been added to the Red Network of the National Broadcasting Company as a bonus station for advertisers purchasing the combined facilities of WFBG, Altoona, and WJAC, Johnstown.

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SEES AMATEURS FAVORED OVER COMMERCIAL CIRCUITS

An inconsistency was seen by an official in the Federal Communications Commission's closing down all commercial domestic radio circuits but at almost the same time allowing amateurs to resume operations in the cities.

"Of course these amateurs will operate in behalf of the OCD and to that we have no objection", this official said. "There are about 80 commercial domestic wireless circuits being operated and these were closed down because the FCC said it was impossible to furnish censors for all of them.

"In almost the same breath, however, the FCC issued an order to grant permits to hundreds of radio amateurs to resume operations apparently without censorship."

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NELSON TAKES UP CUDGEL FOR REED

Donald M. Nelson lost no time defending Philip D. Reed, Chief of the WPB Bureau of Industry and in private life Chairman of the General Electric Company, whose work was criticized by the Truman Senate Committee. Mr. Nelson said:

"I am sorry that the Truman Committee, which has done and is doing such valuable work, should have been critical of the work of Philip Reed.

"During the past five months American industry has been converted from peace to war. Mistakes have, of course, been made. But the record of the War Production Board speaks for itself. The production we are getting is due to the teamwork of many able men. Mr. Reed is entitled to full credit for his participation in this work. I have full confidence in him and sincerely hope that he will continue his valuable assistance in the war effort as long as he can do so."

Following this Mr. Reed said:

"When the Truman report was issued I told Mr. Nelson that my resignation was on his desk whenever he wished it. In his statement Mr. Nelson said all that I could have wished to say and far more than I myself could have said.

"He is more familiar with what I have done and what I have tried to do than anyone outside the War Production Board could possibly be, and his expression of confidence is, so far as I am concerned, controlling.

"So long as Mr. Nelson believes I can be helpful I shall be proud to serve him and the War Production Board in any capacity to which he may assign me."

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FORBES REPLACES EARL GAMMONS AS MANAGER OF WCCO

William E. Forbes has been appointed General Manager of WCCO in Minneapolis and St. Paul to succeed Earl Gammons, who is moving to Washington, D. C., as Director of Columbia's office in the Capital city to succeed Harry C. Butcher, former CBS Vice-President called into the Navy.

Mr. Forbes has been assistant to Donald W. Thornburgh, CBS Vice-President in Los Angeles, for the last four years. He brings to WCCO a wide experience in the broadcasting field. His duties with CBS have included not only all phases of local operation, but he has handled many network programs in Los Angeles on which such well known performers as Amos and Andy, Edward G. Robinson, Cecil B. DeMille, Bob Burns, and others have appeared.

He is a native of Anoka, Nebraska, and is a graduate of the University of California at Los Angeles.

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RADIO DOING BETTER JOB THAN MAN, EXPERT STATES

The development and use of radio waves that resemble light waves in some respects, and which can be formed into beams and made to do things that cannot be done with light, will be a part of the contributions to be made by the science of electronics toward better living when the war is over.

This was explained by William C. White, head of General Electric's electronic laboratory. As broadcasting was electronics' contribution to better living after the last war, an equal contribution will be made by this science after the present conflict, the expert said.

The present war has enormously increased the scope and extent to which electronic devices are being used, Mr. White explained, because these devices not only save manpower but also can do many jobs better than man. The science of electronics was pictured by the engineer as extending the range and accuracy of the human senses.

As one of numerous applications of the new radio waves, Mr. White stated how they can penetrate clouds, smoke, fog, and storm and thus become a great aid in the navigation of ocean liners and aircraft.

"Navigation of ocean liners is in many ways based on vision, which in turn is based on the use of light and sight", he pointed out. "The steering of a proper course is largely a matter of noting position of shoreline, lighthouses and buoys. Avoidance of

collision is also largely based on seeing. But night reduces the effectiveness of these aids to navigation and fog almost renders them useless.

"Radio beams of the newer high-frequency waves will provide a method of locating aids to navigation as well as locating obstacles when these cannot be seen. Navigation of aircraft will be aided also."

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W.U.-POSTAL MERGER BILL DOES NOT AFFECT FOREIGN RADIO

Apparently the bill passed by the Senate Thursday, which would permit a merger of the Western Union and Postal Telegraph Companies affects only the domestic communications companies and does not contain any authorization for the merging of U. S. radio and cable companies in the international field. The bill as originally drafted did, but evidently this clause was dropped later.

Senator McFarland (D.), of Arizona, said the measure authorizing the voluntary consolidation and merger of all domestic telegraph operations was "soundly in the public interest".

The Senator asserted that the Postal Telegraph Co. was "going in the hole" at a rate of \$300,000 monthly, while Western Union suffered "great losses in recent years". He said that merger should assure an efficient telegraph communication system badly needed for the war effort.

The bill now goes to the House.

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RADIO WISECRACK CONTRIBUTES TO CONGRESSMAN'S DEFEAT

According to Mark Sullivan, noted columnist, Representative Luther Patrick (D.), of Ninth Alabama District, made one wisecrack too many over the air. Mr. Sullivan writes:

"One cause of Mr. Patrick's defeat was his own fault. In a radio address he had tried to be, for a moment, a smart aleck. He had emitted a wisecrack. His opponent made a phonograph recording of the wisecrack and played it up and down the district. The unfortunate jocisity was only two sentences: 'You know how it is with Congressmen. We vote a bill out today, and then buy a paper to see what it was.'"

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HOW WOULD "GOVERNOR McCOSKER" SOUND?

A passing suggestion in his column by a well-known columnist is said to have caught the eye of President Roosevelt and resulted in the President appointing Elmer Davis, Director of the War Information Board. Now comes another columnist, Danton Walker, who brings up the name of Alfred J. McCosker, President of WOR and Chairman of the Mutual Broadcasting System, as a possible candidate for the Governor of New York. Mr. Walker writes:

"Is Alfred J. McCosker, President of WOR and Chairman of Mutual Broadcasting, the Democratic dark horse for New York's Governor? McCosker, it seems, is persona grata with FDR and Jim Farley and a personal and political friend of four out of seven of Kennedy's new Tammany Hall steering committee which includes Alfred E. Smith and Bob Wagner."

As we have said repeatedly, sooner or later somebody high in the industry is "going to town" politically on radio. For years newspaper executives have been rewarded with senatorships, ambassadorships and other important positions but up to now, none of the really big political plums has ever gone to anyone connected with radio nor has anyone in the broadcasting industry ever cashed in on it to the slightest degree. It seems, therefore, to be an unusual chance for our old friend "Hollywood" McCosker if he really went after it. That is exactly the type of man we have long had in mind.

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PRESS AGENT TIGHTENING UP AS NEW WAR CHIEF BEGINS

Although radio would not be affected to any great extent the salaries and output of all Government press agents and information staffs would receive close Congressional scrutiny under provisions of a bill introduced Thursday by Senator Tydings (D.), of Maryland.

The measure stipulates that a definite congressional appropriation or authorization would have to be obtained for all "publicity and related activities".

This portion of the bill would become effective July 1, 1943, but it is also provided in the measure that beginning July 1 of this year, all agencies of the executive branch would file with the Congressional Joint Committee on Printing a copy of all publicity material and releases. Books, pamphlets, magazines, booklets, circulars, periodicals, releases, scripts, speeches, recommendations, reports and other "similar or analogous documents or material" distributed to the public would be covered in this provision.

As a means of getting at the "cost and other ramifications" of the Government publicity picture, the bill would make it mandatory for appropriations hereafter made for the Government agencies to state specifically: amounts for purchasing duplicating, printing, and "auxiliary equipment; salaries paid all persons engaged in the operation of such equipment; salaries of all persons engaged, in whole or in part in the preparation of any publicity material; the amount, including salaries, and all other expenses, connected with the dissemination or distribution of such material to the public.

It is significant that Senator Tydings should introduce this bill just as Elmer Davis, new War Information chief is getting his feet into the stirrups. Of Mr. Davis, there are some interesting comments in the Editor & Publisher:

"It seems that a piece in the March 14 New Yorker magazine's Notes and Comment reviewing Davis' critique, was the first to nominate him. Apparently it came to White House notice, Davis came under the official scrutiny as a candidate and eventually was considered the ideal man for the job to be done.

"The New Yorker piece was written anonymously by E. B. White, former staffer who is now living in Maine. Writing of '12 steps we'd like to see taken to win the war', White said the first was unification of government information bureaus and the appointment of Elmer Davis to head them up.

"The other night", said White, 'Davis presented the best case for unification and the strongest indictment of the present mess. In our opinion he is not only right but he is the man to sit on the desk.

"The other 11 recommendations for winning the war, will be presented as soon as the government acts on the first one."

"Davis' income, it is understood, has been in the neighborhood of \$100,000 a year. What his salary as OWI boss will be hasn't been told. His guess is it will be in the \$8,000 to \$10,000 bracket.

"To accept the post Davis ended his contract with CBS at a reported salary of \$56,000 a year. The contract had several years to run. He received additional income from BBC but turned all of it over to British war charities and, more recently to American war relief organizations, including the Red Cross.

"Although he has been 'in the chips' in recent years, Davis has been unchanged by his success. He is one of the few reporters carrying a cane, but he's no stuffed shirt. At CBS he liked to chat with pages, elevator men, and the news staff.* * *

"CBS hired Davis on Aug. 23, 1939, just before the invasion of Poland, to pinch-hit for H. V. Kaltenborn, who had gone to England to cover the war crisis. Although his down-to-earth Hoosier twang had not impressed radio listeners in previous appearances, Davis' calm delivery clicked in times of tense news. One radio associate's explanation is that radio audiences had changed and a calm voice, though nasal, was preferred to a golden one in war coverage. His nightly listening audience was estimated at 12,500,000 persons."

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 : : : TRADE NOTES : : :
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The name of the Defense Communications Board (DCB) has been changed by President Roosevelt to Board of War Communications (BWC).

 The establishment of labor management committees in ten General Electric plants brings to 900 the number of plants participating in the War Production Drive, it was announced at War Production Drive Headquarters. One of the latest concerns to report the establishment of a Labor Management Committee was the Mackay Radio & Telegraph Company in San Francisco.

 Louis A. Zangaro has been appointed National Supervisor of the Communications Division of the National Broadcasting Company Traffic Department.

 Reprints of the testimony of William S. Paley before the House Committee on Interstate Commerce last month are now being distributed with a card attached which reads:

"To those who are interested in maintaining freedom of the air, this booklet is sent with the compliments of the Columbia Broadcasting System."

 War to the contrary notwithstanding, radio loudspeakers made of local materials have recently been produced in India under the guidance of the Board of Scientific and Industrial Research. Also the Commerce Department states that the manufacture of radio condensers is being studied, and magnets for the radio and meter industries will soon be taken up for research.

 An order by Leo T. Crowley, Alien Property Custodian, requires all persons claiming any interest in patents or patent applications now or formerly owned by nationals of designated foreign countries to report their interest, including any license agreement or claims of ownership by August 15, 1942. The purposes of the order, Mr. Crowley stated, are to locate and describe enemy-owned patents and interests in patents, to protect the rights of American citizens in foreign owned patents and in patents which were once foreign owned.

 Robert M. Morris, a pioneer in radio broadcasting, has been called to Washington as a Chief Radio Engineer in the U. S. Army Signal Corps. Mr. Morris started at WEAJ as radio engineer when it was owned by A. T. & T. When the National Broadcasting Company was formed, Mr. Morris became Chief Development Engineer. He later became Business Manager of the NBC Radio-Recording Division.

An "OEM Handbook", describing the Office for Emergency Management has been issued. The 72-page booklet describes in detail the organization of the War Production Board, the Office of Price Administration and the other constituent agencies of the OEM. Personnel is listed in most cases down to the branch level in each agency. Included are organization charts of the WPB and the Bureau of Industry Branches of the WPB Division of Industry Operations.

Copies of the booklet are available from the Superintendent of Documents, Washington, D. C., and at OEM field offices.

 Effective as of October 1, Station WTMJ, Milwaukee, will increase the network rate from \$340 to \$360 per evening hour. New business accepted before October 1 will be protected at the \$340 rate for one year to September 30, 1943.

 On the radio the other night Carmen Miranda, telling what to do when an air raid alarm sounds, said: "First you put out the light. Then you put out the air-raid warden."

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MAJORITY DEPEND UPON RADIO FOR WAR NEWS OFF CLAIMS

According to a confidential study made by the Bureau of Intelligence, U. S. Office of Facts and Figures, on the "American Attitude Toward War News" the radio is now said to be ahead of the newspapers as the public's source of war news. This study reportedly states:

"In the present war, however, radio has challenged both the prestige and the power of the press. In the reporting of news, it has rivaled, in a number of respects surpassed, the newspaper.

"More than half the American people now regard radio as their prime news source. In the months of January, February, March and May, the Bureau of Intelligence asked a national cross-section of the public 'Where do you get most of your news about the war -- from talking to people, from newspapers, or from the radio?' Radio was chosen over newspapers consistently by nearly two to one.

"It is able to report news more rapidly; its news can be received almost without cost once the receiving instrument has been purchased; it can be heard with a minimum of mental effort and while the listener may be otherwise engaged; and, finally, it affords a sense of intimate participation in certain events through sound effects and through the voices of personalities which it transmits."

The OFF Survey was said to have asked the question: "Do you have more confidence in the war news on the radio, or the war news in the newspapers?"

Radio, it is reported, was chosen by 46% and newspapers by 18%. Unaccounted for was 36% of the public, which gave answers not subject to classification in either category. The bureau observed ~~perhaps~~ perhaps many of them were without preference between the two media.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

RECEIVED

JUN 27 1942

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No. 1441

CENSORS CLARIFY BROADCASTERS VOLUNTARY CODE

The Office of Censorship of which Byron Price is Director and J. Harold Ryan, is Assistant Director in Charge of Radio, published today (Friday) its first revision of the Code of Wartime Practices for American Broadcasters, based on its experience of five months since the Code originally was issued on January 15.

The format of the Code has been altered somewhat, with an aim to clarifying the contents for broadcasters, who will use it as a handbook in voluntary censorship. The various clauses are presented in outline form. This made possible a reduction in the number of words in the Code, although the revision represents an expansion of the Office of Censorship's suggestions to broadcasters.

The suggestions are presented under two general headings: News Broadcasts and Programs.

The news section parallels the revised Code issued to the American Press in all particulars except the clauses covering weather information, enemy air attacks, and communications. In the weather clause, as in the original Code, radio stations are asked to broadcast no weather information unless specifically permitted to do so by an appropriate authority.

The clause covering possible enemy air attacks is based on precautions suggested by Director Byron Price some weeks ago. Should such action occur, broadcasters outside an area under attack are asked to make no mention of the action unless expressly authorized for radio by the War Department in Washington. This clause is a new one which has been added under the revision.

The revised Code contains the original communications clause, which asks broadcasters to make no mention of the establishment of new international points of communication.

Several significant changes and additions have been made in the Program section of the revised Code. The section covering request programs has been clarified by bracketing the types of such productions under two general subtitles: Music and talk. The precautions to be exercised by foreign language broadcasters have been expanded. Dramatic programs have been established under a separate heading. Originally they were covered in a summary paragraph.

The quiz program section, which suggests the elimination of remote ad lib quiz programs (such as the man-in-the-street interview), remains unchanged.

Under a new section covering commercial continuity, broadcasters are asked to "be alert to prevent the transmission of subversive information through the use of commercial continuity in program or announcement broadcasts". The dramatic section expresses, in a similar precautionary tone, the request that broadcasters avoid portraying the horrors of war through dramatic productions, and withhold any sound effects which might be confused with air raid alarms.

The new paragraph covering foreign language programs says: "Broadcasters have recognized that the loyalty of their personnel is of supreme importance in voluntary censorship; they recognize the dangers inherent in those foreign language broadcasts which are not under the control at all times of responsible station executives. Station managements, therefore, are requested to require all persons who broadcast in a foreign language to submit to the management in advance of broadcast complete scripts or transcriptions of such material, with an English translation. It is further requested that such material be checked 'on the air' against the approved script, and that no deviation therefrom be permitted. These scripts or transcriptions with their translations should be kept on file at the station."

The original Code did not provide for such pre-censorship activity on the part of stations carrying foreign language programs.

The program clauses relative to forums and interviews and commentaries and descriptions have not been changed in the revised Code.

The revisions in the radio Code were submitted to a representative group of broadcasters before they were approved finally by Mr. Price.

Among the broadcasters and representatives of broadcasters' organizations who consulted with the Office of Censorship in revising the Code were: William B. Dolph, General Manager of WOL, Washington, D.C.; Carleton Smith, General Manager of WRC, Washington; K. H. Berkeley, General Manager of WMAL, Washington; Kenneth Yourd, representing the Columbia Broadcasting System, Washington; Neville Miller, President of the National Association of Broadcasters; C. E. Arney, Jr., Assistant to Mr. Miller; John Shepard III, President of Yankee Network, Inc. and Chairman of the Broadcasters Victory Council; O. L. Taylor, Secretary of the BVC; Victor Snolis, representing the Clear Channel stations; Philip Loucks, representing the Frequency Modulation stations; and Paul Spearman, representing Network Affiliates, Inc.

Paragraphs which contain the principal revisions follow:

"It is requested that news in any of the following classifications be kept off the air, unless released or authorized for release by appropriate authority."

"ENEMY AIR ATTACKS - Estimates of number of planes involved; number of bombs dropped; damage to Fortifications, Docks, Railroads, Ships, Airfields, Public Utilities, Industrial plants engaged in war work; All other military objectives.

"Warnings or reports of impending air raids; remote ad lib broadcasts dealing with raids, during or after action.

"Mention of raid in the continental United States during its course by stations OUTSIDE the zone of action, unless expressly announced for broadcast by the War Department in Washington.

"News which plays up horror or sensationalism; deals with or refers to unconfirmed reports or versions; refers to exact routes taken by enemy planes, or describes counter-measures of defense, such as troop mobilization or movements, or the number and location of anti-aircraft guns or searchlights in actions.

"Exceptions: After an air raid, general descriptions of action after all-clear has been given. Nothing in this request is intended to prevent or curtail constructive reporting or programming of such matters as feats of heroism, incidents of personal courage, or response to duty by the military or by civilian defense workers."

"REQUEST PROGRAMS

"Music - No telephoned or telegraphed requests for musical selections should be accepted.

"No requests for musical selections made by word-of-mouth at the origin of broadcast, whether studio or remote, should be honored.

"Talk - No telephoned or telegraphed requests for service announcements should be honored, except as hereinafter qualified. Such service announcements would include information relating to Lost pets; "Swap" ads; Mass meetings; Club meetings; Club programs, etc.

"No telephoned, telegraphed or word-of-mouth dedications of program features or segments thereof should be broadcast.

"Exceptions: Emergency announcements, (such as those seeking blood donors, doctors, lost persons, lost property, etc.) may be handled in conventional manner if the broadcaster confirms their origin. They should emanate from the police, the Red Cross, or similar recognized governmental or civilian agency. Service announcements may be honored when source is checked and material is submitted in writing, subject to re-writing by station continuity staff. Requests for the broadcast of greetings or other programs to commemorate personal anniversaries may be honored if the actual broadcast is not made on the anniversary date or at the time or on the date designated in the request. These and ALL requests may be honored when submitted via mail, or otherwise in writing if they are held for an unspecified length of time and if the broadcaster staggers the order in which such requests are honored, rewriting any text which may be broadcast."

"DRAMATIC PROGRAMS - Radio is requested to avoid dramatic programs which attempt to portray the horrors of war, and sound effects which might be mistaken for air raid alarms, or any other defense alarms."

"COMMERCIAL CONTINUITY - Broadcasters should be alert to prevent the transmission of subversive information through the use of commercial continuity in program or announcement broadcasts. In this connection, the continuity editor should regard his responsibility as equal to that of the news editor."

"Broadcasters should ask themselves, 'Is this information of value to the enemy?' If the answer is 'yes', they should not use it. If doubtful, they should measure the material against the Code.

"If information concerning any phase of the war effort should be made available anywhere, which seems to come from doubtful authority, or to be in conflict with the general aims of these requests; or if special restrictions requested locally or otherwise by various authorities seem unreasonable or out of harmony with this summary, it is recommended that the question be submitted at once to the Office of Censorship."

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ADVERTISING SEEN ESSENTIAL FOR FREE PRESS AND RADIO

Former District Attorney Thomas E. Dewey, of New York, addressing the Advertising Federation of America said, "You are enlisted today in the cause of maintaining the instruments of freedom for which we fight. You must maintain advertising as an instrument of freedom, because after the war is won, you will have another great job to do.

"There can be no freedom without a free press, and there can be no free press unless it is able to print its papers without subsidy from any man, any single industry or any government."

He called advertising "the only means yet devised for producing the necessary revenue to support a free press, and I may add, free radio".

Mr. Dewey said the German radio under Propaganda Minister Goebbels was a dispenser of "hogwash".

"Once you stifle free speech and free criticism", he said, "you stifle the face of the people."

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FCC DISMISSES MORE APPLICATIONS FOR DURATION

In an opinion of April 27, 1942, the Commission stated its policy, among other things, not to grant applications involving the use of materials to construct or change transmitting facilities for standard, FM and television broadcast stations. The Commission on June 23, in view of this policy, dismissed without prejudice the following applications:

Standard - Frankfort Broadcasting Co., Frankfort, Ky; WTMJ, Milwaukee, Wis.; WMC, Memphis, Tenn.; KXA, American Radio Telephone Co., Seattle, Wash.; KVI, Tacoma, Wash.; WFBR, Baltimore, Md.; KOWH, Omaha, Nebr.; KVAK, Atchison, Kans.; KOIN, Portland, Ore.; KGIR, Butte, Mont.; KVNU, Logan, Utah; Northern Ohio Broadcasting Co., Elyria, Ohio; WCOV, Valdosta, Ga.; WBAX, Wilkes Barre, Pa.; WTMC, Ocala, Fla.; KTSW, Emporia, Kans.; KGW, Portland, Ore.; WHIS, Bluefield, W. Va.; WJHL, Johnson City, Tenn.; KBPS, Portland, Ore.; WJDX, Jackson, Miss.; WREN, Lawrence, Kans.

Television - Allen B. DuMont Laboratories, Inc., Washington, D. C.

Relay - L. B. Wilson, Inc., Portable mobile, area of Cincinnati, Ohio; WJIM, Portable mobile, Lansing, Mich.

FM - Houston Printing Corp., Houston, Texas.

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RCA RADIOPHOTO SERVICE OPENED BETWEEN NEW YORK AND CAIRO

The first direct radiophoto service between this country and Egypt was opened last Wednesday by R.C.A. Communications, Inc. The first picture transmitted was that of King Farouk, of Egypt, and Alexander Kirk, U. S. Minister from the Royal Palace in Cairo. The pictures will be handled in both directions between New York and Cairo, a distance of 5,639 miles.

Heretofore, news pictures from Cairo had to be forwarded by radio to London, and then across the Atlantic. The new direct service will greatly reduce the time of transmission and will make it possible for pictures of current happenings in the near East to reach the United States without delay.

The Egyptian end of the circuit is operated by the Marconi Radiotelegraph Company of Egypt, and is equipped with radiophoto apparatus of RCA design and make. The rate is forty cents a square centimeter, with a minimum charge of \$60.

The new picture-circuit will supplement the RCA direct radiotelegraph circuit which has been in operation between New York and Cairo since 1940.

Other radiophoto circuits are operated by RCAC between New York and London, Moscow and Buenos Aires; also between San Francisco and Honolulu and Melbourne, Australia.

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6/26/42

FLY'S CONFIRMATION GOES OVER TO MONDAY, JUNE 29

At the request of Senator McNary, of Oregon, the consideration of the renomination of Chairman James L. Fly of the Federal Communications Commission for a term of 7 years from July 1st has been postponed to Monday, June 29th. Senator McNary explained that this had been done at the request of two absent members who desired to be present when the nomination was discussed.

Mr. Fly's nomination had previously been approved by the Senate Interstate Commerce Committee.

The vote was unanimous. Senator Tobey, of New Hampshire, however, questioned Mr. Fly in a closed session for several hours before the vote was cast.

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BUTCHER AIDE TO NEW U.S. EUROPEAN COMMANDER

Lieut. Comdr. Harry C. Butcher, U. S. Naval Reserve, former Washington Vice President for the Columbia Broadcasting System in Washington, has been assigned as personal aide to Maj. Gen. Dwight Eisenhower, newly appointed Commanding General of the European theater, in London, it was announced yesterday (Thursday).

A member of the Naval Reserve since 1938, Commander Butcher resigned from the broadcasting system when he reported to the office of Director of Naval Communications for duty June 1.

Mr. Butcher, a native of Springville, Iowa, and a graduate of Iowa State College, joined CBS in 1930, opening the Washington office as Director. Since 1934 he has been Washington Vice President of the broadcast chain.

Commander Butcher, well-known throughout the radio industry, is an authority on communications and press relations. While it is unusual for a naval officer to be named as a personal aide to an Army General, it is understood Commander Butcher's selection was at the personal request of General Eisenhower.

He resides in Washington with his wife and daughter Beverly, and is a member of the Burning Tree and National Press Clubs.

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BELIEF EXPRESSED THAT SANDERS BILL IS DEAD RABBIT

In one high quarter, the opinion was expressed that the Sanders Bill to reorganize the Federal Communications Commission, the hearings of which before the House Interstate Committee have now slowed down to one a wekk, will never be reported out of the Committee. "I don't think there is a chance for the Sanders Bill", this observer declared.

Chairman Fly has still not concluded his testimony and is scheduled to return again next Tuesday - Tuesday being the one day the hearings are now being held.

Mr. Fly handled the National Broadcasting Company, the Columbia Broadcasting System and the National Association of Broadcasters roughly. He declared these networks completely dominated the NAB. The Chairman said the factions fighting the anti-monopoly regulations are putting on a "false front" of concern about free speech and public service. Mr. Fly insisted over and over again, the chains exercise a distasteful and dangerous degree of control over public opinion, boss the trade associations, and harass the Commission by inspiring Congressional hearings or running into court.

Mr. Fly registered these principal points:

1. Except for specific changes enabling the regulators to do their war work better, no legislation should be enacted at such crucial times.
2. Outstanding objections to the Sanders bill are the "bifurcation" of the regulatory agency, opportunity for great delay through hearings and interventions, loss of control over station sales, legalizing of management contracts, and inadequacy of the examiner-hearing system.
3. Fear of censorship is a "bugaboo" created by the chains to cover up efforts to dodge regulation for protection of the public.
4. There is no slighting of common carriers or over-concentration of effort on broadcasting regulation.

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RCA AND MACKAY OFFER STATIONS TO U.S.

Domestic point-to-point radio stations of Mackay Radio & Telegraph Co. and R.C.A. Communications, Inc., have been offered to the Government for the duration of the war, according to an Associated Press dispatch from New York. Coastal transmitters used in international traffic would be retained by each company, however.

The offers grew out of a War Communications Board order calling for discontinuance of domestic services, effective June 30, to keep Axis monitors from gaining information.

Mackay Radio and R. C. A. Communications - including predecessors - have provided radio-telegraph service for more than 30 years.

Mackay will discontinue operating stations in Portland, Oreg., Los Angeles, Calif., Seattle, Washington, Chicago, Ill., New Orleans, La., and Washington, D. C., while R. C. A. will halt operations in Philadelphia, Pa., Baltimore, Md., Boston, Mass., Camden, N. J., New Orleans, La., Chicago, Ill., Detroit, Mich., Los Angeles, Calif., and Seattle, Wash.

Land telegraph lines, it was estimated, would have more than two million dollars in annual business thrown their way because of the discontinuances.

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MANY STATES HEARD FROM IN RADIO IN THE HOMES CENSUS

Numerous States have been heard from during the past few days in the U. S. Census count of radio sets in the homes. They are:

OCCUPIED DWELLING UNITS WITH RADIO FOR STATE AND CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - <u>Arkansas</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	495,825	244,586	236,369	14,870
Rural-nonfarm dwelling units	111,636	58,001	50,081	3,554
Rural-farm dwelling units	260,661	99,987	153,315	7,359
Fort Smith	10,171	8,119	1,910	142
Little Rock	24,672	19,201	4,503	968
Area - <u>New Hampshire</u>				
Total Dwelling Units (including urban)	132,936	116,809	12,949	3,178
Rural-nonfarm dwelling units	41,550	35,236	5,334	980
Rural-farm dwelling units	16,031	12,937	2,667	427
Concord	6,730	6,336	299	95
Manchester	21,038	18,923	1,575	540
Nashua	8,606	7,963	427	216

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Area - <u>Oregon</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	337,492	290,641	37,165	9,686
Rural-nonfarm dwelling units	92,667	77,496	12,467	2,704
Rural-farm dwelling units	72,265	57,336	13,097	1,833
Portland	102,063	93,068	6,033	2,962
Salem	8,901	8,143	568	190
<hr/>				
Area - <u>Georgia</u>				
Total Dwelling Units (including urban)	752,241	381,668	345,331	25,242
Rural-nonfarm dwelling units	170,595	95,144	70,028	5,423
Rural-farm dwelling units	292,828	96,198	186,381	10,249
Atlanta	82,000	60,614	18,822	2,564
Augusta	17,510	10,541	6,092	877
Columbus	14,143	9,137	4,507	499
Macon	16,676	9,341	6,821	514
Rome	6,994	4,886	1,690	418
Savannah	26,406	17,282	8,439	685
<hr/>				
Area - <u>Maryland</u>				
Total Dwelling units (including urban)	465,683	396,338	53,622	15,723
Rural-nonfarm dwelling units	124,112	101,547	18,808	3,757
Rural-farm dwelling units	55,066	36,619	16,657	1,790
Baltimore	227,582	206,038	13,288	8,256
Cumberland	10,339	9,333	734	272
Hagerstown	8,784	7,928	580	276
<hr/>				
Area - <u>North Carolina</u>				
Total Dwelling Units (including urban)	789,659	471,863	292,281	25,515
Rural-nonfarm dwelling units	217,703	142,468	68,289	6,946
Rural-farm dwelling units	332,039	148,939	172,222	10,878
Asheville	13,290	10,512	2,341	437
Charlotte	24,966	19,077	4,985	904
Durham	15,277	11,944	2,910	423
Greensboro	14,598	12,170	1,796	632
High Point	9,626	7,278	2,057	291
Raleigh	10,557	8,853	1,428	276
Rocky Mount	6,230	4,622	1,437	171
Wilmington	8,577	5,529	2,545	503
Winston-Salem	20,177	15,060	4,740	377

Area - <u>Rhode Island</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	187,706	176,739	7,922	3,045
Rural-nonfarm dwelling units	13,860	12,604	1,006	250
Rural-farm dwelling units	2,610	2,244	301	65
Central Falls	6,512	6,082	349	81
Cranston	11,252	10,740	249	263
East Providence	8,449	8,009	263	177
Newport	7,663	7,253	265	145
Pawtucket	20,800	19,652	799	349
Providence	67,501	64,193	2,482	826
Warwick	7,817	7,412	237	168
Woonsocket	13,040	12,068	756	216
<hr/>				
Area - <u>South Dakota</u>				
Total Dwelling Units (including urban)	165,428	136,049	24,845	4,534
Rural-nonfarm dwelling units	49,548	39,408	8,795	1,345
Rural-farm dwelling units	72,322	57,450	12,880	1,992
Sioux Falls	11,245	10,352	634	259
<hr/>				
Area - <u>Tennessee</u>				
Total Dwelling Units (including urban)	714,894	434,733	260,629	19,532
Rural-nonfarm dwelling units	152,197	96,620	51,800	3,777
Rural-farm dwelling units	286,641	129,965	148,963	7,713
Chattanooga	33,471	25,935	6,657	879
Knoxville	28,601	23,299	4,790	512
Memphis	81,081	58,268	19,572	3,241
Nashville	45,804	36,003	8,699	1,102

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FCC ACTION

The Evening News Press, Inc., Port Angeles, Wash., denied petition for grant of application for construction permit for new station, and designated said application for further hearing; KINY, Edwin A. Kraft, Juneau, Alaska, designated for hearing modification of construction permit to change frequency to 1050 kc., make changes in transmitting equipment and commencement and completion dates; KTBI, Tacoma Broadcasters, Inc., Tacoma, Wash., designated for hearing application for construction permit to change frequency to 1050 kc., and increase height of antenna; to be consolidated with hearing on KINY above; WGRC, New Albany, Ind., construction permit amended to change power to 1 KW day and night, change type of transmitter and employing directional antenna day and night.

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::: _____ :::
 ::: TRADE NOTES :::
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Charles F. Kettering, General Manager of the Research Laboratories of General Motors, has been appointed consultant to the Radio and Radar Branch of the War Production Board.

Five civic groups sponsored a farewell dinner to honor Earl Gammons, WCCO General Manager, before his departure from Minneapolis to Washington to become director of the Columbia Broadcasting Office there to succeed Harry C. Butcher now a Lieutenant Commander in the Navy and aide to General Eisenhower. The civic organizations which honored Mr. Gammons were the Minneapolis Civic and Commerce Association, Minneapolis Defense Council, Junior Association of Commerce, Aquatennial Association and Minneapolis Civic Council.

Another high CBS executive was called to colors when Lawrence W. Lowman, Vice-President in Charge of Operations of the company in New York was commissioned a Major in the United States Army, and assigned to the Office of Strategic Service at Washington, D. C.

Hal Rorke, Assistant Publicity Director of CBS, has been made a Captain in the Army Air Force and expects to report for duty on July 2nd in Washington. He formerly was head of the Publicity Department at KNX, Los Angeles, a CBS outlet.

Station KSEE, Earle C. Anthony, Inc., Los Angeles, Calif., had its outstanding construction permit cancelled by the Federal Communications Commission, for commercial television broadcast station KSEE, and deleted the call letters.

Edward Tomlinson, noted authority on Central and South America, has been reappointed Adviser on Inter-American Affairs to the National Broadcasting Company.

Los Angeles war workers faced the cathode-ray tube last Saturday when Thomas S. Lee's television station turned the spotlight on the Office of Civilian Defense. What their respective groups are doing to insure the safety of civilians in case of bombings, fires and other war catastrophies was told by George Hjelte, Director of the Los Angeles Citizen Defense Corps; James L. Danks, Battalion Chief of the Los Angeles Fire Department; Rosemary Herring, Captain of the Junior Activities of the Communications Corps and Miss Judy Merralls of the Red Cross.

Station KYA, Palo Alto Radio Station, Inc., (Assignee) Hearst Radio, Inc. (Assignor), San Francisco, Cal., has been granted consent to assignment of license of Station KYA from Hearst Radio, Inc., to Palo Alto Radio Station, Inc., for a total consideration of \$50,000.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC. RECEIVED
GENERAL LIBRARY JUL 1 1942
300 BROADWAY NEW YORK, N. Y.
FRANK E. MULLEN

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No. 1442

June 30, 1942

WCB TIGHTENS UP ON COMMUNICATIONS CONSTRUCTION

The Board of War Communications has recommended to the War Production Board and the Federal Communications Commission that, with regard to the construction of certain radio facilities, there be immediately placed into effect the following policy.

1. No future authorizations involving the use of any materials shall be issued by the Federal Communications Commission nor shall further materials be allocated by the War Production Board, to construct or to change the transmitting facilities of any station in the Agriculture Service.
2. No future authorizations involving the use of any materials shall be issued by the Federal Communications Commission nor shall further materials be allocated by the War Production Board, to construct or to change the transmitting facilities of any station operating in the Coastal, Marine Relay, or Fixed Public Services; provided, however, that upon a proper showing that any such station serves an essential military need or a vital public need, which cannot otherwise be met, the Commission and the War Production Board will take action commensurate with the importance of the particular facility in question.

The foregoing applies to the following classes of stations which are defined in the Rules and Regulations of the Federal Communications Commission:

1. Fixed Public, Fixed Public Press, and Agriculture Services.
 - (a) Point-to-point Telegraph Stations
 - (b) Point-to-point Telephone Stations.
2. Coastal Service.
 - (a) Coastal Telegraph Stations
 - (b) Coastal Telephone Stations
 - (c) Coastal Harbor Stations.
3. Marine Relay Service.
 - (a) Marine Relay Stations

The War Communications Board ordered that the point-to-point radiotelegraph circuits described below be, and they are hereby exempted from the closure provisions of Order No. 8 recently announced:

1. R. C. A. Communications, Inc.
 - (a) Between New York, N.Y. and San Francisco, Calif.
 - (b) Ultra-high frequency control circuit between New York, N.Y. and New Brunswick, N.J.

2. Mackay Radio and Telegraph Companies

- (a) Between New York, N.Y. and San Francisco, Calif.
- (b) Ultra-high frequency control circuit between New York, N.Y. and Brentwood, Long Island
- (c) Ultra-high frequency control circuit between Brentwood Long Island and Southampton, Long Island
- (d) Ultra-high frequency control circuit between Southampton, Long Island and Amagansett, Long Island
- (e) Ultra-high frequency control circuit between San Francisco, Calif. and Rolling Hills, Calif.

3. Tropical Radio Telegraph Company

- (a) Between Hingham, Mass., and Miami, Florida
- (b) Between Miami, Florida and New Orleans, Louisiana
- (c) Between Hingham, Mass., and New Orleans, Louisiana.

Provided, however, That the circuits designated above shall be operated only for the domestic portion of the haul of messages of foreign origin or destination, or for the transmission of service messages under such regulations as the Director of Censorship may prescribe;

Provided further, that all outbound foreign messages, and all service messages between domestic points, handled over the foregoing circuits shall be submitted to censorship at the first point of radio transmission within the United States, and all transit and inbound foreign messages handled over such circuits shall be submitted to censorship at the first point of radio reception within the United States.

It was also ordered that the point-to-point radiotelegraph circuits below operated by Press Wireless, Inc., be and they are hereby exempted from the closure provisions of Order No. 8:

- 1. Between New York, N.Y. and Los Angeles, Calif.
- 2. Ultra-high frequency control circuit between
 - (a) New York, N.Y. and Baldwin Harbor, Long Island;
 - (b) New York, N.Y. and Hicksville, N.Y., and
 - (c) Los Angeles, Calif., and Rolling Hills, Calif.
- 3. Domestic Multiple address press circuits

The same provisions apply to Press Wireless, Inc., as to the above-mentioned R. C. A. Communications, Mackay Radio and Telegraph Companies and Tropical Radio Telegraph Company with the exception of the phrase "shall be operated only for the domestic portion of the haul of Government, press or service messages of foreign origin or destination, or for the transmission of domestic multiple address press or service messages" and in the second provision the only change is "and all service and multiple address press messages between domestic points", etc.

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AGREE ON PRINCIPLE OF BROADCAST EQUIPMENT POOL

According to James L. Fly, Chairman of the Federal Communications Commission the War Production Board and the Commission are continuing to work on the problem of broadcast station equipment pooling and have agreed in principle how the undertaking will be carried out.

"We are agreed on the principle of the thing", Mr. Fly said, "and from here on we will be discussing the ways and means.

"Could you give us an idea of how much equipment is involved", the Chairman was asked.

"No", he replied. "That is one of the things we are shooting at. We are talking about broadcast - Domestic broadcast. And one of the ideas of the pool is to get an accurate inventory of all of the parts that are available and try to make the jointly available, and it is hoped that by establishing these pools in all parts of the country that we could then get by on lesser consumption of materials and at the same time afford some real hope that the industry as a whole will continue some operation.

"In the broadcasting industry we have a heavy turnover - tubes and other parts. I think if we didn't have available spare parts and materials that at the end of one calendar year only about 27% of the stations would be in operation. That's a pretty ominous prospect and that is why it is to the interest of all of us that are interested in seeing radio do the big job it is doing."

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MELLETT MENTIONED TO HEAD OWI RADIO SECTION

One guess as to the line-up of the new Office of War Information under Elmer Davis is that Lowell Mellett will be in charge of the Radio and Motion Picture Section. It also proposes that Bob Sherwood be placed in charge of foreign news. Bob Horton would be Director of the Press Division, and Archibald MacLeish would head the Intelligence Division. Mr. MacLeish's job would be to take polls of public opinion to find out what the people were thinking and talking about.

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Britain's estimate of the Government subsidy for the British Broadcasting Corporation for the year ending March 31, 1943, is \$40,000,000, an increase of \$12,400,000 over that for the previous year.

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6/30/42

SEES HOPE FOR SANDERS BILL

Taking exception to an opinion expressed in this letter last week by one in a high quarter that the Sanders Bill "was a dead rabbit", an official whose opinion is also most highly regarded declared emphatically:

"I don't think the Sanders Bill is a dead rabbit. I am informed from an inside source on the Hill that the House Interstate Commerce Committee is serious about it and may make some strong recommendations in its report to the House. Also I hear if the bill gets over to the Senate, certain Senators may also be receptive.

"Of course you can never tell about politicians but I happen to know that quite a few members of Congress feel that the FCC has exceeded its powers and want a show-down. It is believed the House Committee is well aware of this and as a result will come through with a strong report on the Sanders Bill with the hope of its vigorous discussion and possible adoption by the House."

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U.S. NEWSPAPER WAR PROGRAM REBROADCAST IN AUSTRALIA

The weekly short wave radio program, "Salute to the Men In Foreign Service", being arranged by various newspapers all over the country in cooperation with C. D. Wagoner of the General Electric News Bureau, and broadcast every Saturday night, will be rebroadcast by long wave throughout Australia under arrangements just completed by General Electric with the Australia Broadcasting Company. This is in addition to six short wave broadcasts of each program now carried on through General Electric's two stations here, WGEO and WGEA, and its Pacific coast Station, KGEI, in San Francisco.

Each program is recorded as broadcast and the records are then rebroadcast the Saturday following from Schenectady and San Francisco, on a time schedule arranged by the War Department when the soldiers in foreign camps will be at liberty to listen. For the long wave Australian rebroadcast, the program is transmitted by WGEO here at 7 o'clock Sunday morning, which is 9 o'clock the same evening in the Antipodes, 10,000 miles away.

The rebroadcasting of this newspaper salute seven different times is believed to be the most pretentious of any of the soldier programs now on the air.

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NELSON SAYS RADIO NEEDS SOMEBODY LIKE KETTERING

In announcing the appointment of Charles F. Kettering, President of the General Motors Research Corporation and Vice President of the General Motors Corporation, as consultant to the Radio and Radar Branch of the War Production Board, Donald M. Nelson, WPB Chairman made public a portion of a letter to Mr. Kettering, as follows:

"Our Radio and Radar program has assumed such tremendous proportions that I feel it is now vitally important to have someone of your outstanding capacity and accomplishments in the scientific world, to whom we can turn from time to time in the difficult task of meeting the requirements to that program. Your acceptance of the position of Consultant to us in these matters makes me increasingly confident that the job will be well done and I wish to take this opportunity of telling you how pleased I am about the arrangement."

The Radio and Radar Branch is concerned with providing facilities for the production of radio communications, aircraft detector, signalling and fire control equipment. Ray Ellis is Chief of the Branch, which reports to Harold Talbott, Deputy Director of the Production Division.

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SEVAREID NEW CBS NEWS BUREAU HEAD IN WASHINGTON

Eric Sevareid has been appointed Chief of the Columbia Broadcasting System's Washington News Bureau, succeeding Albert Warner, who tomorrow will be commissioned a Major in the public relations staff of the Army.

Mr. Sevareid is 32 years old and has been a staff newscaster for CBS in Washington the last 18 months. A reporter since he was 18, one of his outstanding feats was his broadcasts from Bordeaux while the French Government had emergency headquarters there after France fell. He was the only link with the outside world for more than 24 hours.

Sevareid studied at the University of Minnesota, at the Sorbonne, Paris, and in London. He was night editor for the United Press in the French capital, became city editor of the Paris Herald, then joined the CBS staff in Paris.

Mr. Sevareid went to Bordeaux with members of the French Cabinet, leaving Paris just before the first German troops arrived. Later he went to Vichy, then was transferred to the CBS office in London and finally was sent to Washington.

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FLY CONFIRMED WITHOUT DEBATE

Although everyone expected that Chairman James L. Fly of the Federal Communications Commission would be confirmed, many thought that when he came up for renomination there might be criticism of Mr. Fly and the FCC by certain Senators. Color was lent to this when Senator McNary, of Oregon, Republican leader last week requested that the nomination be put over until Monday so that certain Senators could be present. However, it was a false alarm and the FCC head was confirmed without a voice being raised against him.

Mr. Fly had been renominated for a term of 7 years at \$10,000 a year beginning July 1st. When the legislative clerk read the nomination Monday, Mr. McNary arose in his seat and the following exchange took place:

Senator McNary: "I previously asked that that nomination of Chairman Fly go over. I shall not renew my request."

Senator Hill: "Did I understand the Senator to ask that the nomination not be acted on today; that it go over for the day?"

Senator McNary. "No. Last Friday I made the request that the nomination go over until Monday - that is, until today. I do not desire at this time to renew my request that it go over any further."

Senator Hill: "Then, the question is on the confirmation of the nomination."

The President Officer. "Without objection, the nomination is confirmed."

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NEW SCANNING ELECTRON MICROSCOPE REVEALED

Perfection by scientists in RCA Laboratories of a scanning electron microscope, which enables the study of surfaces of opaque objects, including metal, in far greater detail than heretofore possible, was revealed Monday by Dr. V. K. Zworykin, Associate Director of the Laboratories, in a paper read at the Institute of Radio Engineers Convention in Cleveland, Ohio. The paper was jointly prepared by Dr. Zworykin, Dr. James Hillier and Richard L. Snyder of RCA Laboratories, who contributed to development of the instrument. Investigation of grain structure in metals on an order of minute detail never before realized becomes possible with the new instrument.

The scanning electron microscope, Dr. Zworykin said, is the result of utilizing principles and devices taken from three outstanding developments in radio and electronics - television, the electron microscope and radio facsimile.

So accurate and delicate is the control of the electrons in passing through the instrument to help "see" the surface of the metal, or object being observed and photographed, that the tiny electrons pass through the scanning tube about one yard apart. The mastery achieved is indicated further by the fact that, theoretically, it would require 30 billion, billion, billion of electrons to weigh an ounce.

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C O R R E C T I O N

An article published in Broadcasting magazine, a portion of which was later reprinted in this service on June 23rd to the effect that as shown by a survey made by the Office of Facts and Figures a nationwide preference exists in favor of broadcasting as against the press as a medium to carry war news brought the following denial from the OFF:

"In today's (June 22) issue of the radio trade magazine 'Broadcasting' appears an article in which are reproduced portions of the report of a survey made by the Intelligence Bureau of the Office of Facts and Figures, now part of the Office of War Information. This report, which deals with 'American Attitudes Toward War News', is a secret document of the United States Government and is plainly so designated. It is clear that the document could have been obtained only in an improper, and possibly illegal, manner.

"Publication of excerpts from the document was without authorization from the Office of Facts and Figures or the Office of War Information, which alone could give authorization. The fact that the document was quoted only in part, and the further fact that extracts were selected with the apparent purpose of serving the magazine's self-interest result in giving an incomplete and misleading picture of the contents of the report."

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NAVY MOVES CAUTIOUSLY WITH ALLEGED RED OPERATORS

The Navy Department has taken precautions to avoid premature action against persons suspected of subversive activities as a means of preventing any injustice, Ralph A. Bard, Assistant Secretary of the Navy, declared in answer to criticisms by the American Communications Association (C.I.O.) of the handling of cases of radio operators in the Merchant Marine.

To date ninety-two operators have been suspended upon the authority of the Secretary of the Navy. Of this number forty-one operators appealed their removal and sixteen have been reinstated.

In connection with suspects in short establishments, 205 removals or suspensions were approved by the Secretary from among the more than 250,000 employees in these establishments, or a figure less than one-tenth of 1 per cent of the total. Forty-one persons removed or suspended were reinstated by the Secretary, it was stated.

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CENSUS SHOWS SURPRISINGLY LARGE NUMBER OF HOME SETS

With the Census reports now rolling in from every direction, enough returns have been received to indicate that the number of radios in the homes of the country is surprisingly large. Additional States which have been heard from are:

OCCUPIED DWELLING UNITS WITH RADIO, FOR STATE AND FOR CITIES OF 25,000 OR MORE: 1940

(a dwelling unit was enumerated as "with radio" if it contained a usable radio set or one only temporarily out of repair)

Area - <u>Louisiana</u> The State	Total	With Radio	No Radio	Not Reporting Radio
Total Dwelling Units (including urban)	542,528	307,883	270,082	14,563
Rural-nonfarm dwelling units	136,615	69,626	63,061	3,928
Rural-farm dwelling units	192,986	51,344	136,403	5,239
Alexandria	7,276	4,645	2,436	195
Baton Rouge	9,130	7,005	1,973	152
Monroe	7,897	5,333	2,351	213
New Orleans	133,040	100,856	29,861	2,323
Shreveport	26,909	20,029	6,218	662
<u>Area - Wyoming</u>				
Total dwelling units (including urban)	69,374	57,126	10,561	1,687
Rural-nonfarm dwelling units	22,842	18,603	3,767	472
Rural-farm dwelling units	19,200	14,034	4,516	650
<u>Area - West Virginia</u>				
Total dwelling units (including urban)	444,815	326,347	108,039	10,429
Rural-nonfarm dwelling units	192,771	142,190	46,490	4,091
Rural-farm dwelling units	111,488	61,448	47,487	2,553
Charleston	17,950	15,570	1,768	612
Clarksburg	8,245	7,336	665	244
Huntington	20,939	17,739	2,590	610
Parkersburg	8,641	7,708	727	206
Wheeling	16,555	14,921	1,118	516
<u>Area - Connecticut</u>				
Total dwelling units (including urban)	448,682	417,259	18,906	12,517
Rural-nonfarm dwelling units	120,205	111,445	5,454	3,306
Rural-farm dwelling units	24,113	20,746	2,700	667

(continued)

6/30/42

<u>Connecticut (continued)</u>		With	No	Not
<u>Cities</u>	<u>Total</u>	<u>Radio</u>	<u>Radio</u>	<u>Reporting</u>
				<u>Radio</u>
Bridgeport	39,336	36,826	1,358	1,152
Bristol	7,629	7,148	151	330
Hartford	44,253	41,374	1,235	1,644
Meriden	10,790	10,119	396	275
Middletown	5,791	5,422	218	151
New Britain	17,256	16,025	578	653
New Haven	42,480	39,912	1,537	981
New London	8,157	7,591	431	135
Norwalk	10,904	10,130	447	327
Stamford	12,246	11,468	365	413
Torrington	7,035	6,643	281	111
Waterbury	25,387	23,863	936	588
West Hartford town	8,915	8,556	94	265
West Haven town	8,085	7,659	195	231
<u>Area - Kansas</u>				
Total Dwelling Units (including urban)	511,109	411,984	84,117	15,008
Rural-nonfarm dwelling units	128,059	102,849	21,940	3,270
Rural-farm dwelling units	158,736	112,677	41,291	4,768
Hutchinson	8,733	7,663	786	284
Kansas City	34,068	30,176	2,813	1,075
Topeka	20,462	18,437	1,338	687
Wichita	34,775	30,605	2,881	1,289
<u>Area - MINNESOTA</u>				
Total Dwelling Units (including urban)	728,359	647,499	62,479	18,381
Rural-nonfarm dwelling units	125,689	115,860	16,651	3,178
Rural-farm dwelling units	209,334	173,887	30,061	5,386
Duluth	27,819	26,211	1,186	422
Minneapolis	142,834	134,314	4,785	3,735
Rochester	6,303	5,906	193	204
St. Paul	80,557	75,866	2,606	2,085
<u>Area - Florida</u>				
Total Dwelling Units (including urban)	519,887	326,447	177,564	15,876
Rural-nonfarm dwelling units	152,395	81,444	66,372	4,579
Rural-farm dwelling units	73,082	27,959	43,008	2,115
Jacksonville	45,377	34,266	9,829	1,282
Miami	48,483	40,710	6,215	1,558
Orlando	10,742	8,408	1,937	397
Pensacola	9,851	6,598	2,864	389
St. Petersburg	19,920	16,255	2,959	706
Tampa	29,914	22,810	6,491	613
West Palm Beach	9,612	7,432	1,972	208

CAPITAL HAMS NAME OCD COORDINATOR CANDIDATES

Amateur radio operators of the Washington area, meeting in the Department of Agriculture auditorium, nominated three of their number last night as candidates for the post of radio aide to the Metropolitan Civilian Defense Organization.

The District Commissioners are to select one of the three nominees, Roy C. Corderman, Fred W. Albertson and Oscar W. B. Reed, Jr., to organize radio "hams" for emergency communications work.

Some 70 of the 500 "hams" in the area, heard Donald McClenon describe the new receiving setup, under which local amateurs will prepare to act as an emergency communications system in event of a breakdown of power or transmission lines. He said that very little new equipment would have to be manufactured or purchased, and that from now on, amateur equipment as well as the services of the "hams" themselves, were at the Government's disposal.

Mr. Corderman said the FCC had tightened its rules governing war emergency radio service throughout the country, to such an extent that much of the preliminary organizing already begun in other cities would have to be undone. The District group, he said, "is following the FCC line to the letter, and hopes to set a pattern for the rest of the country".

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RCA ANNOUNCES RADIO TUBE PACKING PRINCIPLE

What is said to be a revolutionary new principle of packing radio tubes which, if utilized by the tube industry, will result in major contributions to the war effort in shipping space, material, handling and warehousing savings, has been developed by the manufacturers of RCA radio tubes.

By adopting the new method, RCA alone is said to be saving some 120 tons of packing material a year, and is able to ship approximately twice as many tubes in a box-car or truck, thus halving the need for critical shipping space. The new method, developed by Charles I. Elliott, 27 year old employee, supplants packing, handling, storing and shipping practices which have been common for many years.

To extend the value of the new packing principle more quickly, RCA has granted patent rights to the new type cartons to other tube manufacturers. In addition, other tube manufacturers have been shown factory routines that have been developed to make the most efficient use of the new process.

The American Standards Association is studying the possibilities of setting up an American War Standard covering the packaging of electronic tubes as a result of RCA's effort.

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: : : TRADE NOTES : : :
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The Federal Communications Commission last week adopted an order (No. 99-A), which applies the same type of regulations to manufacturers and dealers of radio transmitters as has been applied to the same classes of persons in the diathermy trade. Registration requirements are relaxed and hereafter a manufacturer or dealer will submit a monthly report of stocks on hand and transfers to other manufacturers or dealers, instead of applying for registration of each piece of apparatus. If a transmitter is delivered to some person other than a manufacturer or dealer, notice must be given to the Commission by the transferor within 5 days.

The tentative estimated revenue effect of the tax changes adopted by the House Ways and Means Committee was set forth by the Treasury last week indicating the increases and decreases over the yield of the present law. According to this, telephone, telegraph, radio and cable facilities, etc., were expected to yield \$26,800,000, the telephone bills \$36,800,000, and coin operated amusement and gaming devices \$4,400,000. All these amounts are increased over the present law.

Frances Sprague, Chief Librarian of NBC since 1930, was married to Robert P. Joy, publishers' consultant and New York editor of Current Events, on June 27. Mrs. Joy is a native of Vermontville, Michigan, and a graduate of Olivet College. When she joined NBC in 1930, she set out to compile a general library by merging the book and magazine collections of the various departments. Starting out with an empty room and a Bible, she has seen the NBC library grow to a collection of 13,000 catalogued items.

Radios, with an increase of 44 per cent, led sales gains by departments of department stores in the New York City district during May, according to the report issued yesterday by the Federal Reserve Bank of New York City.

Station W2XEO, Capitol Broadcasting Co., Inc., Schenectady, N.Y., has asked the FCC for a construction permit for reinstatement of ST construction permit for new station on 331,000 kc., 50 watts.

According to Leonard Lyons, columnist, a movement was started last week among writers, editors and publishers to have Elmer Davis, the new Director of War Information, return to the radio. The proposed plan is to have Davis broadcast a report to the Nation once a week. This will have to await the President's approval. Mr. Roosevelt feels that he already accomplished one good trick in getting Davis to accept his present job. "Elmer", said the President, "was a hard fish to get to bite."

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