

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
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No. 1542

WALLACE BURNS UP JESSE JONES ON QUARTZ CRYSTALS

One of the most sensational charges Vice President Wallace, Chairman of the Board of Economic Warfare, made against Secretary of Commerce Jesse Jones and head of the Reconstruction Finance Corporation, was in connection with the alleged blundering of the latter in the purchase of quartz crystals so important to the radio industry. Mr. Wallace said:

"I now desire to discuss quartz crystals, the use of which is so utterly important to some of our war industries. For two years now Brazilian quartz crystal, essential element in airplane, tank and submarine radio sets, has been in critically short supply.

"During 1941 and early 1942, the Reconstruction Finance Corporation agent in Brazil bought 2,000 tons of crystals. He was paid a commission of 1½% on his gross purchases, and he bought those crystals without checking to see whether they were of the quality needed and paid for. Over 85% of them weren't. The government lost between two and six million dollars, and we have heard that United States quartz fabricators began raiding museums to get usable crystals.

"Shortly after April 13, 1942, the Reconstruction Finance Corporation replaced this agent although it gave him equally lucrative work in New York. But the situation in Brazil wasn't improved. The Reconstruction Finance Corporation had been burnt where it hurt most, by having to take a loss on a hazardous undertaking. The new Reconstruction Finance Corporation agent began eliminating dollar losses the easy way. Not a pound of quartz crystal was purchased by the Metals Reserve Company for six months. The Board of Economic Warfare finally had to send a top official to Rio to get the public purchasing resumed. I feel that Board of Economic Warfare personnel should have fought the delaying tactics of the Reconstruction Finance Corporation more vigorously in this instance.

"The Board of Economic Warfare finally insisted upon inspection facilities in Rio so that crystals could be tested before payment and shipment. The Army Signal Corps has been of great assistance to us on this project by supplying 20 trained inspectors and the necessary arc-lights, inspection baths, polaroid screens, etc. The Army, of course, had a critical military stake in this phase of our work and has cooperated readily and effectively.

"Reconstruction Finance Corporation policy had been to keep a staff in Rio - and to wait for the business to come in. When the Board of Economic Warfare sent 100 engineers and qualified purchasing agents into the up-country areas where the crystals are

mined, Reconstruction Finance Corporation representatives in Brazil at first cooperated in supplying purchase money and contracting authority; then they refused to cooperate - on "instructions from Washington". The Board of Economic Warfare set up a purchasing station at outlying Campo Formosa; then we had to move it back to Bahia - so that Reconstruction Finance Corporation funds could be spent through the bank there.

"In April, 1943, Board of Economic Warfare representatives in Rio advised that restrictions put upon Metals Reserve Company agents' purchasing authority by Reconstruction Finance Corporation was preventing our meeting market prices in our buying there and that purchases were coming to a halt. The Board of Economic Warfare, therefore, directed the Reconstruction Finance Corporation to relax its restrictions. Reconstruction Finance Corporation refused, stating that we didn't need quartz enough to pay any more for it. Three weeks later, after advice from their own Brazilian representatives, they reconsidered - and changed their instructions. But not in time to head off the Special Representative of the Board of Economic Warfare in Brazil. Fed up with Reconstruction Finance Corporation obstruction to his Brazilian program, he arrived in Washington to report. It took his report, plus a morning which I spent with Jesse Jones and Will Clayton, to break this particular log-jam. Throughout the period of these bureaucratic, obstructionist tactics on the part of the Reconstruction Finance Corporation, the need for quartz crystals was critically urgent.

"As I previously indicated, the reason Mr. Jones could hold up our quartz crystal and quinine programs is because he signs the checks to pay for the procurement and development of these commodities. To put it differently, he has been able to delay this part of the war effort because of his position as banker for us, notwithstanding the complete delegation of powers over imports which the President gave the Board of Economic Warfare on the 13th of April, 1942, following the failure of the Reconstruction Finance Corporation to build the government stockpiles of strategic materials which Congress authorized and directed in the Summer of 1940."

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PAUL PORTER, FORMERLY OF CBS, NAMED FOOD CZAR'S AIDE

One of the first acts of Judge Marvin Jones, the new food Czar, in succeeding Chester Davis, was to appoint Paul Porter, Chief of the Rent Division of OPA, as Chief Executive Officer of the War Food Administration. Mr. Porter is well known to the radio industry and was formerly Washington counsel for the Columbia Broadcasting System.

Although now called on to serve Judge Jones, Mr. Porter was the Deputy of Chester Davis when the latter was in the National Defense Advisory Commission. At that time Mr. Davis tried to get

Mr. Porter to join his staff. However, Mr. Porter's Rent Division was under fire at the time and he refused to leave. The inquiry into the rent agency revealed that Mr. Porter had held rents in line at a time when other prices soared. Mr. Porter's prestige shot up to the point where he was being seriously considered for General Manager of OPA when Judge Jones asked him to serve as Associated Administrator.

A native of Kentucky, Mr. Porter was educated at the University of Kentucky, graduating in law. He worked as General Counsel for a group of newspapers in Oklahoma and Georgia before coming into Government service with the original Agricultural Adjustment Administration where he was at first in charge of press relations, and later Executive Assistant to Chester Davis. In 1940, he took leave from his company to join the staff of the National Defense Advisory Council, as Deputy to Mr. Davis, the agricultural member of the Council, and in 1942 when the Office of Price Administration was organized, became a member of its staff.

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COWLES, NEW AFA DIRECTOR; EGOLF AGAIN V-C AD COUNCIL

Bruce Barton, former member of Congress, head of Batten, Barton and Durstine, agency handling a large number of radio accounts, was elected Chairman of the Board of the Advertising Federation of America in New York. Gardner Cowles, Jr., Des Moines publisher and broadcaster, was made a member of the AFA Board. Willard D. Egolf, Assistant to the President of the National Association of Broadcasters, was re-elected a Vice-Chairman of the Council on Advertising Clubs. By virtue of this, Mr. Egolf also serves as a Vice-President of AFA.

One of the resolutions passed urged Congress to weigh the need for new legislation "to clarify and make secure the freedom of communications against the possibility of capricious legislation."

Chester J. LaRoche, Chairman of the War Advertising Council, speaking at the Advertising Club conference on war activities, urged the advertising profession to institute powerful self-regulation through a strong structure set up by the four great media - newspapers, magazines, radio and outdoor.

"And if we don't, there is no doubt that the Government will have to do it for us", he added.

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INVESTIGATION OF FCC BY REP. COX BEGINS TODAY

The long anticipated public hearings of the House Select Committee, of which Representative Cox (D), of Georgia, is Chairman, will begin today (Friday). An air of caution prevailed in the preliminary arrangements, the Committee evidently not desiring to tip its hand on any of the details. Not even the names of the first witnesses were made public. The fact that the hearings were to start Friday was not officially stated until about 48 hours ahead of time, although preparations and even examination of FCC Commissioners and officials has been going on privately for months.

That a crowd was expected at the public hearings was shown by the fact that they are to be held in the large House hearing room which seats as many people as some movie theatres.

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ROW OVER FCC JOBHOLDERS TIES UP PAY OF THOUSANDS

Thousands of Government employees were the victims of a deadlock of the House and Senate conferees on the \$143,000,000 urgent deficiency bill who couldn't get together regarding the ousting of two Federal Communications Commission employees - Dr. Goodwin Watson and William Dodd, Jr. - and Dr. Morss Lovett, Secretary of the Virgin Islands, accused of membership in subversive organizations. The deadline for the passage of the bill was last Wednesday, June 30th. Thus the pay will be delayed for 13,000 District of Columbia employees, several hundred legislative employees and overtime pay for approximately 400,000 Federal workers.

Representative Cannon (D), of Missouri, late last night indicated that conferees expected to work out a compromise which would insure passage of the measure. He declined to elaborate on the proposed compromise except to say that it involved a change in the language of a provision cutting off three Government employees from the Federal payroll.

Mr. Cannon indicated, however, that the House which Wednesday rejected by a vote of 301 to 71 a motion to recede from its position and concur with the Senate, would not yield in its determination to see the three men named in its provision severed from the payroll.

Commenting upon the deadlock, the Washington Post said:

"The Senate did well in refusing to sanction the compromise proposal recommended by its conferees for inclusion of the Kerr amendment in the urgent deficiency appropriation bill. It is to be hoped that it will adhere to this stand despite the strong support of the amendment in the House yesterday. The issue goes

far beyond the personal interests of the three individuals whom the amendment would drive from Government service. It involves a basic constitutional principle.

"A good deal of passion has been aroused over this issue. And perhaps the passion has obscured the real fundamentals involved. We urge upon members of the House at this time a fresh consideration of the problem - not in terms of the personalities and records of the three proscribed men, but in terms of the conscientious objections raised by the Attorney General, by eminent Senators and by some of their own colleagues whose knowledge of the Constitution and devotion to its principles must command their respect.

"Let us set aside any legalistic wrangling as to the technical constitutionality of the Kerr proposal. The fact remains that it is a method of penalizing specified individuals for certain opinions which they are alleged to have held long ago. As such, it is repugnant to the spirit of our most valued traditions. Even if Congress has authority to follow such a course, it is unbecoming to its dignity to do so. The procedure is stamped with the hallmark of pettiness."

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KEEP YOUR RADIO TURNED ON IN AIR RAID, OCD ADVISES

Disapproval of the blackout practice of throwing master switches, thus shutting off elevator service, radios, refrigerators, pumps and ventilating equipment in many large buildings, was expressed today by James M. Landis, Director of Civilian Defense.

The question raised in connection with radios and its answer follows:

Q. Are radio receiving sets permitted to be used during periods of blackout (BLUE) or air raid (RED)?

A. Yes. Upon the sounding of any air-raid signal, keep your radio receiver tuned to the radio station for your area to receive intermittent official announcements or bulletsin. Any light (dial or tube) emitted by the receiver must, of course, be obscured.

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Gracie Fields and her "Victory Show will switch to WOR and the Mutual Network, starting Monday, (October 11).

The 15 minute programs to be heard five times weekly at 9:15 on a station lineup numbering between 150 and 200 outlets - will be under the sponsorship of the American Cigarette and Cigar Company, Inc., for Pall Mall Cigarettes.

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SENATE AIDS OWI BUT IT IS STILL SHOT FULL OF HOLES

Although the Senate did not concur with the House in lopping off the entire \$8,000,000 Elmer Davis had asked for its Domestic Branch, the Office of War Information is still a No. 1 casualty of the Battle of Washington. At this writing the conference report has not been made but it looks as if the Domestic Radio Bureau, which has a chance of getting about \$800,000 fared pretty well considering what happened to some of the other bureaus.

The Senate voted \$3,561,499 for OWI domestic operations and the conferees agreed yesterday to a reduction of \$811,499 from the Senate figure which the conferees admitted unhesitatingly will allow only partial OWI operations at home in the next 12 months.

Thus the total OWI appropriation in the 2 billion 900 million dollar War Agency spending bill would be reduced to \$33,155,993, compared with \$47,342,000, the amount of the new appropriation which the agency demanded of Congress early in 1942. Senator O'Mahoney (D), of Wyoming, tried to raise the domestic operations appropriation to \$5,550,000 but was beaten 40 to 34.

By beating the O'Mahoney amendment, the Senate restricted the Domestic Branch funds to these purposes: For the Director's office, \$125,000; Program Co-ordination, \$225,000; News Bureau, \$900,000; Bureau of Special Services, \$950,000; Radio Bureau \$811,499, and motion picture bureau, only \$50,000 to maintain liaison with Hollywood. All this, however, must be passed on and approved by the House.

Senator Tydings, (D), of Maryland, led the fight against adding to the sum the Appropriations Committee had recommended, directing his fire chiefly at the field offices. The increased amount failed, despite the support of Minority Leader McNary of Oregon, who expressed full confidence in the ability of Palmer Hoyt, new head of the Domestic Branch of OWI. Senator McNary pointed out that Mr. Hoyt, who comes from Oregon, was Managing Editor of one of the oldest Republican newspapers in the West.

When Majority Leader Barkley made the same argument, Senator Taft (R), of Ohio, asked what assurance the Senator could give that Elmer Davis or Mr. Hoyt would not resign. Senator Taft argued there was danger in basing appropriations on confidence in individuals.

Senator McKellar (D), of Tennessee, in charge of the bill, praised OWI officials for the showing they made before the committee, and Senator Mead (D), of New York, spoke in defense of the agency.

Elmer Davis appeared uncertain as to the extent to which his agency, in view of appropriation cuts, could carry on, but stated flatly he would not resign unless effective readjustments were found to be impossible. Mr. Davis had an interview with President Roosevelt at the White House yesterday.

Handwriting was seen on the wall of the beginning of the end of a large part of OWI domestic activities when Mr. Davis disclosed that orders have already been issued to close 58 branch and regional offices located in every State except Wyoming, Nevada and Idaho. The liquidation, involving 330 employees, is to be completed by July 15.

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FCC WAR RADIO ACTIVITIES ASSAILED BY MILITARY UNITS

The opening gun at the Cox FCC hearing this (Friday) morning was that the War and Navy Departments, charging that radio intelligence activities of the Federal Communications Commission have endangered military radio intelligence, have unsuccessfully asked President Roosevelt to give the right-of-way in this field to the military.

The Joint Chiefs of Staff, through Admiral William D. Leany, recommended in February the issuance of an Executive Order transferring FCC's "functions, powers and duties" in radio intelligence to the military services.

A letter from the Admiral, dated February 1st, read in part:

"Information obtained through the FCC through its own radio intelligence activities is not, in the military sense, secure, due to inherent tendencies toward publicity of FCC activities, use of non-secure methods of reporting and correlation, and the necessarily close relationship of FCC military intelligence activity with other phases of the agency's work."

"Because of the essential differences between military and FCC standards and methods, it has not been possible to integrate their information, with the result that the attempted duplication by the FCC of work that is being more effectively done by the military has in fact endangered the effectiveness and security of military radio intelligence."

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MEDIATION FLOPS AS PETRILLO ORDERS PERMANENT BAN

The Government move in New York Thursday to mediate the controversy between James C. Petrillo, President of the American Federation of Musicians, was a complete flop. As reported by Jack Gould in the New York Times, the session ended in 15 minutes when Mr. Petrillo announced that the union no longer was interested in negotiating a settlement and intended to stop the transcription industry permanently.

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Mr. Petrillo minced no words in detailing his position.

"We're not going to make any transcriptions at any cost or at any price", Mr. Petrillo said. "I told the companies, 'We're not going to make transcriptions for you at all any more because you haven't anything we want.'

"The guy really getting rich - it isn't the transcription company - is the radio station using the transcriptions and he's the guy we can't reach.

"The transcription people tell us that their gross business is \$4,000,000, that they pay musicians \$1,100,000 and that their net is \$250,000. The companies can't give up anything. If they gave us their entire gross it's still small peanuts to the federation."

Asked if he would not leave himself open to charges of blocking mechanical progress, Mr. Petrillo replied:

"Yes, I know, but we can't get at them (the radio stations) any other way. We've got to go to the source. The only thing we can do is stopp the transcription."

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MRS. T. P. LITTLEPAGE, WIDOW OF RADIO COUNSEL, PASSES

Mrs. Thomas P. Littlepage, widow of Thomas P. Littlepage, a pioneer radio lawyer of Washington, who died last Sunday was buried Tuesday in Rock Creek Cemetery. As in the case of Mr. Littlepage, who was one of the National Capital's outstanding citizens and former President of the Washington Chamber of Commerce, the Rev. Dr. James Shera Montgomery, Chaplain of the House of Representatives officiated at the funeral services. Dr. Montgomery and the Littlepages were all from Indiana.

Mrs. Littlepage, who was 63 years old, was born near Evansville and came to Washington more than 35 years ago. She had been living on the Littlepage farm at Bowie, Md., one of the finest estates in that part of the country for the last 25 years.

She is survived by three sons, Lt. Thomas P. Littlepage, Jr. who is in the Navy Department here; James H. Littlepage, an attorney in Richmond, Va., and John M. Littlepage, himself well known as a radio counsellor and a member of his father's law firm, and two daughters, Mrs. Willard L. Hart and Mrs. William B. Fletcher, Jr., both of Bowie.

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FDR MYSTIFIES BY WITHDRAWING PAYNE NOMINATION

At this writing (Friday noon - July 2) there was still considerable mystification with regard to the withdrawal of the renomination of George Henry Payne for a third term as Commissioner of the Federal Communications Commission. Mr. Payne is a Republican and in 1912 served as campaign manager for President "Teddy" Roosevelt. The President sent Mr. Payne's nomination to the Senate Thursday and the fact that he withdraw it 24 hours later on the eve of the beginning of the Cox FCC investigation, caused considerable speculation. Representative Cox said that Mr. Payne would be called upon to testify. There was confirmation of the report that charges would be made against Mr. Payne at the Cox hearings.

"Any FCC Commissioner who doesn't have charges made against him at that investigation will be lucky", someone observed.

There were two big question in the mystery.

1. Why, if the President intended to drop Payne on July 1, did he send his renomination to the Senate on June 30?

2. Why did the President intend to drop Payne from office - a move automatically effected by withdrawing the nomination, since the Commissioner's term expired midnight Wednesday.

On the first question informed officials generally, but not unanimously, speculated that the nomination went to the Senate by an outright clerical error on the part of the White House secretarial staff. The suggestion was that with Payne's term expiring at midnight, the nomination was railroaded with a batch of other names, without the President's noticing and that the President had promised the position to someone else.

On the second question the White House silence let down the bars for a storm of speculation, ranging from the tantalizing question of office politics within the FCC, to more lavish issues of high political policy.

Payne was understood to have the indorsement of the two Senators from his State, Senators Wagner and Mead of New York, both Democrats and staunch supporters of White House policy.

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URGES WLB TO REVIEW SAN FRANCISCO RADIO RULING

The National Association of Broadcasters has urged the San Francisco regional War Labor Board to reject an arbiter's award which stated that the job of a radio technician was the same no matter where he worked.

Award was made by George Cheney of the U. S. Conciliation Service, sitting as an arbiter in a wage dispute between Station KPAS, Pasadena, California, and the International Brotherhood of Electrical Workers, Local 40. It was subject to review under Executive Orders 9250 and 9328 by the War Labor Board.

The NAB brief was filed at a Board hearing in Los Angeles.

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WOR TO PRODUCE WEEKLY EXPERIMENTAL TELEVISION SHOWS

One of the many problems faced by radio stations today is the future of television, its programming possibilities, commercial aspects, visual problems, size of production groups, script limitations stagecraft and many others, a WOR release states and continues:

"In a comprehensive endeavor by WOR executives to answer these questions, the Station's Program Department will produce and present a series of experimental television shows.

"Facilities of the Du Mont Television Station W2XWV at 515 Madison Avenue will be used once a week to televise WOR's programs, but there will be no other connection between the two organizations. At present it is expected that the hour-long telecasts will be presented every Tuesday evening starting July 12.

According to Theodore C. Streibert, Vice President of WOR, this will enable the staff to familiarize itself with the demands and techniques of this new medium."

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WJZ AND BLUE EXPAND INTO RITZY NEW QUARTERS

Because of expansion in several departments, various members of the Blue Network staff of Station WJZ will move on July 1 to new quarters on the second and fourteenth floors of the RCA Building from their present quarters on the third floor.

With the move to the second floor, WJZ will have separate quarters for the first time, instead of using the same rooms occupied by the Blue. Among those who will move to the WJZ quarters are John H. McNeil, Manager; John Hade, Commercial Program Manager; Slocum Chapin, Acting Sales Manager; Tom Ellsworth, Sales Promotion Manager; Joseph M. Seiferth, Audience Promotion Manager; and Luellen L. Stearns and Stuart MacHarrie, salesmen.

Those of the Blue Network staff who will move with their respective assistants to new offices in another part of the building on the second floor include Dr. H. B. Summers, Director of Public Service; Grace Johnsen, Director of Women's Activities; Stanley Florsheim, in charge of local cooperative programs; and Alma Kitchell women's news commentator.

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 ::: TRADE NOTES :::
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A booklet has just been issued "How RCA Electronic Television Brought Sight to Radio" with the subtitle "Historic Steps in the Evolution of Electronic Television Created by RCA Laboratories."

The Federal Communications Commission has granted the application of Port Arthur College (KPAC), Port Arthur, Texas, to increase power on 1250 kilocycles from 500 watts using directional antenna at night, to 1 kilowatt unlimited time, and to make changes in the directional antenna for nighttime operation, subject to the condition that no interference will be caused in contravention of the terms of the North American Regional Broadcasting Agreement.

The NBC Symphony, conducted during the Winter season by Arturo Toscanini and Leopold Stokowski, 5 to 6 P.M. Sundays, will be sponsored commercially on a year-round basis by the General Motors Corporation.

Just prior to this CBS made it known that it had signed a three-year contract with the Philadelphia Orchestra, conducted by Eugene Ormandy, for a series of concerts from 1 to 2 P.M. Saturdays, beginning Oct. 2.

The Commission has amended its Part 42 of the Rules and Regulations to permit domestic wire telegraph carriers to destroy copies of both domestic and international messages in their custody in the continental United States after a lapse of three months from the date of filing, instead of twelve months as heretofore required. This applies only to domestic wire telegraph carriers and copies of all international messages are still to be retained by the international carriers in accordance with the Commission's present regulations.

The Federal Communications Commission on Wednesday extended until January 1, 1944, the date by which 50 independent telephone companies must file statements of their proposed methods for keeping certain accounting records. The Commission said that meanwhile it would call a conference on the order, probably in the latter part of July.

The delay was requested by the United States Independent Telephone Association and by two independent companies, the Nebraska Continental Telephone Co. and the Home Telephone and Telegraph Co. of Fort Wayne, Ind.

The FCC also authorized R. C. A. Communications, Inc., to intervene in proceedings on the application for merger of the Western Union and Postal Telegraph Companies.

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No. 1543

TAFT BLAST SEEN TROUBLE FOR FCC FROM NEW QUARTER

A shot across the bow by Senator Bob Taft (R), of Ohio, proposing that Congress curb the Federal Communications Commission, brought a heavy hitter into the scrap who may cause plenty of trouble for the Commission. Mr. Taft, whose family own Station WKRC in Cincinnati, and the Cincinnati Times-Star and who is still talked of as a possible presidential nominee, declared that the Supreme Court had gone entirely too far.

"It is my belief that this opinion threatens freedom of speech in the United States unless it is corrected by legislation," Senator Taft said.

"In my opinion the Congress should proceed at once to amend the Federal Communications Act to define precisely the limitations of authority to be conferred on the Federal Communications Commission. The senior Senator from Maine (Mr. White) and the senior Senator from Montana (Mr. Wheeler) have introduced a bill to carry out this purpose. They are experts on the question, and are familiar with the intent of the former act. I hope that hearings may be held immediately upon the proposed bill, and that Congress may consider it immediately upon its return from the recess. In the meantime, the regulations should be suspended until the whole problem can be considered by Congress. Only in that way can we defend ourselves against the most serious infringement on the right of freedom of speech in the United States which has occurred since the Bill of Rights was adopted."

Senator Taft said that if rules to prevent monopoly in the network field are to be added, they should be made by Congress and not by the FCC. Senator Taft took up the cudgel for the newspapers saying the present administration has shown no concern for the freedom of the press and added:

"No doubt the Associated Press could secure the dismissal of the suit, if they were willing to run their business as the Department of Justice or some other New Deal agency thinks that the distribution of news should be run."

"From the time that the President traveled publicly all over the United States without a word appearing in the newspapers, the people have lost confidence in the accuracy or completeness of any news. Such a condition is not freedom of the press."

"While all the FCC policies indicate that the administration has no real interest in freedom of the press in this country, the ingrained insistence of our people upon that freedom has prevented any great progress toward actual suppression of the freedom of newspapers and magazines. Publications still represent every

shade of opinion among the people, and anyone with a real message can find a newspaper or magazine to print it. There is as yet no Federal agency in control of the press, and there is as yet no Federal bureau which licenses the press.

"But what is true of the newspapers is no longer true of the radio, and the radio is an even more important instrument of free speech than the newspaper. In the broadcasting case the Federal Communications Commission undertook to issue regulations assuming complete control of all the relations between the local broadcasting stations and the networks and breaking down the network system which has grown up in recent years. The Commission did this under the Communications Act of 1934, not by direct regulations of chain broadcasting but by using its power to refuse licenses to local stations. These regulations provided that no license should be granted to any station having a contract with a network which provides that it shall only broadcast the programs of that network, or a contract which provides that other stations within the area cannot use the network's programs. Licenses are to be denied to any station having a contract with a network for more than 2 years, or giving the network options on more than a very limited period of time. The Commission will refuse licenses to any local station which does not retain the complete right to reject any program in its own discretion, or which agrees that it will not undercut its network rates for national advertisers who come to it directly.

"It seems obvious that if licenses can be denied for violations of regulations of this kind, they can be denied foremost any method of conducting the local radio business of which the Commission does not approve. If these regulations are valid, then local stations are subject to almost any rules which the Federal Communications Commission sees fit to make. The Court held that these regulations were valid, and the majority decision of Mr. Justice Frankfurter is broad enough to justify any regulation which is not completely arbitrary."

"In other words, it is declared that control of what reaches the American people over the air has passed from the American public into the hands of an all-powerful Commission, whose edicts are final and conclusive, and which exercises powers as complete as those existing in many foreign countries."

"The protection of the network system has been commercial advertising. By this means it has been possible for the broadcasters to send over the air programs that represent millions of dollars of expenditure. But if that expenditure is to be justified, the advertiser must be guaranteed an audience sufficiently large to make the expenditures worth while.

"But the regulations which have been upheld prevent any network from guaranteeing to an advertiser any of the affiliated stations; in fact, they destroy the whole system of affiliated systems. A majority of a seven-man board has decided that the present network system is entirely wrong, and, without consultation with Congress, has undertaken a compulsory restriction which may well destroy these systems."

JESSE JONES BANGS BACK AT WALLACE ON QUARTZ CRYSTALS

Secretary of Commerce Jesse Jones replied Texas fashion to the charges of negligence by Vice-President Wallace that the former had mishandled the quartz crystal situation. Said Secretary Jones:

"Vice-President Wallace states: 'For two years now Brazilian quartz crystal, essential element in airplane, tank and submarine radio sets, has been in critically short supply.'

"This statement is misleading. There has been no actual shortage. All consuming demands have been met. There is now a large stockpile in Government hands, which is increasing. RFC's sales of quartz crystal to manufacturers during the last three months have been the smallest in more than a year, in part because the demand for this material is levelling off, and in part because consumers hold ample stocks.

"Morris Rosenthal, head of the BEW Imports Office, cabled to the BEW representative in Brazil on May 27th saying 'stock position here is such that it is not necessary to reach for quartz in Brazil at present'; and on June 26th BEW wired its representative in Argentina that the quartz crystal situation is easier and that therefore the examination of an Argentine deposit was not warranted.

"Mr. Wallace states that during 1941 and early 1942 the RFC agent in Brazil 'bought 2,000 tons of crystals.....without checking to see whether they were of the quality needed and paid for' and that over 85% of them were not. Mr. Wallace says the Government lost between two and six million dollars. Those statements are largely incorrect, and deliberately misleading.

"RFC purchases to April 13, 1942, amounted to approximately 1600 tons. The cost of this material was \$7,750,000.

"During the period in question, RFC purchased all of the quartz crystal available in Brazil, whether of good grades or poor, under an arrangement with the Brazilian government to prevent any crystals from reaching Axis sources. Instead of more than 85% being of no value, however, between 35 and 40% of the 1600 tons are suitable for radio use (which is the normal recovery based on the experience of private importers). It is estimated and our opinion that no loss will be sustained by the Government on the material in question. This result has been brought about by the technical discovery that much material previously considered unusable can be fully utilized. It is therefore fortunate that RFC bought the entire output, good and poor.

"Mr. Wallace refers to a commission of $1\frac{1}{2}\%$ having been paid the RFC agent on his gross purchases. The following are the facts:

"In May 1941, the RFC with the cooperation of the State Department, entered into an over-all purchase agreement with the

Brazilian Government covering twelve strategic and critical materials of Brazilian production. Under this agreement the Brazilian Government issued a decree confining the exportation of these materials to the United States, and the RFC agreed to purchase all of such materials at prices agreed upon. Due to the fact that considerable quantities of these materials were at that time being exported to Germany, Italy and Japan, quick action had to be taken in order to stop this traffic. Rather than attempt quickly to set up a buying organization in Brazil, we decided that both time and money could be saved by employing a capable American firm, experienced in the business of importing metals, to handle this business for us. This we did, paying a commission of 1½% which was less than we could have done the work for ourselves and is far less than it is costing the BEW at the present time.

"Mr. Wallace also states that RFC refused to 'relax its restrictions' on the purchase of quartz crystal, because 'we didn't need quartz enough to pay more for it.' This statement is not true. RFC did not refuse to relax its restrictions. It merely asked BEW for certain information before it acted.

"Starting in October 1942, RFC has purchased in the United States, under BEW directive, \$2,500,000 in scarce equipment for shipment to Brazil to be used in mining quartz, mica and tantalum, but predominantly for quartz. These minerals have usually been produced by hand labor, but BEW thought production could be increased by mechanizing operations with bulldozers, tractors, compressors, rock drills, etc. In addition to the aforesaid equipment bought in this country and shipped to Brazil, substantial amounts of such machinery have been bought in Brazil by RFC, under directive of BEW.

"We are advised that much of this machinery has not been put to work, but is lying idle and rusting. Considering that this equipment is vital to our war effort, the loss cannot be measured in terms of wasted money alone. Notwithstanding this and the fact that much of the machinery already on hand is not being used, BEW continues to direct RFC to buy additional machinery and equipment.

"May 12, 1943, BEW's Brazilian representatives estimated that exports of quartz crystal during the second half of 1943 would average 113 short tons a month. This compares with an average of over 160 tons a month during the first year RFC bought quartz in Brazil, and before BEW had sent 100 or more engineers and purchasing agents to Brazil and had directed RFC to buy so much machinery."

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With new business sales soaring 60 percent over last year's total, WOR has exceeded in dollar volume every June in the history of the station, according to Eugene S. Thomas, WOR Sales Manager. The new business gain led the way to a 26 per cent rise in total business over June of 1942.

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PETRILLO SAYS WILL NOT PULL A JOHN L. LEWIS WITH WLB

James C. Petrillo, President of the American Federation of Labor, having recently poop-pooed John L. Lewis as more or less of a piker, there is considerable speculation as to whether he will not employ the Lewis tactics with the War Labor Board before which he has been summoned to appear today (Friday). Madam Perkins, Secretary of Labor certified the case to the WLB after Mr. Petrillo calmly declared in New York that he thought the electrical transcription business should be permanently discontinued. Mr. Petrillo has already denied any intention of doing this but nevertheless didn't show much enthusiasm about the latest Government hearing though he did say that either he or his counsel Joseph Padway would attend today's session.

The threat of Mr. Petrillo which, if carried out, would virtually destroy a well-established industry, caused an immediate outburst from the press which already has panned the little music czar repeatedly. Also it should be noticed that the newspapers have been taking up the cudgel more and more frequently of late.

"The Administration, Congress and the Supreme Court have among them placed in the hands of James Caesar Petrillo the power to force practically every musician in the country to join his union", says the New York Times. "They have placed in his hands the power to tell these musicians when and how and whether or not they can make recordings. They have placed in his hands the private arbitrary power to tell the American people what music they can and cannot hear. They have placed in his hands the power to boycott and thereby the power to ruin theatres, restaurants, concert halls, transcription companies and radio companies that do not do his bidding.

"They have given to Petrillo and every other labor leader a special exemption from the anti-trust and anti-conspiracy laws, a special exemption even from the anti-racketeering laws. They have put labor leaders, as such, above the laws that apply to everyone else. And then they are amazed and hurt and horrified when these labor leaders proceed to make use of the legal immunities that they have been at such pains to shower upon them."

"Several months ago, in the course of hearings before a Congressional Committee, Mr. Petrillo was reported to have assured Senator Wheeler that the Union did not intend to wipe out an industry", the Washington Star declared. "At the time, Senator Wheeler said that such a move would be met by prompt Congressional action. Now, however, Mr. Petrillo has changed his mind, and has served notice on the transcription industry to prepare for summary execution. It remains for Congress to say whether the sentence is to be carried out."

"As the law is now interpreted by the Supreme Court, there seems to be no means of restraining Petrillo", the Washington Post concludes.

"Seven transcription companies have requested that the dispute be certified to the War Labor Board. But it seems doubtful whether the WLB can cope with this sort of a racket. Legislation is needed to prevent the enforcement of monopolies that destroy trade and encroach upon Government regulation, whether those monopolies are operated by business or labor groups. Congress has been incredibly slow in meeting this challenge. We do not see how even the comic-opera atmosphere surrounding Mr. Petrillo's antics can longer stay the hand of Congress in meeting this menace to free enterprise."

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SAYS FLY WENT HAYWIRE ON MONOPOLY CHARGES

Expressing the opinion that James L. Fly, Chairman of the Federal Communications Commission overshot the mark in accusing the Cox Congressional Committee and ranking military leaders of playing into the hands of Wall Street and the "radio monopoly", the Washington Evening Star, owners of Blue network Station WMAL, says:

"Had Chairman Fly of the Federal Communications Commission chosen to issue a factual statement protesting against the designation of Representative Cox of Georgia to serve as Chairman of a House Committee investigating the FCC, there would have been a very considerable body of public opinion to support his position.

"On the known facts of this case, it seems clear that the selection of Mr. Cox to head this investigating committee was an unfortunate one, since Mr. Cox is an avowed antagonist of the Commission and all its works. Some time ago the FCC filed a complaint with the Department of Justice, alleging that Mr. Cox, in violation of law, had accepted a fee for representing a radio station before the Commission. Mr. Cox denied that there had been any law violation, and the Department of Justice, after an investigation, concluded that there was insufficient evidence to warrant a prosecution.

"In these circumstances, even though the Justice Department's decision be viewed as an exoneration, it is regrettable that the investigation of the FCC should have been turned over to a committee headed by Mr. Cox."

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WHEELER ASSURES GOOD FCC GOING OVER IN FALL

As a direct result of Senator Taft's blast at the Federal Communications Commission, Chairman Burton K. Wheeler (D), of Montana, of the Senate Interstate Commerce Committee, reassured inquirers that the FCC inquiry in connection with the White-Wheeler bill to redefine the powers of the Commission would be taken up

immediately after the Congressional recess two months hence and would be thorough.

Senator Wheeler said he is in accord with a proposal by Senator Taft (R), of Ohio, that Congress - and not the FCC - write the specifications for Government restraints on radio.

He made it clear, however, that he did not agree fully with Senator Taft's contention in the Senate that FCC regulations point toward ultimate "destruction" of the radio networks and the limitation of their freedom of expression.

"I am in favor of free speech", Senator Wheeler told an interviewed, "but I don't want that freedom to be regulation by a couple of chains that are owned and controlled by large financial interests in New York which have been guilty in the past of filling the air with propaganda on foreign policies with which they agree."

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SENATE ADJOURNS WITHOUT HEARING FURTHER ABOUT PAYNE

The Senate adjourned for its Summer recess without hearing anything further regarding the nomination of George Henry Payne, Republican, to the Federal Communications Commission, which was withdrawn by President Roosevelt 24 hours after it had been sent to the Senate. There were several versions of why the President might have changed his mind. One was that Speaker Sam Rayburn and Democratic Leader John McCormack had suggested to Mr. Roosevelt that it was a slap in the face to the Cox Committee to send up the renomination of Mr. Payne as a member of the Commission while the investigation was still going on. Another was that Mr. Payne was anti-Semitic, which Payne answered by pointing to the fact that he had had a Jewish secretary for the past nine years.

Still another reason was that Mr. Payne had sided with the Dies Committee in voting to oust FCC employees Dodd and Watson.

Mr. Fly told a press conference this week he had not recommended the canceling of the nomination, although he did visit the White House Thursday morning. It was an "off-the-record" visit, he said.

"I did not know that day why the nomination had been withdrawn. I have since learned something about it. I do not undertake to assign any reasons for the withdrawal of the name. I know I do not know the reasons. I knew nothing about it until I arrived at the White House that morning and the action had been taken."

Chairman Fly, answering a question, said that it was hardly appropriate to say much about it, but added that it was a matter of public record that Payne had voted "with me and a majority here consecutively, and he had supported most of the policies I had supported."

When Mr. Payne himself was asked today (Friday) if he could aid in clearing up the mustery, he said:

"I don't know a thing - honestly I don't - I am just as much in the dark as you are."

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PRESIDENT SEEN BACKING COX-FLY SLUGFEST

Seasoned observers expressed the opinion that Chairman James L. Fly of the Federal Communications Commission would have been the last man in the world to strike back at Representative Cox as he has done three times since the Capitol Hill FCC investigation began if he had not had the personal backing of the President. It was argued that Mr. Fly, a Government career man, would never make such a mistake as that. Proof that Mr. Fly was in close touch with the President was the former's recent "off-the-record" visit to the White House.

Also the President was charged with not allowing the Army and Navy officers to testify last Friday at the opening Cox hearing. Furthermore at the hearing the War and Navy Departments by direction of President Roosevelt refused to turn over to the Cox committee certain documents it had requested to support charges that the FCC was interfering with intelligence operations of the armed forces.

Mr. Fly's latest attack was not confined to Mr. Cox but a letter addressed to Committee members in which he criticized sharply "the extremity and unfairness" of procedure followed by the Committee.

He cited the charges against the FCC made public last week by Eugene Garey, committee counsel, and asked whether the committee had "already concluded" to accept the charges as its own findings.

In a series of 12 questions, to which he asked a committee reply, Mr. Fly asked whether the Committee authorized publication of "those conclusions of its Wall Street counsel", and demanded whether the FCC would be given a hearing before Congress takes its proposed Summer recess.

Mr. Fly asked whether the Committee's "Wall Street lawyer" would continue closed hearings and refuse FCC permission to obtain transcripts.

In his final question, Mr. Fly asked assurance that FCC attorneys would be given an opportunity to cross-examine witnesses to guard against "falsehood and distortion".

Mr. Fly was asked who gave the FCC Investigating Committee the letters it made public last week, including one by Admiral William D. Leahy, Chief of Staff to the Commander in Chief.

"I have an idea", said Mr. Fly, but I do not think it is a question on which we ought to make any statement."

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DAVIS IN ECLIPSE AS PUBLISHERS AID IN REVAMPING OWI

With Elmer Davis still undecided as to whether or not he will resign an Advisory Committee of nine of the most prominent publishers and broadcasters in the country have volunteered to serve as an Advisory Committee in trying to help Palmer Hoyt, a Republican, West Coast publisher and broadcaster, put the $2\frac{1}{2}$ million dollars to the best possible use and if possible save at least the face of the Domestic Branch of OWI.

Mr. Hoyt said he will also meet with various heads of newspapers, magazines, and radio stations in the next 10 days to discuss OWI's problems.

The Committee, which will have its first meeting July 13, consists of Roy A. Roberts, Managing Editor, Kansas City Star; Lawrence L. Winship, Managing Editor, Boston Globe; George W. Healy, Jr., Managing Editor, New Orleans Times-Picayune; Paul Bellamy, editor, Cleveland Plain Dealer; Mark Ethridge, Editor and Publisher, Louisville Courier-Journal; Gardner Cowles, Jr., Editor and Publisher, Des Moines Register and Tribune; Fred Gaetner, Jr., Managing Editor, Detroit News; Wilbur Forrest, Editor, New York Herald Tribune, and H. D. Paulson, Editor, Fargo Forum.

Mr. Hoyt was quoted as saying that $2\frac{1}{2}$ million was "a pretty small amount to operate a war agency" but Representative Taber (R), of New York felt differently saying:

"The \$2,750,000, in my opinion, is too much. On the other hand, we have got to get to a compromise on things if we are going to get legislation. We have eliminated entirely all propaganda in the United States. There are some sections in the OWI that, in my opinion, could be eliminated or cut down very materially. It will be up to Mr. Hoyt, the new Director of the Domestic Branch, to coordinate this situation and clean it up. I believe that our compromise has had to be made not on the basis of needs but on the basis of providing some jobs for some of those fellows who are in there. I hope that Mr. Hoyt, the new Director, will take that into consideration when it comes to cleaning that situation up and that he will eliminate those who are absolutely worthless and get rid of them. That is what he has to do if he is going to make a success of it, there is no other way. I have yielded on this \$2,750,000 largely as a result of the importunings of the gentleman from Indiana, who has been a great compromiser, but I still think it is up to Mr. Hoyt to save at least a million and a half out of that \$2,750,000 if he cleans the thing up and gets rid of the unnecessary help, as I believe he should."

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Dean Studios, Omaha, Nebraska, are charged in a complaint issued by the Federal Trade Commission with misrepresenting the quality, price and terms of sale of the colored photographic enlargements and frames they sell via newspaper, periodical and radio advertising.

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FCC EMPLOYEE BILL TYING UP THOUSANDS PAY UNSIGNED

The 143-million dollar Urgency Deficiency Bill carrying two controversial amendments, one providing for the removal of Dr. Goodwin Watson and William Dodd, Jr., of the Federal Communications Commission, and Dr. Robert Lovett of the Virgin Islands, and the other providing for limitation of the President's Emergency Fund remained unsigned as Congress kissed Washington good-bye. President Roosevelt said at his press conference this morning (Friday) that the bill had not yet reached his desk.

Hereafter, these White House conferences are to be known as "Press and Radio Conferences" due to the fact that the broadcasting industry is now represented at these gatherings.

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LOWELL MELLETT RESIGNS AS OWI MOVIE CHIEF

Elmer Davis, Director of the Office of War Information, today announced that Lowell Mellett has resigned as Chief of the Motion Picture Bureau, Domestic Branch.

Mr. Mellett's resignation, effective July 15, was due to budget reductions made by Congress in appropriations for the Domestic Motion Picture activities of OWI, which virtually eliminated all of the activities of the Bureau as presently constituted.

As to future OWI activities in the Motion Picture field, Elmer Davis stated:

"Our funds will not permit any production of motion pictures by OWI for domestic use. We will, however, continue to discharge our responsibility for the coordination of Government films and for liaison between the Government and the motion picture industry.

"We are indebted to Mr. Mellett for the establishment of cordial and satisfactory relations with the industry, which we hope may continue.

"Within a week or 10 days Palmer Hoyt, Director of Domestic Operations, and I hope to sit down with the heads of the motion picture companies and discuss plans for our continued cooperation."

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FCC TO PROBE CHARGES ON RADIO, WIRE PICTURES

The Federal Communications Commission has ordered an investigation into the legality of charges for interstate and foreign transmission of photographs by wire and radio. A hearing was set for August 11, and each carrier furnishing such service was made a party to the proceeding.

The Commission said that it would serve a copy of the order on the Office of War Information.

At the same time, the Commission denied the request of Press Wireless, Inc., for special temporary authority to provide radiophoto service between New York and Berne, Switzerland, to commercial users. It also suspended until October new rates filed by Press Wireless which would revise the tariff schedules for radiophoto reception service furnished at New York and Los Angeles by putting the charges on a time basis. A hearing on the lawfulness of the proposed new tariffs was ordered.

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CALLS GARDNER COWLES ONE OF OWI'S "FORCES OF SANITY"

There have been quite a few tributes to Gardner Cowles, Jr. the latest being from Representative Halleck (R), of Indiana, who said, addressing Congress:

"In connection with the effort to terminate the domestic activities of OWI, it is consistent to make it a matter of record that this bipartisan move has no connection with the resignation of Gardner Cowles, Jr., of Iowa, as Director of the Domestic Bureau. Mr. Cowles agreed to stay until June 1943, and no longer, when he was drafted by the President personally 1 year ago. His resignation and the selection of Palmer Hoyt, of Oregon, as his successor were announced before the OWI appropriation came out of committee.

"During his year here Mr. Cowles was one of the forces for sanity in OWI. Members will recall that he was opposed to the radical pamphleteers in OWI. They fought him back, but it is of lasting credit to Mr. Cowles that he succeeded in divorcing a dozen or more of them from the OWI payroll. Perhaps a check-up would reveal that they were immediately hired by some other New Deal agency, for that seems to be the procedure when any reforms in personnel in any given bureau are accomplished. Our war effort would be speeded up if men like Gardner Cowles, Jr., were held here and given more authority to do a job."

Drew Pearson had this to say about Mr. Cowles:

"Gardner Cowles, who kept denying he would resign from OWI and help Willkie's campaign, finally is willing to admit it. After a holiday in the Minnesota lake country, he will become brain truster for Wendell Willkie . . . Cowles makes three predictions about the 1944 campaign . . . If Willkie can get the Republican nomination without splitting the party, he will be the next President. . . The Republican strategy will be to wage the campaign on domestic issues, avoiding international question. . . The food shortage will be a leading political issue in the coming campaign."

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HOOPER CHARGES REVIVE STORY FLY HAD ADMIRAL RETIRED

The bitter reply of Chairman James L. Fly to the criticism of him by Rear Admiral S. C. Hooper, U.S.N., Retired, revealed by the Cox FCC Investigating Committee, revived the old story that Mr. Fly was instrumental in having Admiral Hooper retired. Also that the feeling had become so bitter between the two men that when the Admiral called on Fly socially, the latter never returned the call.

At any rate the Cox-Hooper-Fly joust bares another Administration squabble which can't be pleasing to the country at large. Admiral Hooper charged Mr. Fly, among other things, of pre-war opposition to wire-tapping and to banning Japanese broadcasts in Hawaii, which might have prevented the Pearl Harbor disaster. Also that the FCC Chairman devoted too much time to trust-busting instead of tending to his other duties. Mr. Fly retorted to the Cox Committee which sprang the Hooper accusations that "If such a committee can be depended on to give us an opportunity, we will prove each of the Hooper charges false."

In its leading editorial Monday morning, the Washington Post, which has consistently denounced Representative Cox, said:

"The Army and the Navy have made it clear that they do not intend to take part in Representative Eugene Cox's smear campaign against the Federal Communications Commission. The Cox Committee resurrected a denunciation of the FCC, prepared more than a year ago by Rear Admiral Hooper (retired), and published it with great fanfare as representing an official Navy view. It also dug up some notes on the Hooper document, written by an Army officer, and described them as 'corroborative'. But the Navy Department has now declared succinctly that the Hooper memorandum 'was not an official statement by the Navy and expressed the personal views of Admiral Hooper'. The Army said: 'The notes do not express the view of the War Department, but merely this officer's own comment.'

"The incident affords insight into the ethical level upon which the Cox Committee inquiry is being conducted. But it should occasion no surprise. For nothing better than this can be expected of a Congressman whose ethical values permit him to head an investigation of an agency in the defamation of which he has a direct personal interest. The FCC long ago presented to the Department of Justice evidence showing that Congressman Cox had accepted a \$2500 fee for representing a Georgia radio station in proceedings before the Commission.

"It is apparent that Congressman Cox is now using his legislative office to implement his personal vindictiveness against the FCC. This affront to elementary principles of justice is made possible by the callousness of his own colleagues in the House of Representatives and by the pusillanimity of the Attorney General of the United States. It rests upon members of the House to remove Eugene Cox from the investigative post which he has so flagrantly abused. They now have a chance to do so as a result of his appeal to the House for fresh instructions. It rests upon the Attorney General, likewise, to present to a grand jury the evidence now in his possession that Cox has violated Section 113 of the Criminal Code by acting on behalf of a private client before a Government agency while he was a member of the national legislature.

"Until the House or the Attorney General can be roused to a sense of responsibility, the Cox investigative farce may be expected to continue. But its long-term effects may not be so laughable as this latest bombshell which exploded in Cox's face. For they will cast a shadow upon the whole system of congressional inquiry and upon the integrity of the American judicial process."

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CONGRESSIONAL SPANKING FOR PETRILLO IF WLB FAILS?

The War Labor Board round in the Capital of the transcription fight last Friday was clearly Mr. Petrillo's. If the Labor Board, which now has the matter under advisement isn't able to curb him, the next move will be Congressional action - the transcription people hope.

Senator Clark (D), of Idaho, has had his eye on Petrillo for a long time and even had him down to Washington for a well remembered going over some little time ago. The Idaho Senator, however, laid off to give the music czar and the record manufacturers a chance to get together without his assistance.

Senator Tunnell (D), of Delaware, only last week introduced a bill which would prevent any such strike or boycott as Petrillo's. This might be considered in the Fall if the WLB failed to act. The wording of the Tunnell bill is:

"That from and after the date of enactment of this Act, it shall be unlawful for any person, for the purpose of preventing the manufacture or production of records for radio transcription, whether made of wood, wax, metal, or any other material, to counsel, persuade, direct, induce, threaten or compel either singly or through conspiracies any employee or employees or prospective employee or employees from working to produce or manufacture such records for transcription. Further, it shall be unlawful for any person to threaten or compel radio-broadcasting stations or other broadcasters to refrain from the use of radio-transcription records because of objection to the manner in which such records were manufactured or

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produced, or because the same were not produced by particular persons or organizations."

Also there comes a reminder from Representative Hoffman (R) of Michigan, that he introduced a bill (H.R. 7441) a year or so ago which evidently he now has some hope of reviving. It would make punishable any attempt to directly or indirectly interfere in any way with any musical or other radio program.

Assurances were given that a decision might be forthcoming from the WLB very shortly. It can accept jurisdiction and order further hearings to determine the merits; it can refuse jurisdiction, or it can immediately order Mr. Petrillo to allow the musicians to resume the making of transcriptions.

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BOWES' AMATEUR BRINGS DOWN HOUSE IMITATING FIRST LADY

A young soldier on Major Bowes' amateur hour last Thursday night struck a jack-pot with an imitation of Mrs. Franklin D. Roosevelt. The applause which followed almost blasted the microphone. It was supposed to be the First Lady of the Land addressing the Girl Scouts of Peoria and Frank Kent or Westbrook Pegler should try to get a copy of the script.

Major Bowes introduced the soldier as a nephew of Frank Crowninshield, famous editor and said Mr. Crowninshield was in the audience. If he was, he must have had the time of his life because the boy was good.

Among those he took for a ride were Noel Coward, Monte Woolley, and Katherine Hepburn. One might have thought when he undertook to do Churchill that would have been enough for anyone to get away with in a Bowes spot. However, his best was yet to come. At the mere announcement by Major Bowes that it was to be Mrs. Roosevelt, a gale of laughter swept over the house and by the time the boy had finished his imitation, he had them rolling in the aisles. Nobody on a Major Bowes program ever made a bigger hit than this young soldier. Such a hit, in fact, that the radio bureau of the Republican National Committee should lose no time signing him up - that is if the Administration doesn't have him court-martialed or Chairman Fly doesn't hear about it.

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FLY SAYS HE GIVES UP HOPE OF FAIR PROBE BY REP. COX

Chairman James L. Fly said Monday that the Cox Committee on the Hill, investigating the FCC, had already done its worst and that he had given up all hope of a fair investigation. In the meantime, the President having thrown a monkey-wrench into the proceedings by refusing to allow the naval and military officers to testify plus the desire of Committee members to take a little vacation, the hearings seem to be stalled for the time being. At the office of Chairman Cox, it was said that there would not be another meeting for at least two weeks. Chairman Cox himself said there was a possibility of assembling around July 19. There were skeptics who believed the Committee would not really get down to business again until Congress reconvened in early Fall.

Committee Counsel Eugene L. Garey made it known Monday night that the Committee believed that he believed Chairman Fly could be hauled up for contempt for refusal to answer questions and for the latter's part in gumming the works.

Mr. Fly said that the most startling questions that could be put had already been published as the conclusions of the Committee.

"A hearing for me to disprove the charges would be too anti-climatic to interest the Committee", the Chairman declared, characterizing the committee's actions as a cheap and irresponsible bid for publicity and that the investigation was punitive and irresponsible in its origin.

"Everybody must be shocked by the conduct and methods and processes of the Committee", he said. "At the same time, don't see how any of us could assert we were surprised.

"I think I ought to stress we must all appreciate the tremendous importance of Congress as an investigative force. We certainly must stand ready to cooperate with the Congress at all times, in any responsible effort to exercise that important function."

Mr. Fly said that "I should think the delegated representatives of Congress should not do anything to impair the investigating function", but that at all times "it should be responsible in its purposes and fair in conduct".

Hd did not answer the question about whether the President acted on Fly's advice in ordering the Government witnesses not to testify on the proposal to transfer intelligence functions from the FCC to the military, as being against the "public interest".

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ALLIED BROADCASTS WAGE WAR ON SICILIAN NERVES

The Allied invasion of Sicily was preceded by the dropping of millions of pamphlets and beaming of special broadcasts designed to break the morale of the people, Office of War Information officials have disclosed.

First pamphlets dropped, it was understood, were directed largely to the civilian population of the invaded isle. The next step, it was understood, will be release of new pamphlets urging enemy soldiers to surrender and pointing out that the pamphlets represent a safe-conduct pass.

A force of OWI representatives accompanied the invading armies and, according to officials, will work closely with the military officials in future steps in psychological warfare maneuvers.

First public word of the invasion, officials said, came through the transmitters of the OWI's short-wave station at Algiers which was set up about a month ago. It is Station UNR (United Nations Radio) and its theme song is "Over There".

The broadcast, carrying the announcement of Gen. Dwight D. Eisenhower, was monitored into the War Department at approximately 12:05 A.M. Saturday.

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ESTATE OF TELEVISION PIONEER JENKINS' WIDOW \$260,000

Mrs. Grace L. Jenkins, who died in Washington in June at the age of 61, left an estate of nearly \$260,000, which will be divided between surviving members of her own and her husband's family, according to a petition for probate filed in District Court.

Mrs. Jenkins, the widow of Dr. C. Francis Jenkins, a pioneer in the television field, resided in the Capital for many years.

Real estate bequeathed by Mrs. Jenkins and located at 5502 Sixteenth Street, Northwest, was valued at \$18,000 and personal property at \$241,854.

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War developments undoubtedly will bring improvement in broadcast transmitters, but General Electric engineers see no radical changes that will prematurely obsolete present equipment, according to Paul L. Chamberlain of the company's Electronics Department. "We expect television broadcasting to develop rapidly after the war, along with FM radio broadcasting. Manufacturing experience gained in the production of electronic equipment for war will undoubtedly result in lower-priced television receivers after the war and this, plus public demand, should accelerate the expansion of television service", he predicts.

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FDR FINALLY SIGNS "SUBVERSIVE" FCC EMPLOYEE BILL

Without comment but waiting 10 days to do so, notwithstanding the fact that it delayed the pay of thousands of employees, President Roosevelt finally signed the \$142,000,000 Urgent Deficiency Bill Monday. The inference was drawn that the President took this way of showing his displeasure in the fact that the bill prohibited him from drawing from this special fund to finance non-war projects for which appropriations have been requested of Congress and denied. Also it was said the rider on the bill was offensive to him that provides that Dr. Robert Morss Lovett, Government secretary to the Virgin Islands, Goodwin B. Watson and William E. Dodd, Jr., both of the Federal Communications Commission, go off the Federal payroll forever on November 15, unless appointed by the President and confirmed by the Senate.

The Kerr subcommittee, which brought the rider before the House, announced just before recess that it would not continue its examination of Federal workers, charged by the Dies Committee on Un-American Activities with subversive tendencies, until November 15.

The so-called subversive rider was five times rejected by the Senate before the upper house bowed to the will of a tremendous majority in the lower chamber.

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POINTS TO HONESTY OF RADIO AND PRESS ADVERTISING

The teapot tempest before the Boren-Halleck House Committee over compulsory grade labelling has subsided, for the moment at least, with the resignation of Dr. J. K. Galbraith from the Office of Price Administration.

"With the moral support of Mrs. Roosevelt, Dr. Galbraith has been waging a battle for this radical change in American business practice - a change which manufacturers and advertising experts believe would destroy millions of dollars of value in established brand names, lower the standards of merchandise, and eventually give the consumer less for her money than she buys today", says the Editor and Publisher.

"If cheating of the consumer through advertising was a common fault of American business, Editor & Publisher would be quick to endorse any sound plan for correction of that abuse. All the evidence, however, is against the theory that the consumer loses because advertising and packages do not carry full specifications of the product. The Federal Trade Commission three years ago issued a report of its examination of 875,483 advertisements - newspaper, radio, and direct mail. In only 236 instances, or 3-1000 of 1 per cent of the original total, was formal action by the Commission required in the public interest. If all other activities of business - or of government, for that matter - measured up to this level of honesty, the American public would be fortunate, indeed."

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"MICROPHONE HYPNOSIS" APPRAISED BY "LIFE"

"Life" of June 7th, with two pages of pictures on the subject, has this to say of the "high-speed Radio Svengali, who wants to dehypnotize Germany":

"Many people find that almost any radio program has a hypnotic effect on them, inducing a deep slumberous trance. A couple of weeks ago the Blue Network took a step toward carrying this involuntary hypnosis a little farther by helping Dr. Ralph Slater show that he could intentionally hypnotize people over the radio. Dr. Slater's main purpose was to demonstrate his unique method of wining the war.

"Ralph Slater is a high-speed hypnotist who says that the Germans have been hypnotized into fighting this war by Hitler's high-pitched voice and microphone technique. As proof, he has photographs which show Germans sitting around in a trance. Slater insists that he can dehypnotize them by short-wave radio.

"To demonstrate, Slater sat some subjects in a New York City studio, went into the control room where they could not see him and, by talking through a microphone, put them into a trance. Then he came out and made them do the silly things all hypnotists make their subjects do. Although the performance was not broadcast, Slater said it showed that he could hypnotize people by radio. It did not show anything else. Slater thinks Hitler hypnotized Lindbergh when he pinned the medal on the flier in 1938. But Goring pinned the medal on, not Hitler. Still Slater wants to broadcast to Germany and would also like to put on a domestic show."

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PATENTS ULTRA SHORT-WAVE GENERATOR

Fritz Ludi, of Baden, Switzerland, assigned by mesne assignments a patent for an ultra-high frequency generator to "Patelhold" Patentverwertungs & Elektro-Holding A. G. of Glarus, Switzerland. The device is an ultra short-wave generator, which can generate an electron beam in a partial vacuum. In it there is a modulator to subject the beam to high frequency potential variations and an inductor to produce ultra-high frequency alternating voltages.

The use to which the device is designed to be put was unexplained. Ultra short-wave generators, however, can be used in types of broadcasting, "atom-smashing" inductothermy and many other uses. Undoubtedly this latest development could be adapted to numerous uses. The device received patent No. 2,323,613.

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ARMY CURBS OVERSEAS VOICE DISKS

A ban on shipment of phonograph disks recording personal messages to soldiers overseas was announced last week by the War Department.

As a result of a plan adopted by several commercial companies, the department said, large numbers of such recordings addressed to soldiers are being received in the mails, although transmittal of such messages either to or from soldiers is prohibited by War Department regulations.

"Strict enforcement of these regulations is necessary to safeguard against the transmitting of secret military information through this medium", the department said.

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INCREASE IN RADIO OWNERSHIP IN SWITZERLAND

Radio-set owners in Switzerland numbered 729,231 at the end of 1942, an increase of 48,925, or 7.2 percent, compared with 1941. The number of radio owners has mounted steadily since 1924, when approximately 17,000 were reported. By 1927 the total had grown to 39,000; by 1930, to 104,000; and by 1933, to 300,000.

Telephone broadcasting (wired wireless) was started in 1932, with 8,283 subscribers; last year the total was 70,657.

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DOESN'T FAVOR FCC DICTATING STATIONS' BUSINESS TERMS

Referring to the recent Supreme Court radio decision in an article generally condemning the New Deal, the Saturday Evening Post recently had this to say:

"If you are taking up the New Deal as a single and indivisible body of political doctrine, can you leave out the effort to pack the Supreme Court, purge senators who got off the party line, and through administration of the Wagner Act, deny to employers the right to ordinary expression of opinion. New Dealers are not very proud of these episodes at the moment, perhaps because they feel the chill of a new mood in the political wind. But, if you insist that the New Deal is all of a piece, and that it must be accepted or rejected in toto like the Koran or the Book of Mormon, then you must include the apocryphal chapters along with the true revelation.

"Included also, possibly at the top of the list, must be administrative acts by the New Dealers. For example, the Federal Communications Act, which gives the Federal Communications Commission power to police the traffic of the air waves and regulate various technical radio problems, would be approved by most people. Fewer would endorse the Commission's effort, sanctioned by the Supreme Court, to dictate financial and contractual relations between broadcasting networks and individual stations, with unpredictable consequences to American broadcasting. But it is through such administrative acts as this, even more than through legislation, that the New Deal exhibits many of its aims and purposes.

"As for us, we prefer not to make the going too tough for the New Deal's defenders. They, to say nothing of common sense, will fare better if the legislation passed since 1933 is considered in its historic setting, in the light of the spirit of its enforcement, and with recognition of the fact that American progress is no monopoly of a group of professors et al, hastily assembled to answer the question: 'What can we try next?'"

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::: _____ :::
 ::: TRADE NOTES :::
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The Radio Division of the Department of Transport, Canada, sold 1,728,880 private radio receiving licenses in the year ended March 31, 1943. This was an increase of 6 percent over the preceding year.

 Said to be a protege of Mrs. Franklin D. Roosevelt, Melvyn Douglas, movie and radio star, was jumped from private first class in the Army to Captain as a result of an order from the War Department. Douglas, whose real name is Husselberg, will engage in a radio project to promote the sale of War Savings Bonds.

 It is illegal for retailers who in March, 1942, sold flashlights and batteries separately, now to require the purchaser to buy a flashlight case when he only wants a new battery, the Office of Price Administration said in answer to numerous complaints received from the general public.

 Frank E. Mullen, NBC Vice-President and General Manager, will address the Summer Radio Workshop of New York University on July 15th. Mr. Mullen will speak on "Private Enterprise and Radio's Future". The Workshop, an annual feature sponsored by the University and directed by Robert J. Landry, is in session for six weeks.

 The FCC authorized the continuance of its manpower survey of 1st and 2nd class radiotelephone operators. The postcard survey will be mailed to the remaining 19,000 licensees to ascertain how many of this number are available for full- or part-time employment in the communications industry.

A radio direction-finding device has been designed by South African engineers and is being manufactured in the Union, the foreign press reports. Substantial quantities of the equipment have already been made and shipped overseas for use of the armed forces.

 The Federal Communications Commission has continued the hearing of KMTR of Los Angeles, Calif., now until July 28 in re application for renewal of license.

 Only twelve years old and already a veteran of radio, Mary McIntyre recently celebrated the first anniversary of her own radio program, "Story Time" presented over W85A, General Electric's frequency modulation station in Schenectady. On the program, heard twice each week, Mary reads children's stories.

 Farnsworth Television & Radio Corp. earned \$1,170,005 or 85 cents a share in the fiscal year ended April 30, compared with \$642,237 or 46 cents a share in the preceding year. Price reductions of \$1,153,656 were made during latest period on Government contracts as a result of renegotiation and a cash refund of \$6,998,913 was agreed upon.

 Richard Carlson has been appointed as Director of Personnel and William B. Robertson as Director of Budget and Planning of the Federal Communications Commission.

Before his appointment to the FCC, Mr. Carlson was Technical Director of the Supervision Improvement Program of the U. S. Civil Service Commission. From 1939 to 1942 he served as Director of Personnel for the Civil Aeronautics Administration.

Mr. Robertson grew up in West Virginia, attending grade school and high school in Charleston. He was graduated from Harvard College in 1923 and from the Graduate School of Business Administration of New York University in 1928. He was connected with the Federal Surplus Commodities Corporation and affiliated bureaus of the Department of Agriculture until his transfer to the FCC.

 A speech on race relations, which was to have been given by Prof. Maurice R. Davie of Yale University over Station WTIC in Hartford was cancelled last week, the station said, because of a reference in the script to Red Cross policy on colored blood donors.

The statement in Prof. Davie's talk to which the station objected was, he said:

"Perhaps no single incident has done more to damage Negro morale than the gratuitous insult to the race by the American Red Cross in first refusing to accept the blood of Negro donors and then in segregating it, for no scientific reason whatsoever."

 Miles Laboratories, Inc., Elkhart, Ind., is charged in a complaint issued by the Federal Trade Commission with disseminating advertisements in radio broadcasts and periodicals which fail to reveal the harmful potentialities that may result from excessive use of Dr. Miles Liquid Nervine, Dr. Miles Nervine Tablets and Dr. Miles Anti-Pain Pills. The complaint also charges that the respondent corporation's advertisements misrepresent the therapeutic value of Liquid Nervine and Nervine Tablets.

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LOYD BRIGGS NEW R.C.A. COMMUNICATIONS V-P AND GEN. SUPT.

Loyd A. Briggs, General Superintendent, of R.C.A. Communications, Inc., was elected Vice President and General Superintendent at a meeting of the company's Board of Directors last Friday.

Mr. Briggs, former European Communications Manager of RCAC in London, is a veteran of the international radio communications field. Starting in 1916 as a telegrapher for the Chicago and Northwestern Railway, he served during World War I as a radio man in the Transatlantic Communications Service of the United States Navy. He joined the Marconi Wireless Telegraph Company of America a few weeks before it was acquired by the Radio Corporation of America in 1919.

With RCA ever since, Mr. Briggs has served as supervisor, technician, traffic engineer, manager of the RCA Frequency Bureau, and as European Communications Manager, holding the latter post from 1934 to 1938. He has been attached to RCAC's central office at 66 Broad Street, New York, since 1938, first as Assistant to the Vice President and General Manager and more recently as General Superintendent.

As the representative of RCA and RCAC, Mr. Briggs attended all of the major international conferences and technical committee meetings on radio and telegraphy from 1929 to 1938.

Mr. Briggs, a native of East Gary, Indiana, makes his home at Cranford, N. J.

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SYLVANIA TO HAVE NEW INTERNATIONAL DIVISION

As the first step toward preparation for increased world-wide operation, Sylvania Electric Products Inc., announces the formation of an International Division with Walter A. Coogan as Director. As part of its expanded activities, the International Division will include the operations formerly carried on by the Foreign Sales Dept.

"With a substantial increase in personnel, a much wider scope of operation is planned. To facilitate the movement of Sylvania Products to all parts of the world, the International Division will provide engineering counsel, prompt delivery, more frequent and personal contact with the market in each country", says a Sylvania press release.

"In addition to being prepared for an increased demand for Sylvania incandescent lamps, fluorescent lamps and fixtures, radio and electronic tubes, the new International Division will be geared to the coming age of electronics. There will be new Sylvania products, many of which are at this time carefully guarded secrets.

"World-wide distribution of Sylvania Products is now new. Sylvania has enjoyed export business from the time when radio first became commercially important. Now when world trade has a new purpose and a new meaning, the International Division has been organized to meet this new need."

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HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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No. 1545

DID FDR FALL INTO TRAP IN BILL FIRING SUSPECT TRIO?

The question is being asked if the rider on the Urgent Deficiency Bill which provides the President will have to renominate the three alleged subversives, Dr. Goodwin Watson and William Dodd, Jr., of the Federal Communications Commission and Dr. Robert M. Lovett of the Virgin Islands, by November 15th if they are to stay on the Government payroll was not a carefully laid political trap to embarrass Mr. Roosevelt by putting him on the spot with regard to the New Deal and Communism at a time when the fourth term issue was apt to be most hotly discussed. As it appears to some observers, the House passed the buck to the Kerr Committee, the Kerr Committee passed it to the House, the House passed it to the Senate and the Senate passed it back to the House and after much battling back and forth, the Senate and House conferees neatly passed the buck to the President. Mr. Roosevelt was thus given a difficult choice and one which either way might affect his Fourth Term aspirations.

President Roosevelt, nevertheless, took the bull by the horns declaring that he regarded the Deficiency Bill rider limiting the conditions for employment of three Government workers as an unwarranted encroachment on the prerogatives of both the executive and judicial branches of the Government. He would have vetoed the measure if it had not provided funds vitally needed for the war effort.

Mr. Roosevelt, who indicated he felt very strongly about the matter, said he proposed to send a message to Congress when it reconvenes explaining his attitude.

He said he could not yield in this instance without placing his views on record, declaring that he not only believed the rider was unconstitutional, but that it was definitely objectionable.

He declined to say whether the men would be reappointed, amplifying that he would let the matter stand just where he had put it by his statement.

He said there had been no suggestion that these men had not been loyal to the Government, and added that similar action might have been taken with regards to other Federal personnel - even members of the Supreme Court, which he said would be an interesting idea, or members of the Cabinet.

Conclusions drawn from the President's bitter attack on the rider are that he will either renominate Messrs. Watson, Dodd and Lovett or go to court about it, that he is squarely behind Chairman Fly, who also had warmly defended the trio, and that he

will fight the thing out with the House in the Fall - which would mean still another White House-Congressional squabble.

President Roosevelt said that his message to Congress will argue that the rider is, in fact, a Bill of Attainder, under a Supreme Court decision holding that legislation which punishes without judicial trial shall be so considered.

Section 9, Article I of the Constitution specifically states that "no Bill of Attainder or ex post facto law shall be passed."

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REACTION ON PRESIDENT'S FCC STAND SEEMS MIXED

Because of the fact that most of the members of Congress were away from Washington, it was difficult to secure opinion with regard to President Roosevelt's objection to the Goodwin Watson-Dodd-Lovett Deficiency Bill rider. Senator Thomas (D), of Utah, backed Congress, though he said that he had opposed the rider. Senator Revercomb (R), of West Virginia, did likewise. Representative Hendricks (D), Florida, said:

"We have not discharged any individual. We have limited an appropriation, and I believe the courts will so hold."

Representative Hobbs (D), of Alabama, took the opposite view thus:

"There is no doubt that the rider is unconstitutional. It provides the punishment without trial and violates the separation of powers doctrine implicit in the Constitution. In my opinion this rider is a bill of attainder in that this legislative action inflicts punishment without judicial trial."

Secretary Ickes, referring particularly to Dr. Lovett, who is under the Interior Department, described the rider as "the final step in the travesty of justice which has taken place in this witch hunt."

The New York Times said though a grave constitutional issue had been created, it was not so much that as orderly procedure and fair play that would interest most Americans:

"The House of Representatives Committee, proceeding in its customarily reckless and high-handed manner, never produced evidence that the organizations in question were actually subversive or, if they were, that the accused men had other than an innocent connection with them. In fact, the Dies Committee's list of subversive groups is long enough and indiscriminate enough to catch almost any group or individual that the Committee does not care for. The three victims were railroaded through the Committee and railroaded again in the House.

"We think that something should be done to check the practice of character assassination by irresponsible Congressional committees. Perhaps no new interpretation of the Constitution is needed. Congress itself could work the reform by laying down rules of procedure for committees of inquiry that would have some relationship to the time-tried and revered principles of Anglo-Saxon and American justice."

The Washington Star said:

"The President seems to have been intentionally equivocal in saying that he does not consider the law denying salaries to three Federal officials to be 'binding' upon the Executive or the Judiciary.

"Whatever the means chosen by the President to sustain his contention that the law is not binding, he was unequivocal enough in stating his objections. And rightly so. For whether or not this punishment of men for their beliefs is in a strictly legal sense a bill of attainder prohibited by the Constitution, or is an encroachment on executive functions, there are few who can agree that the action of the House in choosing this method of showing its disapproval of the officials concerned is in accord with accepted principles of justice. The men were never accused of anything prohibited by law.

"While the prejudice indicated may have temporary popular approval, it is not to be condoned without inviting others even more dangerous.

"The President was forced to sign the bill. He was right in protesting, and it is to be hoped that he will find the ways and means to make his protest stick."

The Washington Post, which has endorsed the FCC so repeatedly of late, says:

"The President was wholly justified in his denunciation yesterday of the Kerr amendment forbidding the payment of salaries to Messrs. Watson, Dodd and Lovett. That he felt obliged to sign the urgent deficiency appropriation bill is understandable enough in view of the need to meet payroll obligations long past due. It is regrettable, nevertheless, that the President's name should appear upon a measure so flagrantly violative of the Constitution. Here is fresh illustration of the evil involved in the attachment of wholly irrelevant riders to essential legislative acts. The Executive has, in effect, been robbed of his veto power.

"The courts must now be looked to for protection of the three proscribed individuals. Only in the courts, moreover, can the constitutionality of the procedure laid down by Congress be determined. The Post believes, therefore, that the President should not make himself a party to this procedure. If he were to nominate these men for appointment to offices they already legally hold, and submit their names to the Senate for confirmation, he would be giving at least the appearance of approval to this course. The precedent would be, in our opinion, a very dangerous one."

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"DO WE WANT U.S. CONTROLLED RADIO?" SATEVEPOST ASKS

The question of the "freedom of the air" what it is, who is to protect it and how it is to be regulated - has been passed back to Congress the Saturday Evening Post says in its leading editorial this week (July 17). After setting forth details of the recent Supreme Court decision, it continues:

"At a time like the present, there is always the risk that debates on these matters will generate more heat than light. The debate in Congress sometimes exceeded the bounds of reason. Nevertheless, it seems to us reasonable to say that before any Government commission is given the right to determine the 'composition of the traffic' over the ether of news, entertainment and opinion, Congress should make its own declaration on the issue.

"Since it is the intent of Congress which is being debated, there can surely be no objection to asking Congress whether it agrees with Commissioner Fly and the Supreme Court majority or with the radio industry, a considerable portion of the listening public - which thinks that radio broadcasting is pretty good - and the court's minority.

"The alternative to a new determination by Congress upon its actual intentions is to hand over to an administrative agency powers which seriously threaten freedom of expression on the air. The issue is not whether a broadcasting station should contract to hold free time at the disposal of a network or whether a network should withhold from competing stations programs which have been rejected by a network station. There are various opinions as to whether or not this or that of the Commission's regulations would improve broadcasting or wreck it. The primary issue is not the merit of the rules, but the right of the Commission to promulgate and enforce regulations which make fundamental changes in radio. What Congress must decide is what becomes of free broadcasting if a Government commission has power to 'determine the composition of the traffic'.

"In less critical times, we might be accused of taking an alarmist view. But the Administration does too little to dispel alarm on the subject of free communication. The President's frequent gibes at the newspapers, the suit against the Associated Press, the continual preoccupation of Government spokesmen with the supposedly venal and one-sided character of such media: all this conspires to build up in the public mind a new fear, one which we supposed had been dispelled for all time - namely, that the heavy and unimaginative hand of bureaucracy is groping for control of thought and information in the United States.

"The social and economic views of many policy makers in the administrative agencies do not dissipate this fear. There is in the administrative agencies too much agreement with the opinion expressed by Milton Freeman, Assistant Solicitor for the Securities and Exchange Commission, who said, in response to a question by Repre-

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sentative Boren, of the House Committee on Interstate Commerce, 'I believe any law of Congress or any rule adopted under it, if it in any way conflicts with a law of a state, supersedes that law.'

"According to the Constitution and a long procession of judicial decisions, the situation is not quite so cut and dried. But if Mr. Freeman represents the legal philosophy prevalent in agency circles, the revolt in Congress is not surprising. Precision in the delegation of powers to agencies is the minimum requirement for the preservation of our system of government. As applied to radio, we predict that Congress will take the view that no administrative agency is qualified to decide what shall be the 'composition of the traffic', in so far as that means control over the ideas and information which Americans shall be permitted to hear."

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BROADCASTING INDUSTRY POST-WAR PLAN PROMISED SOON

Chairman James L. Fly of the Federal Communications Commission appears to be optimistic as to the possibilities of the broadcasting industry's post-war plan. Mr. Fly said that it was making decided progress and he believes the industry will have a program that everybody will agree to in a short time.

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CAPITAL METROPOLITAN WAR AREA TO GET TWO-WAY RADIO

For the better wartime protection of the suburban area of Washington, a modern two-way communication system for the Montgomery County, Maryland, Police Department, when the County Commissioners authorized the purchase of a radio system similar to one recently tested. (Montgomery County immediately adjoins the Nation's Capital).

The Board directed H. Leslie Carlin, Chief of the County Police Department, to place the maintenance and operation of the system under command of Capt. Guy L. Jones of the County police force. Captain Jones was authorized to take any course of instruction deemed advisable and to obtain the license required.

Captain Vollten of the County Detective Bureau, said the proposed system would save the County approximately \$2,000 annually in telephone tolls. The cost of installation was placed by Commissioner Shaw at around \$14,000.

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REP. COX OUT ONLY TO SEIZE HEADLINES, FLY CHARGES

Making public a memorandum alleged to have been written by a press agent and sent to committee members by Eugene L. Garey, its counsel, devising a system of trying to shut up any rebuttal from the FCC Chairman, James L. Fly led with another one to the chin of Representative Eugene Cox of Georgia in the Federal Communications Commission investigation publicity slugfest. Mr. Fly endeavored to show that Mr. Cox and the House Committee were simply out to grab the headlines for their side of the case and to prevent the public from hearing any comeback from Chairman Fly or the Commission.

In the meantime Representative Cox dispelled rumors that the Committee stymied by President Roosevelt refusing to allow Army and Navy officers to testify, would stall along until Congress reconvened by saying that hearings would be resumed Monday (July 19) and probably might run along for the rest of the week.

It was also made known that Mr. Garey was laying definite plans to endeavor to have Mr. Fly and Harold D. Smith, Director of the Budget cited for contempt for their balking at testifying before the House Committee last week.

Mr. Fly's latest blast at Chairman Cox and the House Committee follows:

"The real character of the 'impartial and wholly constructive' investigation which Chairman Cox at the opening hearing publicly assured the Commission, the Congress and the people is now clear.

"The memorandum from the Wall Street counsel to the members of the Cox Committee merely confirms and formalizes the plan adopted by the Committee in assembled meeting on July 6. It is to be noted that this plan which was prepared by a representative of the International News Service sets forth 'principles' to govern the Committee's public proceedings. These 'principles' are carefully designed to accomplish two results:

1. The seizure of the headlines.
2. By adroit use of the gavel, the effectuation of the principle that the Committee must keep the Commission's side of the case from reaching the public.

"I cannot believe that the House of Representatives of the United States ever intended to authorize its delegated representatives to

'Decide what you want the newspapers to hit hardest and then shape each hearing so that the main point becomes the vortex of the testimony. Once that vortex is reached, adjourn.'

Nor can the House of Representatives have meant to authorize an investigation which, in the first instance, would treat the Commis-

sion as 'the opposition', and then would formally adopt a plan to preclude 'the opposition' from the 'opportunity to make replies.'

"It is difficult to believe that the Congress meant to delegate to Congressman Cox as Chairman of the Committee the arbitrary power to swing the gavel and recess or adjourn the hearings so that he would 'keep the proceedings completely in control so far as creating news is concerned.'

"Nor can one easily come to believe that the Congress wanted this so-called investigative Committee to smother out the statements of 'witnesses which might provide news that would bury the testimony which you want featured'.

"There is nothing new in the procedures for creating publicity with scandalous and unsupportable charges and then promptly shutting off any possible opportunity for the Commission to be heard on those charges, or even to present its case to the press. Ultimately, the greater injury here must be to the Committee itself when Congressman Cox and his Wall Street counsel have the temerity to adopt procedures which abuse the great Congressional power of investigation by a calculated bid for headlines and by a deliberate plan to avoid any hearing on the charges until after a startling publicity has taken its toll.

"Despite the unhappy auspices under which this so-called investigation was given birth, I cannot believe that the United States House of Representatives has ever fully understood what its Committee is doing in star chamber proceedings, in the secret eliciting of 'testimony' in the downtown hotels of the City of Washington, and in the now publicly confirmed unfair principles governing its conduct of public hearings."

The memorandum alleged to have been sent to the Cox committee by its counsel, Mr. Garey, follows:

"1. Decide what you want the newspapers to hit hardest and then shape each hearing so that the main point becomes the vortex of the testimony. Once that vortex is reached, adjourn.

"2. In handling press releases, first put a release date on them, reading something like this: 'For release at 10:00 A.M. EWT July 6', etc. If you do this, you can give releases out as much as 24 hours in advance, thus enabling reporters to study them and write better stories.

"3. Limit the number of people authorized to speak for the committee, to give out press releases or to provide the press with information to the fewest number possible. It plugs leaks and helps preserve the concentration of purpose.

"4. Do not permit distractions to occur, such as extraneous fusses with would-be witnesses, which might provide news that would bury the testimony which you want featured.

"5. Do not space hearings more than 24 or 48 hours apart when on a controversial subject. This gives the opposition too much opportunity to make all kind of counter-charges and replies by issuing statements to the newspapers.

"6. Don't ever be afraid to recess a hearing even for five minutes, so that you keep the proceedings completely in control so far as creating news is concerned.

"7. And this is most important: don't let the hearings or the evidence ever descend to the plane of personal fight between the Committee Chairman and the head of the agency being investigated. The high plane of a duly-authorized Committee of the House of Representatives examining the operations of an Agency of the Executive Branch for constructive purposes should be maintained at all costs."

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NEW METHODS FOR RADIO AND PHONOGRAPH PRICE FIXING

New methods by which maximum prices are determined on radios and phonographs assembled by retailers and distributors were established today (Friday) by the Office of Price Administration.

The action provides more effective control over ceilings on a scattered number of radio dealers and distributors who since the Summer of 1942, when regular manufacturing ceased, have become extensive assemblers of household radio receiving sets from parts which they accumulated.

These methods, embodied in Maximum Price Regulation No. 430 effective July 26, 1943, will make prices to the public more uniform and in many instances lower than levels that have been prevailing. Hitherto these articles have been under the General Maximum Price Regulation with highest March 1942 prices as ceilings.

Regular manufacturers of radios are specifically excluded from the new regulation. Sales of radios or phonographs by householders also are not affected. OPA consulted with representatives of distributors and retailers in formulating the regulation.

Ceilings now are established by two formulas, one for distributor-assemblers, the other for retailer-assemblers.

Distributor-assemblers determine their maximum prices by taking the unit direct cost of the model being priced, adding 122 percent to determine the dealer's retail price, and subtracting 40 percent from the latter to arrive at their own maximum selling prices to retailers. For sales at retail by the distributor-assembler, maximum prices are determined by adding 82 percent to the unit direct cost of the model.

Retailer-assemblers will add 82 percent to the unit direct cost to establish the retail level.

The unit direct cost is determined by the assembler by taking either the invoice cost to him of the radio or phonographs parts, or the ceiling prices for the chassis, cabinet and other parts to the class of purchaser to which the assembler belongs as established under the applicable regulations for these parts, whichever is lower.

Mark-ups established are based on average March 1942 practices in the trade.

Prices when determined by the assembler are to be submitted to the nearest Regional Office and the models are not to be offered for sale until 15 days thereafter. If OPA does not direct otherwise, the model may be offered for sale at the expiration of the 15-day period. The ceilings so established are subject to adjustment at any time by OPA. Minor changes in the model will not affect the established ceiling. However, if a change reduces the unit direct cost by more than \$1.00 or prevents the set from offering fairly equivalent serviceability, a new ceiling must be established.

In the case of any radios or phonographs assembled by other than the two classes of assemblers covered by this regulation - persons who are not manufacturers, or radios which are not guaranteed as specified in the regulation - maximum prices will be specifically authorized by the Washington office of OPA. All models prices pursuant to the formula must have a written guarantee for 90 days, the regulation stipulates.

Sellers are required to attach a tag to each radio or phonograph stating the maximum price, the stock number and the guarantee. The tag must stay on until the article reaches the ultimate consumer.

Regular manufacturers, who are excluded from this regulation, continue under Revised Price Schedule No. 83 (Radio Receivers and Phonographs). Manufacturers, however, were practically removed from production by Limitation Orders L-44A and L-183 of the WPA.

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WLB PETRILLO DECISION EXPECTED SOON

A decision from the War Labor Board in the Petrillo case may be forthcoming at any time. One report is that the Board will take jurisdiction but will not declare that a strike of the American Federation of Musicians exists against the transcription companies but will name a special board to look into the situation. It would simply make recommendations as to some form of compromise agreement between the warring factions.

On the order of Mr. Petrillo, who was declared to have threatened the network with a strike if it was not obeyed, the

Mutual Broadcasting System Thursday cut off sustaining programs to WSAY, its affiliate in Rochester, N. Y., which the AFM is fighting because the station refused to increase its musical staff from three to five. Miller McClintock said that Mutual "is not a party to the dispute between WASY and the American Federation of Musicians and has no power or authority to intervene in any manner in the issues which are involved." The action taken by Mutual was "to prevent the violation of our network commitments and program schedules" and was "the only practical alternative available to us under the circumstances."

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BELIEVED ELMER WILL STICK AT OWI .

Although still pretty much in the eclipse, it begins to look as if Elmer Davis may not resign although this isn't definitely determined. Mr. Davis, who is now enroute to England to inspect the London branch of the Office of War Information, complained in a speech in New York about the small amount the Domestic Branch, which was hit by the Congressional cyclone, had to work with but gave no intimation that he intended to quit or that the European junket was a cooling off period prior to that. Mr. Davis said that now the radio, motion picture, and other industries would have to do a good deal of the work themselves that OWI had been doing for them. While Mr. Davis is away, his weekly broadcasts have been taken over by Bill Henry, chief correspondent of the Columbia Broadcasting System Washington News Bureau.

Among the recommendations for reorganizing the Domestic Bureau made by the new OWI Advisory Committee, of which Roy Roberts of the Kansas City Star is the Chairman, were the following:

"The American people are entitled as a right to full and purely factual information concerning public events and the acts of public officials, entirely free of propaganda.

"It is vital that such information be disseminated only through the existing media of public information such as newspapers, trade journals, magazines, radio and the motion pictures.

"OWI can perform a highly useful and necessary function in gathering and coordinating the news of the vastly complicated and far-flung activities of the Government, but in this process it should not in any wise shut off the press and other media of information from direct access to the sources of news.

"The committee suggested that the OWI call into conference representatives of the corps of Washington correspondents, both press and radio, in order to further cooperation in the collection of news and to keep open the primary channels of information as far as is consistent with national security.

"The committee received conflicting reports as to the effect of the abolition of the field service. The committee will request OWI to poll newspapers and radio stations as to their desire for the recreation of a field service operating under the same principles that govern OWI's Washington activity."

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OWI BEGINS S-W EXPANSION WITH TWO NEW 50 KW SENDERS

Construction of two 50-kilowatt high-frequency shortwave transmitters, which will be the first to go into operation under the Office of War Information's plan to expand American international broadcasting facilities, was begun last Monday in New Jersey on the grounds formerly occupied by the transmitter of Columbia Broadcasting System's key station WABC.

"Realizing the urgency of putting its expansion plan into effect at the earliest possible moment, the OWI selected the CBS site because of its ideal facilities, which include a specially-constructed transmitter building ready to receive the new equipment, underground conduits for power and radio circuits, and many acres of property completely cleared of trees and other obstructions, factors of great value in the construction and operation of a radio station", a CBS release explains.

The two ultra-modern transmitters will be able to work into several modern directional antennas, greatly increasing their effectiveness and coverage."

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TRADE NOTES

Upon the authorization of the Board of Directors, the American Society of Composers, Authors and Publishers last Monday distributed to its membership and associated societies \$1,260,000 in royalties for the second quarter of 1943, which ended June 30th. This figure represents the largest royalty distribution made in any one quarter since 1940.

Mark Woods, President of the Blue Network, will be host at a luncheon in honor of Lunsford P. Yandell, Vice-President of the Blue today (Friday) in the Louis XVI room of the St. Regis Hotel. Mr. Yandell recently returned to New York and his offices at the Blue after a 10-month stay in England, where he assisted in the organization of Red Cross activities for United States troops in Great Britain.

Station KFMB, Worcester Broadcasting Corp., San Diego, Cal. had its amended application approved by the FCC for consent to transfer control of the Worcester Broadcasting Corp. from the Estate of Warren B. Worcester, deceased, to the First National Trust and Savings Bank of San Diego, and renewal of license application for a period of one year.

Two Kentucky stations, WHOP, Hopkinsville, and WPAD, Paducah, will become affiliated with the Columbia Broadcasting System July 18. Both stations are owned and operated by the Paducah Broadcasting Company, In. and join the network as special basic supplementary stations.

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BELIEVED WILLKIE-McCORMICK RADIO DEBATE WOULD BE WOW

When Col. Robert R. McCormick, publisher of the Chicago Tribune, was asked if he really intended to participate in the 1944 campaign against Wendell Willkie, Colonel McCormick replied, "Definitely not! I am a publisher - not a politician." If, however, the Colonel had been challenged to a radio debate with Mr. Willkie, it is wondered if there might not have been an affirmative answer. Obviously Mr. Willkie, having been through a presidential struggle, would be more experienced in an old-fashioned town-to-town campaign in Illinois. Also he is almost 15 years younger than Colonel McCormick, who is 63 years old.

Over the radio it would be entirely different. Whether the men consented to broadcast from the same platform or whether they would go on at different times, they would be on a much more equal footing. While as far as known Colonel McCormick has never done any town-to-town campaigning, he is an experienced broadcaster. In fact, he has a weekly spot on the Chicago Theatre of the Air program every Saturday at 9 P.M., EWT, over his own Station WGN and has had for years.

For the most part, Colonel McCormick's talks are of a military nature because he is a soldier as well as publisher, his title of "Colonel" being the real thing. He served first as Major of the 1st Illinois Cavalry on duty on the Mexican border 1916-7, was attached to General Pershing's staff in France, was Lieut. Colonel of the 122nd F.A. and later Colonel of the 61st Field Artillery, was awarded the Distinguished Service Medal and once was Commandant at Fort Sheridan. He is also the author of a biography of Gen. U. S. Grant.

Everybody knows what Mr. Willkie's style of broadcasting is and what he is like over the air. He is quick on the trigger and speaks easily whereas Colonel McCormick might be called a solid sender speaking more slowly and at times as if he were weighing his words. Each man is well able to hold his own in his particular way.

One of the biggest laughs in the Willkie-McCormick feud was the Colonel calling Willkie a "foreigner" when, as is well-known, they were born in neighboring States - Indiana and Illinois. There is, however, this difference. Mr. Willkie was born and raised in the small town of Elwood, and Colonel McCormick in the city of Chicago. In a way, their early environments are reflected over the air in their manner of speech and pronunciation.

Mr. Willkie has already had quite a few brickbats on this and Colonel McCormick may attract similar attention for his

pronouncing such words as "mobile" with the long "i" - "mo-bile".

While there might be many things to prevent Mr. Willkie and Colonel McCormick from making an old-fashioned town-to-town series of debates or speeches in Illinois, the radio seems made to order to accomplish the same object. Maybe this is one of the things Gardner Cowles, Jr., prominent Iowa publisher and broadcaster, who has just left the Office of War Information to help Mr. Willkie with his campaign, has in mind. Nobody knows better than Mr. Cowles how to ring all of the changes with the spoken and printed word.

A Willkie-McCormick radio debate, whether the two men actually met face to face, whether the entire nation was covered or if the battleground were confined to the State of Illinois, might assume the present day interest of the old Lincoln-Douglas debates over the slavery issue almost a century ago which likewise took place in Illinois where Abraham Lincoln and Stephen Douglas were fighting for the senatorship. It was an exciting and close contest and though Mr. Lincoln lost, it brought him into the national lime-light.

A McCormick-Willkie radio debate might be carried on very effectively by using only Illinois stations but our guess is that if it were ever staged, by popular request it would be a national affair, the size of the audience would be that of a presidential fireside chat and a grand time would be had by all.

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ARMY DOES AN ABOUT FACE ON RADAR PUBLICITY

"Off again - on again!"

Although a joint Army-Navy statement last April apparently raised the ban on radar publicity and the Government itself set the pace by releasing reams of copy on it, the War Department has again clamped down the lid and, according to the Radio Manufacturers' Association, future radar articles in the press will be more sharply restricted.

The "about-face" order came in a letter from Col. John T. Winterick of the Signal Corps, head of the Review Branch, War Department Public Relations Department:

"During the past two months a tremendous amount of publicity has been devoted to the subject of radar. Some of the proposed publicity has included classified information, release of which would be of great value to the enemy. Other types of publicity have promoted controversy as to allocation of credit for the development of radar. This has not been conducive to cooperation at home and abroad - cooperation which is essential to the winning of the war.

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"It is requested, therefore, that publicity and advertising featuring radar be discontinued. Your company's cooperation in this matter will be a contribution in the national interest."

All of which sounds a trifle like closing the barn door after the horse has been stolen. As pointed out in our article, "Everybody Goes to Town on Radar" (June 25), a listening post tuned in on Berlin heard that our elaborate descriptions of radar had even been picked up by Germany and were to be re-broadcast to the Axis nations by short-wave. It was also pointed out in the article that it appeared to be bad business to divulge the names of those companies manufacturing radar in this country as this might serve as a suggestion to saboteurs to blow up these plants. One firm went so far as to offer pictures of radar equipment and the Government went still further and offered sound films on radar for exhibition in plants of radio and radar manufacturers. If enemy aviators ever got here, they would know exactly where to go to bomb these factories just as the United Nations bombed the great Zeppelin works on Lake Constance largely engaged in making radars and repeatedly bombed the Philips Radio establishment at Eindhoven.

At that, if an error has been made in giving radar too much publicity, the manufacturers themselves are not wholly to blame as no doubt every piece of copy was offered to one or another of the Government censors and given official approval before publication.

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FCC HEARINGS GO MERRILY ALONG DESPITE WHITE HOUSE GAG

Getting far more attention than they would if Congress were in session (a great publicity break for both sides), the hearings of the Federal Communications Commission investigation by the special House Committee headed by Representative Eugene Cox (D), of Georgia, took a new lease on life Monday despite the President's gag on military officials who had previously been called on to testify, and in spite of similar balking on the part of James L. Fly of the FCC, one of the leading men in the show. Mr. Cox said that hearings would be continued throughout the week and if so, it looks as if standing room only will be at a premium. Both sides have been accused of seeking the headlines but whether accidental or intentional nobody could have done a better publicity job than the one who got the bright idea of holding the hearings when Congress was not in session, otherwise with big war stories popping all over the Hill, the FCC investigation might have been lost in the shuffle.

The most serious charge was made by Eugene L. Garey, Committee Counsel, that the FCC manipulated defense appropriations in ways that Congress had not intended. He said that FCC duplication of services had resulted in a loss of \$8,000,000 in three years.

Mr. Garey also challenged the legality of approximately 2/3 of the FCC set-up which he said was included in the Radio Intelligence Division and the Foreign Broadcast Intelligence Service. Neither he said had been authorized by executive order or statute and both were useless.

Highlights of Monday's sessions included the following:

Philip C. Hamblet, Assistant Director of Overseas Operations of the Office of War Information, said it was "no military secret" that the Army wanted the FBI's staff of some 31 persons kicked out of North Africa. The unit was finally transferred on June 1 to the Psychological Warfare Branch of the Army's Intelligence Service.

Committee Investigator Harry Barger told of interviews with military and naval officers, precluded from appearance before the Committee by a White House gag, in which the Navy in particular voiced its objections to radio intelligence activities of the FCC.

The Army Transport Command was quoted by Mr. Barger as having absolutely "no use" for the agency's services which consume two thirds of its \$8,000,000 annual appropriations.

Several other Government agencies "throw the FCC material into the wastebasket", Mr. Barger testified he was informed.

The OWI doesn't use the FCC service, Mr. Hamblet testified, preferring to base its reports on the actual text of foreign radio broadcasts. The witness said it was "possible" that the FCC summaries were colored by bias, prejudices, predilections, and political views of agency employees.

The Coordinator of Inter-American Affairs wrote the FCC that its Latin-American broadcast analyses were "no longer useful".

Despite this, the FCC continued to expand its radio intelligence activities, Committee Counsel Garey asserted. He produced records to show that the FCC told the House Appropriations Committee on one occasion it needed \$558,000 for 148 new employees to assist in the war effort, but a week after it got the money was spending it for an entirely different purpose.

Mr. Garey declared that FCC employees were required to take a special "oath of secrecy" which pledged them not to divulge any information. This particular "secrecy" oath, alleged to have been made up by the FCC, Mr. Garey charged was in violation of the U. S. statutes which prohibit interference with the right of Civil Service employees to petition Congress or to give information to a Congressional Committee such as the Cox Investigating Committee.

Coming back at Mr. Fly criticism that Admiral S. C. Hooper's charges were those of an "irresponsible person", Mr. Cox said that Admiral Hooper had "contributed more to the development of radio than any man since Marconi".

Mr. Garey read a commendation of Admiral Hooper from former Secretary of the Navy Josephus Daniels which said the naval officer had charge of construction and maintenance of all Navy, Shipping Board and commercial radio stations during the World War, and said: "The Navy and the country as well, owe a large debt to Captain Hooper for his vision as to the early recognition of the importance of wireless and his able and practical efforts to broaden this important service."

Secretary of the Navy Swanson wrote: "The work of Captain Hooper, as evidenced in part by the basic letter, places him and the United States Navy in a leading position throughout the world in the field of radio communications."

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NEW YORK STATION IMPORTS RECORDS FROM ENGLAND

A new way to by-pass James C. Petrillo, of the American Federation of Musicians, in his effort to shut off new radio transcriptions is being tried out by Station WNEW in New York City importing records from England.

The idea of thus securing these records is credited to Martin Block, one of the station's announcers, who is also in charge of the recordings.

Mr. Block arranged to have friends in England mail to him new records made there. Some records have been brought to New York by plane through an arrangement which Mr. Block worked out with overseas acquaintances.

"It's all perfectly legal and within our rights and has nothing to do with the ban on recording", a station spokesman said.

In the meantime newspapers keep hammering away at Mr. Petrillo. In an editorial entitled "Giggle Smokers", the Washington Post said:

"The departure the other day of Mr. Gene Krupa, the hot jive drummer, for the San Quentin (Calif.) Prison has aroused a new flurry of excitement about the drug called marijuana. There seems to be very little doubt that the smoking of marijuana is unhappily common among performers of jazz orchestras, especially those of the 'hot' (as differentiated from the 'sweet') variety. There is probably also some measure of addiction among the more psychotic patrons of such orchestras. This may or may not be what is really behind Mr. J. Caesar Petrillo's war against juke boxes and phonograph recordings, though, if it is, we wish that he would come out and say so. It wouldn't improve Mr. Petrillo's position among his own musicians, probably, but it might raise him a bit in the estimation of the general public."

Another editorial captioned "Petrillo's Arrogance" recently appeared in the New York Sun and read as follows:

"Evidently fortified by a Supreme Court decision that he could not be touched by injunctive action, James C. Petrillo now says to all record makers: 'We're not going to make transcriptions for you at all any more because you haven't got anything we want.' It is interesting to recall that this comes six months after Petrillo told a committee of the Senate that he was prepared to enter into negotiations "immediately" with broadcasters and recording companies to end the ban on making transcriptions which he announced last August. He then said he would be satisfied with one or two cents a record from the makers. Now - brought together with the makers and a representative of the United States Conciliation Service in an effort to negotiate an agreement - he declares: 'The transcription people tell us that their gross business is \$4,000,000, that they pay musicians \$1,100,000 and that their net is \$250,000. The companies can't give us anything. If they gave us their entire gross it's still small peanuts to the federation.'

"Later leadership has provided many striking cases of arrogance in recent years, but few that equal this position taken by the head of the American Federation of Musicians. In Petrillo's favor it must be admitted that when it was proposed to refer the controversy to the War Labor Board he announced his decision to abide by any government ruling, observing 'No John L. Lewis stuff here.' Now that the dispute has gone to the WLB it is to be hoped that he has not suffered a change of heart. Somehow a way should be found to obtain justice for the recording companies and the public to whose entertainment those companies cater."

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MCDONALD PLAN SAVES U. S. MILLIONS IN ROYALTIES

The Government is saving incalculable millions of dollars in royalty payments on radio patents as the result of a plan proposed to the Signal Corps by Commander E. F. McDonald, Jr., President of Zenith Radio Corporation of Chicago. Under this plan, which has been accepted, it was said by all but three or four of the country's manufacturers of radionic equipment, each company has granted the government a free license for the duration of the war under all patents it owns or controls.

The story was released by Hugh Robertson, Executive Vice President and Treasurer of the Company, who said that on October 17, 1941, Major (now Colonel) Donald K. Lippincott called on Commander McDonald stating that the Government was still trying to adjust patent royalty claims incurred during the 1917-18 war, and was sounding out radio manufacturers on a plan for having payments made on new contracts without similar confusion.

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A patent pool whereby the Government would allot fixed royalties to radio companies had been suggested. Mr. McDonald said that in his opinion we would be into the next war before the Government would ever get radio manufacturers in agreement on what sum should be paid the radio companies for the use of their patents. He told Major Lippincott that he believed the Government could obtain free that which it could not buy.

Commander McDonald pointed out that a patent is a legalized monopoly granted by the Government to individuals, stated that he did not believe this monopoly should be used against the Government in time of war, and suggested that the Signal Corps obtain a free license from all radio companies under all of their patents during time of war. As President of Zenith and of the Wincharger Corporation, he was the first to offer the Government such a free license.

The Signal Corps followed the plan suggested by Commander McDonald, Mr. Robertson stated, and did a splendid job, securing full cooperation from all but three or four radio manufacturers. When the contract was submitted to Zenith, Commander McDonald read it and said,

"It contains one superfluous word where it applies the license to nations with which the United States is now at war. The word is 'now'. By inclusion of this word the Government is forced to get new licenses for each war, if that war happens to be against any nation with which the United States is not now at war. Zenith stands ready to sign a new contract with this word eliminated, if that is the Government's desire."

Sometime later Col. Conrad E. Snow of the Signal Corps wrote to Zenith,

"Our records indicate that Commander McDonald was the first to enunciate substantially the plan adopted, and the Chief Signal Officer wishes me to express his thanks to Commander McDonald and your company for the part they have taken in the matter."

Mr. Robertson could not hazard a guess at the amount actually saved the Government, but said that with production of radionic equipment running currently at the rate of \$250,000,000 per month, the annual savings would amount to millions of dollars, in addition to the post-war freedom from tedious litigation of the sort which followed the last war.

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CONGRESSMAN SEEKS SENATOR TOBEY'S SEAT

Representative Stearns (R), of New Hampshire will run against Senator Tobey (R), New Hampshire who will come up for re-election next year. Senator Tobey is a very active member of the Interstate Commerce Committee which passes on radio legislation in the Senate. Anyone who has seen Senator Tobey in action at radio hearings can imagine the fight he might put up in a campaign. It will be a contest well worth watching.

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CALLS HOUSE FCC COMMITTEE TECHNIQUE "SMEAR FORMULA"

Continuing its campaign against Representative Cox (D), of Georgia, the Washington Post in an editorial "Smear Formula" said:

"Anyone who has followed the Cox Committee's 'investigation' of the FCC could have figured out for himself the strategy on which it was based. Make the headlines with sensational charges and never give the victim an opportunity to reply. It is not a new formula, although it has rarely been followed with such transparency. No one should be greatly astonished, therefore, at the evidence recently revealed by FCC Chairman Fly that the Cox Committee has pursued such a course in accordance with deliberate instructions from its general counsel.

"Mr. Fly made public a memorandum which he declared was confidentially circulated among the Cox committeemen. The memorandum laid down certain 'principles' to govern the Committee's proceedings. 'These "principles",' it said, 'are carefully designed to accomplish two results: (1) The seizure of the headlines; (2) by adroit use of the gavel, the effectuation of the principle that the committee must keep the Commission's side of the case from reaching the public.' If any further evidence were needed to demonstrate the unfitness of the Cox Committee to conduct an impartial inquiry, here it is with a vengeance."

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DAVID ROSENBLUM, FORMER NBC VICE-PRESIDENT, DIES

David Rosenblum, who in 1934 was Executive Vice President of the National Broadcasting Company, and from 1935-6 was also its Treasurer, died in Hartford Sunday at the age of 55. Mr. Rosenblum was one of the organizers of the Business Training Corporation, which was devoted to personnel training. Next he established Tradeways, Inc., a firm pioneering in business research and consultation.

Returning from a one-year world cruise in 1938, he became Treasurer and Business Manager of The New York Post. In 1941 he retired.

While at Harvard, Mr. Rosenblum was a member of the editorial staff of The Crimson. In the first World War he served as Second Lieutenant with the heavy artillery.

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SAYS PALACE GUARD GAVE FDR POOR ADVICE IN FCC CASE

Differing from most of the newspaper writers thus far heard from, George Rothwell Brown, top flight Washington correspondent, whose column is widely syndicated, has this to say about the now famous case of Messrs. Watson and Dodd, Jr., Federal Communications Commission officials, and Dr. Lovett of the Virgin Islands:

"Rarely has the President been so poorly advised by the palace guard as in the matter of his attack upon Congress for presuming to remove from the Federal payroll three employees of proved connection with, or sympathy for the principles of various subversive organizations.

"Mr. Roosevelt has chosen a battleground with Congress on which he is beaten before he starts.

"He has deliberately chosen a course which may lead to the most sensational rupture between White House and Capitol since Andrew Johnson.

"He has made certain that the bad relations between President and Congress will continue and become intensified after the present recess.

"The President in his press conference statement made no reference to the fact that a special House committee, after investigation and hearing of the three employees, had substantiated the charges that they had belonged to subversive organizations.

"In spite of this investigation and the action of Congress the President chose to embrace the three men so indicted by Congress, thus on the eve of his fourth-term campaign creating in the public mind the picture of a political alliance between the New Deal and the Communist front.

"The President declares the 'rider' by which Lovett, Watson and Dodd are to be dropped from the public service unless by November 15 they have been nominated by the President for their jobs, and confirmed by the Senate, to be unconstitutional.

"Yet, and the fact is inescapable, knowing this provision to be in contravention of the Constitution, he signed the act of Congress containing it, and thus made it part of the law of the land.

"Thereupon the President intimated to his press conference - and all the published reports agree on this - that the executive and legislative branches of the Government would not be bound by this action of Congress.

"This can only mean that the President of the United States, the executive branch, charged with the execution of laws passed by the Congress in the constitutional way, will defy the Congress.

"There can be no other explanation of the President's intimation that these three men will not lose their jobs.

"Here the President has been led onto very unsound ground by his palace professors.

"Actually the President is in an awkward situation from which he can be taken by only one thing - the confirmation of these three men by the Senate. That alone can save the President's face now, for these reasons.

"The law he has now signed says these men shall be dropped unless he nominates them. Thus the President must act by November 15, or out these men go. They will go for the reason that if by November 15 they have not been confirmed by the Senate there will be no authority for the payment to them of their salaries. The Comptroller General will so rule. He will have to.

"Now, after such a ruling, these men cannot be retained in their jobs. There is a Federal law against working for the Government without compensation.

"Suppose meanwhile, a way is found whereby the courts step in and say the dropping of these men is unconstitutional. You can't tell what the courts will do nowadays.

"What then? Even so they wouldn't be able to draw a dollar of pay unless Congress appropriated it, and Congress won't.

"Mr. Roosevelt has clean forgotten the great appropriation power of the Congress.

"One thing more, the President said there was no suggestion that these three men were not competent and loyal.

"On the contrary, the House of Representatives has adopted a resolution holding them to be unfit to continue in the public service.

"The President falls into the error of supposing these men could have been removed only by impeachment. They do not fall within the category at all.

"Mr. Roosevelt has gone to the mat with Congress on a weak case. As he will learn."

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 ::: TRADE NOTES :::
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The Radio Manufacturers' Association and the Institute of Radio Engineers Committee, which is considering the organization of the proposed Radio Technical Planning Agency, will meet again in about two weeks. It is expected that there will be an agreement on the proposed plan at an early date.

 Attention of radio jobbers was called today (Tuesday) to the fact that they may apply for relief to the War Production Board on Form PD-470 listing frozen stocks of copper wire mill products by amounts, sizes and types which cannot be sold in accordance with CMP Regulation 4. It should be pointed out that in the event an application should be approved by WPB, copper wire sold under such authorization cannot be replaced in stock.

 Elizabeth Knowlson, daughter of James S. Knowlson, former President of the Radio Manufacturers' Association, and Mrs. Knowlson was married last Saturday at Hinsdale, Ill., to Lieut. Walter A. Edwards. Mr. Knowlson was formerly a right-hand man of Donald Nelson in the WPB.

James G. Rogers, Jr. has been appointed an Assistant Director of the Domestic Branch of the Office of War Information by Palmer Hoyt, Director of Domestic Operations. Mr. Rogers went with OWI in January, 1943, as a Deputy Director. Previous to that, he was associated with the advertising firm of Benton & Bowles in New York, where he was Vice-President and General Manager.

As Assistant Director of the Domestic Branch, Mr. Rogers will be in charge of the coordination of the information programs and the different bureaus involved in that work.

Columbia Broadcasting System, Inc., Brentwood, L.I., N.Y., has applied to the FCC for a construction permit for a new international broadcast station to be operated on 6060, 6120, 6170, 9650, 11830, 15270, 17830, 21520 and 21570 kilocycles, 50 kilowatts power and unlimited hours of operation except share time on all frequencies with WCRC, WCBX and WCDA; also share time on 6060 kilocycles with KWID and KWIX; use 6120 kilocycles by special authorization.

In newspaper and magazine advertisements and through radio broadcasts, R. H. Tillson, trading as Isabelle Beautetics Co., and as R. H. Tillson Co., 4058 Wyoming St., St. Louis, engaged in selling a cosmetic designated "Velskin", is charged in a complaint issued by the Federal Trade Commission with misrepresenting the properties and effectiveness of the preparation.

In starting its drive to sway Congress towards a more sympathetic view to labor and to weed out, if possible, those who voted to over-ride the veto of Congress in the anti-strike bill, the CIO is urging its members, among other media, to use radio programs.

For the first time in the history of Teachers College at Columbia University, college and high school music teachers from all sections of the country taking post-graduate Summer courses there are receiving credits for studies integrated with radio programs.

One of the five weekly classroom sessions is being held in NBC's Radio City studios, where the 150 teachers taking the course listen to broadcasts of "Music at War" and hear lectures by Dr. Gilbert Chase, music specialist of the NBC Public Service Department.

Baylor University and Carr P. Collins, Corpus Christi, Texas, granted construction permit for a new station to operate on 1010 kilocycles, 50 kilowatts, directional antenna, from daytime to sunset at Little Rock, Arkansas.

KFMB, Worcester Broadcasting Corp., San Diego, Cal., approved amended application for consent to transfer control of the Worcester Broadcasting Corp. from the Estate of Warren B. Worcester, deceased, to the First National Trust and Savings Bank of San Diego, and renewal of license application for a period of one year.

During its six months on the air "Hired Hand Exchange", a feature of General Electric's Station WGY, was able through cooperation with the United States Employment Service, to fill 45 per cent of all the employment requests received. A total of 716 requests, 407 for farm help and 309 for farm jobs, was received by WGY between January 1 and June 30 of this year.

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CRAVEN RISKING REAPPOINTMENT TELLS COMMITTEE PLENTY

Notwithstanding the fact that he is up for reappointment next year and that President Roosevelt, who will do the appointing is bitterly opposed to the House investigation of the FCC and evidently even against allowing the Commissioners to do anything to further it, Commissioner T.A.M. Craven, a Democrat, took his political life in his hands by cooperating with the House Committee in answering all questions freely thereby proving the most damaging witness to Chairman Fly and the Federal Communications Commission that has yet been heard. Thus the investigation continued to hit the front pages throughout the week.

Representative Cox (D) of Georgia, mainspring of the probe, and Eugene L. Garey, the Committee's counsel, lost no opportunity to pour gasoline on the fire every now and then. For instance, Mr. Garey sharply criticising the FCC for withholding information from the Committee by labeling certain letters confidential, said:

"Labeling those letters confidential was a pure matter of hooey." Mr. Cox declared it was just another way to smother material, "a secret mutiny against the authority of Congress". The Georgia Congressman also said:

"Information comes to me daily by letter and word of mouth that broadcasters, big and small, and radio chains live in mortal fear of the FCC and that its licensing power is being used to destroy free radio and free speech."

Representative Cox pictured Chairman Fly as an "autocrat" who overrides the seven man Commission although the law gives each Commissioner equal power." By way of confirming this, Mr. Garey asked Commissioner Craven:

"Frankly Fly dominates the Commission, doesn't he?"

"Yes, he does", was the reply, "and they usually let him get away with it. The votes are usually 5 to 2. I wish the other members would come along with me more often."

The Commissioner most frequently voting with Craven is Governor Case, a Republican. Time after time it is these two against the field.

Commissioner Craven said prior to testifying before the House Committee he had been warned by Mr. Fly not to make any disclosures violating the privacy of the FCC's operations. Craven said, however, that he had not received word from the President

with regard to testifying. He suggested that the Committee consider writing into the law a definition of what the Chairman's duties are "so that we will never have a repetition of the situation as it exists today."

No one could have been more amazed apparently than Commissioner Craven was at the extent of the foreign operations of the FCC. He said he had been under the impression that the military "asked us to help". Later he heard rumors that the Joint Chiefs of Staff had recommended that the FCC's military intelligence operations be transferred to military control - a proposal disclosed by Mr. Garey two weeks ago in the Committee's first session. After hearing the rumors, said Commissioner Craven, he asked about them in a Commission meeting and was assured by Chairman Fly that "there was nothing to it."

As a result, he said, the proposal of the Joint Chiefs of Staff was a surprise to him. He said he thought "something constructive" could be done along the line of the proposed transfer of the FCC foreign service to the Army and the Navy.

"I think the FCC should remain in the civilian field and the military should remain in the military field. I know of no authority in the Communications Act for the operation of FCC listening posts abroad", he said.

Mr. Garey charged, however, that the Army had requested but one expert but that the FCC had sent many more. Commissioner Craven said that he was "taken completely by surprise" on learning that the FCC had 30 representatives in North Africa whereas he had been told the number was four. He said the number of employees the FCC had in Africa had never come before the Commission as far as he knew.

Mr. Garey said the London office of the broadcast intelligence service had 40 employees.

"I thought they had eight", said Mr. Craven.

"Did you know that an increase in the London staff is contemplated?" asked Mr. Garey.

"I thought there would be a decrease", the witness replied.

"Well, let's find out about this operation in London", asked Mr. Garey.

"You're asking the wrong man", said Mr. Craven. "I don't know."

Dr. Robert Leigh, Director of the FCC Foreign Broadcast Service, said that General Eisenhower had made the original request for FCC personnel in Africa and that the Commission had correspondence to prove it.

Getting back to the question as to whether the FCC is run by Mr. Fly, Garey persisted: "Does the Chairman dominate the Commission?"

"He takes a leading part", was the reply. "He usually has his way. He is a very strong man."

"They are not as strong as he is?" inquired the counsel.

"That's right", said Mr. Craven.

Going back to the older days of the Commission, Commander Craven said that former Chairman Frank R. McNinch had proposed that "he would go along with me on engineering matters if I would in effect give him my proxy on policy matters."

Commissioner Craven said his answer was "No".

He said that the action several years ago of the FCC in dismissing its General Counsel, Hampson Gary, was "outrageously wrong".

Committee Counsel Garey asked whether Mr. Gary had been dismissed "because he was unwilling to lend his intellect and integrity to the purposes the Commission wished to have served?"

"That is correct in my opinion", said Commissioner Craven.

Commissioner Craven charged that in its judicial processes the FCC organization is very unsound and should be changed.

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ASKS U.S. TO PAY HIM \$100,000 FOR RADAR PATENT

Probably the first of a long procession of claimants, F.S. Chapman of Kenton, Ohio, is demanding \$100,000 from the U. S. Government on the ground that he is the inventor of radar. Chapman made a special trip to Washington for the purpose and set forth his claim in a letter to Attorney General Biddle saying he had been granted a patent on it in 1919, reissued in 1930. Chapman said he discovered the radar principle while serving as a telegrapher for the Wheeling & Lake Erie Railroad at Massillon, Ohio, many years ago."

"Later", he said, "I furnished the plan to Admiral W. S. Benson, Chief of Naval Operations in 1917-18."

In his letter to Attorney General Biddle, Chapman said: ". . . It should be well over \$100,000 in value and so, to save time of tabulators who should be on war work, it would seem to be okay to pay \$100,000 now and the remainder later."

Chapman said about Dr. A. Hoyt Taylor and Leo C. Young of the Naval Research Laboratory, "They have done a good job developing it, but they did not discover it."

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FLY CALLS FCC INVESTIGATION CHARLIE McCARTHY ACT

Having the last word as the House Federal Communications Commission Investigating Committee adjourned until Monday, August 9, Chairman James L. Fly of the FCC declared that Representative Cox and his associates had done exactly what he had expected them to do in getting away without giving him (Fly) or his aides a chance to defend themselves. The irate FCC head described the Capitol Hill hearings as being a Charlie McCarthy act with the main roles taken sometimes by Chief Counsel Eugene Garey, and his investigator Harry S. Barger, and sometimes by Garey and Mr. Cox himself.

At the same time Chairman Fly gave out a letter which he had written to the House Committee which read:

"In the record of the hearings on Wednesday, Congressman Cox made the following statement:

"Mr. Fly, the Chairman of the Federal Communications Commission, has, according to press reports, been insisting that the Commission be given opportunity to put its position on record as regards complaints made against it. You will recall we had Mr. Fly up here about 10 days ago and he refused to talk. So the Committee has called you (Commissioner Craven)."

"I am not conscious of ever having had an opportunity to testify before your Committee on any of the various matters coming within the scope of the resolution adopted by the Congress to investigate the Commission. On my one brief appearance before the Committee I was called upon to produce one file of the Board of War Communications.

"I cannot but reiterate the importance of the full Committee giving to me and the Commission a prompt hearing on the charges which the Committee has made public. I stand ready at any time to appear before the Committee and I again want to urge that I be given this full and complete opportunity to be heard at an early date. I shall await your advices."

Representative Cox said that Representative Hart (D), of New Jersey, and Representative Wigglesworth (R), of Massachusetts, as a subcommittee, would take testimony of a number of witnesses in New York City a week or so hence with regard to a "Gestapo" which it is alleged the FCC maintains.

"There is nothing to that but another headline", Mr. Fly charged. "The FCC has no 'Gestapo' in fact has not enough investigators to look into matters that should be investigated, but suggested that the topic of the New York inquiry might be foreign language broadcasting.

Mr. Garey said the FCC had forced a great number of individuals off the air, and Chairman Fly said "That's not true, a

couple of pro-Fascist announcers have gone off the air, but I can't imagine really what Mr. Garey was talking about."

Three times in the Committee's final hearing, FCC's General Counsel Charles R. Denny clashed with Chairman Cox in an attempt to be heard on two topics. Once Mr. Denny jumped up and challenged Representative Cox's charge that the FCC had made public three "secret" letters, and a suggestion that the FCC had stripped its files to hinder the House investigation. A second and third time Mr. Denny asked Mr. Cox to admit to the record letters from Army and Navy and other Government officials calling the FCC's Foreign Broadcast Intelligence Service valuable, in contradiction to repeated charges by Mr. Garey that the Foreign Broadcast Intelligence's and the Radio Intelligence Division were useless. Mr. Cox refused, saying instead that the authors of the letters would be called at the Committee's convenience to testify under oath.

Commissioner T.A.M. Craven, recalled to the stand, told the Committee that in his opinion Foreign Broadcast Intelligence's analyses were worthless and that the agency would be better under the Office of War Information, provided it continued to serve other Government agencies. He agreed with Mr. Garey that the Radio Intelligence Division had competed with the armed forces for critical materials and men, declaring, however, that at the outset of the war it had done a tremendously useful work for the armed forces, but one that should now be turned over to the armed forces if they wanted the job.

Mr. Fly refused to comment on Commander Craven's testimony "in any way".

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ASKS BROADCASTERS TO SHOULDER BURDEN IN OWI SLASH

Office of War Information's domestic radio budget has lopped off by one-third and Donald D. Stauffer, Chief of the Domestic Radio Bureau, says that this means the broadcasters will have to shoulder a bigger burden than ever before.

In a message to the industry and to the Advertising Council, Mr. Stauffer disclosed that while most of the work will be carried on, the field offices are out, and the Station Relations Divisions, slightly enlarged, will take over the task of servicing and advising local broadcast outlets.

"With our reduced budget and operating staff, we shall, of course, have to ask for even more cooperation from the radio industry than we have heretofore", Mr. Stauffer said. "In some regions, voluntary committees of broadcasters under the general guidance of the Radio Bureau's consultants have already been set up to supplement and implement the activities of our small Station Relations branch offices. Wherever such cooperative efforts can be

worked out, they will obviously strengthen the orderly, intelligent use of available radio facilities."

"Within our present budget we shall be able to continue the network allocation plan on exactly the same basis as we have in the past. Therefore, there will be no need for advertisers or networks to consider requests direct from the various government agencies. As in the past, we shall be able to function as the central clearance point for all requests for cooperation on network commercial and sustaining programs."

"There are sufficient funds in the budget to carry on the Station Announcement Plan, insofar as the Washington end of the operation is concerned. One set of transcribed announcements will continue to be sent regularly from OWI to all stations. The announcements formerly sent from the OWI field offices will be sent from the extended station relations operation described below."

"Those network commercial and sustaining programs which have offered to do work on behalf of the Government over and above the regular Allocation Plan, will continue to be serviced by the Special Assignment Division. No changes have been made in the organization or staff of this division."

"There will be no change in the personnel or functions of the Chicago, New York and Hollywood offices of the Domestic Radio Branch."

"As you know, the field offices of the OWI Domestic Branch formerly supplied the same service in the field that the Washington office of the Domestic Radio Bureau furnished nationally. This included the clearance of all material put on local stations by the field offices of all government agencies and the sending to local stations of regional spot announcements to supplement announcements sent by the Washington Domestic Radio Bureau."

"Since the field service has been abolished, the Station Relations Division will add 12 members to its staff. The job of these new members of the Station Relations Division will be to service local stations and the field offices of the several government agencies as nearly as possible as it was done by the OWI field offices. Obviously with a limited staff (approximately 12 people), it will be impossible to furnish all of the services formerly offered."

"However, the new members of the Station Relations Division will be able (1) to clear all new programs supplied by the field offices of the government agencies, (2) to be central clearing point for announcements proposed by government agencies to local stations; and (3) to service requests of local stations for information and guidance insofar as this operation can be carried on with limited personnel."

"We have cancelled the 'Victory Parade' series which was to have replaced the old 'Uncle Sam' series. With the exception of the Station Announcement Plan, the only transcription activities

that will be carried on by this office in the future will be in those cases where a specific local or regional problem has to be met by the use of transcribed programs, and other facilities are not available for disseminating this information.

"Generally speaking, we shall rely, as we have in the past, on the radio industry to prepare and broadcast material in behalf of the government. Our function essentially will be to furnish the most complete and accurate information that we can assemble, and distribute it to the radio industry either directly or through the Station Relations Division."

"Under the supervision of the Station Relations Chief, all special events will continue to be placed by the Time Clearance Section. The four major networks have requested that time for speeches of all Government officials also be cleared through OWI. As in the past, requests for radio time by government agencies to present special events should be made to the Chief of the Government Liaison Division, who in turn will transmit the request to the Station Relations Division."

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WLB TAKES PETRILLO CASE; RECORD MAKING NOT RESUMED

The War Labor Board decided Thursday to take jurisdiction over the dispute between James C. Petrillo but pending a further investigation no resumption of the making of transcriptions has been ordered.

Mr. Petrillo in New York said that the WLB action indicated they simply wanted to consider the matter further and seemed to regard it as a victory. Also the Music Federation president appeared pleased that the Navy had declined his offer to make records free for the sailors evidently not considering them necessary for morale. Mr. Petrillo had made this same contention but offered free records after Elmer Davis and other government officials argued that the recording ban was harming morale.

Capt. R. A. Koch, Special Assistant to the Chief of the Bureau of Navy Personnel, said, wrote Mr. Petrillo, that "any plan duplicating present facilities, in view of current shortages of materials, would not appear to be essential to the allout prosecution of the war effort."

Mr. Petrillo said he had not yet received the Army's reply to his offer.

The War Labor Board decided to select an investigator to probe further into the merits of the transcription dispute - revolving around the refusal of Petrillo's union to make any more radio transcriptions - and decide whether the action is in effect a "strike".

Mr. Petrillo contended at a WLB hearing that his men were not on strike - that they merely decided to quit working for the transcription companies more than a year ago and did not intend to seek further employment with them. Pointing out that the transcriptions were destroying work opportunities for musicians, he said, "We are not going to play our own funeral march any more."

If the Board finds that a strike exists, its policy would require it to order the men back to work pending settlement of the dispute. The companies had asked the Board to assume jurisdiction and order Petrillo to resume the manufacture of transcriptions. Petrillo contended that the Board lacked jurisdiction.

A. Walter Socolow, attorney for the transcription companies, expressed surprise in New York that the WLB had accepted jurisdiction without ordering the musicians back to work.

"This is all the more extraordinary in the present case since Mr. Petrillo announced in advance that he did not intend to comply with any ruling of the Board", Mr. Socolow said. "The electrical transcription companies are thus placed in a position of proceeding with what is in effect an arbitration when they have promised to abide by the decision, but the other party has announced in advance that he intends to disregard the result if he does not like it."

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PRESS-RADIO GAG ON 200,000 AAA WORKERS

The War Food Administration clamped the censorship lid down on the 200,000 State Agricultural Appropriations Act employees prohibiting speeches boosting or criticising the Congressional farm program. Answering of inquiries is limited to responding to queries of individual farmers.

The order forbids AAA employees to:

"Furnish releases, photographic prints, illustrations or mats to the press.

"Furnish prepared scripts or transcriptions for radio broadcast or appear on radio programs.

"Prepare, distribute or exhibit motion pictures.

"By word of mouth, in individual contacts or before groups, carry on promotional activities for the purpose of enhancing the prestige of the AAA as an institution, or of indoctrinating a philosophy relating to the general principles of AAA programs, or of building public pressure for or against Congressional action on agricultural measures."

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U. S. BROADCAST ROME BOMBING NEWS WITHIN 8 MINUTES

According to the Office of War Information, American radio began telling the people about the bombing of Rome about 8 minutes after it happened.

The broadcasts breaking the big story to Europe originated in New York. The news was flashed to Algiers by the radioman in the first American bomber over Rome. Army headquarters in North Africa relayed it to the Pentagon Building, from where it was transmitted to OWI in New York by telephone. This triple play covered some 4,000 miles. Eight minutes after the first bomb was released the news had sped another 3,000 miles back to Europe.

The United States station in Algiers started transmitting by medium wave to Italy at the time our short-wave stations flashed the reports from New York.

The Army arranged for the first plane to notify them in North Africa at the precise moment the bombardier pressed his release. The flash was sent at 5:13 A.M. Monday, EWT. By 5:21 A.M. OWI was on the air with the news from New York. Officials, of course, were standing by at the Pentagon. OWI kept a full crew all night at its overseas headquarters in New York to await the news.

This is the way it was handled on this side. Approximately five hours ahead of the attacks, officials in New York received by courier a sealed envelope from Robert E. Sherwood, head of OWI's overseas branch in Washington. Later they were notified by Mr. Sherwood to open the letter. It described what was going to happen and contained background for guidance on the propaganda line to be taken. The office set to work to prepare material for the broadcasts.

At 5 A.M. a direct telephone line was opened between the Pentagon Building and OWI in New York. When the flash was received, three of our transmitters were on the air with regular programs, one beamed to Germany and Central Europe, another to France and the third to North Africa in Spanish. The programs were immediately interrupted for the big news.

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Randolph C. Walker, President of the Aircraft Accessories Corporation said in New York that the corporation had acquired controlling interest in the Phonette Company of America, a Los Angeles concern engaged in the manufacture of radio equipment. Phonette will be operated as a subsidiary by the Electronics Division of Aircraft Accessories, which operates plants in Kansas City, Kan., and Slater, Mo.

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TELEVISION PROMISED FOR ALL AFTER THE WAR

Television will be ready for every family's use "immediately after the war", Ralph R. Beal, Research Director for the Radio Corporation of America, said without reservation yesterday in New York, according to an Associated Press dispatch.

Home receiving sets in any desired size with "screens" from 6 to 24 inches in width will be available to purchasers, Mr. Beal said, "within the shortest space of time required to reconvert the radio manufacturing industry from war to peace production."

He made it clear, however, that he thought there was room for both sound broadcasting and television, just as the telegram and telephone have pursued parallel successes in common usage.

"Unquestionably, television receiving sets will be within the range of the average pocketbook", Mr. Beal said.

Mr. Beal's remarks were the first flat-footed statements from a cautious scientist concerning the imminent Nation-wide launching of the new commercial entertainment industry.

"Years of research - speeded and implemented by wartime discoveries and emergency developments, have paved the way to smooth and highly practical television operation", Mr. Beal said, "and we are confident that its widespread use will open employment to an equally wide range of arts, crafts and labor.

"I believe that in applying all of our new findings to a fresh industry, television will provide a much more satisfactory entertainment medium than has ever been achieved down through the centuries."

Among the feasible facts about television in the postwar period, Mr. Beal included the following:

A network of automatic monitor stations will be employed to relay television's images and sound from a central transmitting tower to any desired distance. Thus a planned relay from New York to Washington could be extended to any part of the country.

Action and sound can be relayed from a fixed state - outdoors or indoors - and from easily-handled portable equipment.

After the television broadcast of black-and-white images, plus sound, to a large section of the Nation, the next normal development will be three-dimensional and color television.

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: : : TRADE NOTES : : :
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Station WDSM, Superior, Wis., will become affiliated with the Blue Network as a basic supplementary station, bringing the total number of Blue affiliates to 159.

Used defective, exhausted or condemned parts for electronic equipment must be disposed of by producers or suppliers, either for salvage - or be destroyed, within sixty days, War Production Board announced yesterday in an amendment to Limitation Order L-265. This action was taken to prevent such defective parts from getting back into trade channels.

Previously the order had provided for the salvage of such parts, but now they may be destroyed if salvage is not practical.

A permanent WOR Women's Advisory Panel was formed at a luncheon held by Alfred J. McCosker, President of WOR, at the Waldorf Astoria last week. The purpose of the meeting was to devise further means for aiding women listeners at home and in the war effort.

All the prominent women, representing a variety of fields, who attended the lunch signified their willingness to become charter members of the Panel. It was further decided that meetings would be held at least four times a year.

Dissemination of false advertisements in connection with the sale of medicinal preparations is alleged by the Federal Trade Commission in a complaint against Robert Salazar, trading as Los Angeles Pharmacal Co. and Hidalgo Pharmacy, Los Angeles. The respondent sells the preparations under the names "Pulmotol", "Femovita", "Renatone Pills", sometimes known as "Runaton", and "Stomavita", and advertises them in the Spanish language in newspapers and periodicals and by radio continuities.

Walter I. Seigal, formerly Assistant Manager of the CBS Photographic Division, has been named Manager of the Division.

Mrs. Winthrop Aldrich, Vice-Chairman of CDVO, and Miss Hazel Corbin, General Director, Maternity Center Association, will serve as regular members of the WOR Women's Advisory Panel, though they were unable to attend the abovementioned luncheon.

Chairman James L. Fly of the Federal Communications Commission; Walt Disney, creator of delightful screen fantasies, and Francis S. Harmon, Executive Vice Chairman of the War Activities Committee of the Motion Picture Industry, will explore "The World of Sight and Sound" on the NBC Inter-American University of the Air's post-war planning series, "For This We Fight", at 7:00 P.M., EWT, Saturday, July 31st.

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No. 1548

July 27, 1943

FCC PROBE JUST GETTING GOOD - NAME COX KIN ON PAYROLL

Although temporarily adjourned, the investigation of the Federal Communications Commission by the Special House Committee headed by Representative Eugene Cox (D), of Georgia, is just beginning to get good. Never has there been a more spectacular curtain-raiser but if the promises of those in charge of the hearings are to be relied upon, some of the most sensational charges are yet to be uncorked. The hearings which are to reconvene week after next (August 9) in Washington, following a special sub-committee matinee performance in New York next week, may run along for a month or more.

If they have not concluded by the time Congress reconvenes the Committee will make a progress report to the House and then or later will introduce several bills calculated to clip the wings of the FCC - legislation to transfer the war activities of the Commission to the Army and the Navy as was said to have been recommended by Army and Navy officers who were prevented from testifying by President Roosevelt.

In the meantime both sides continue to bang away at each other in the public prints. A couple of depth charges have been exploded by Drew Pearson, noted columnist, who is "agin" Representative Cox and has been for sometime. Last week he wrote:

"The Cox Committee investigating the Federal Communications Commission, having set one record for violating the American spirit of fair play, now is out to beat its own record.

"First, its Chairman, Representative Eugene Cox of Georgia, having been accused of illegally taking a \$2,500 lobbying fee, is now placed in the unique position of sitting in judgment on his accusers - the FCC.

"The Georgia Congressman at one time had so many relatives on the Government payroll that the total take of himself and family was \$56,500. This is nearly four times greater than the salary of the Vice President, nearly three times the salary of Chief Justice Stone. Nevertheless, when the FCC sent the matter of Cox's alleged lobbying fee to the Justice Department for criminal prosecution, Cox flew into a tantrum and started a congressional probe of his accusers.

"Now, his committee has gone one step further and has devised a system of trying to shut up any rebuttal from the Federal Communications Commission, so that only one side can be heard. (It might be a good idea for the public to remember this in reading news about the FCC investigation.)"

A few days later Mr. Pearson followed that little tribute with:

"Congressman Eugene Cox of Georgia has now set the all-time high for helping hiself and family at the expense of American taxpayers. Other Congressmen from time to time have put their relatives on the Government payroll, but none has ever come anywhere near Cox's record for getting so many feet in the feed-box.

"At present he has six relatives on the payroll, for an annual total of \$30,120, including his own congressional salary.

"In addition he has now secured from Congress a handout of the taxpayer's money to the tune of \$60,000 to investigate the Federal Communications Commission after that Commission unearthed a check for \$2,500 allegedly received by Cox for lobbying.

"It is a criminal offense for a Congressman to lobby with a Government bureau, so the FCC referred the matter to the Justice Department. Whereupon Cox persuaded his brethren on Capitol Hill to investigate his FCC accusers and make him 'impartial' chairman of the probe.

"Here is the detailed breakdown of Cox's nepotism:

"Rosa Robinson, Cox's secretary, is his sister - \$3,380 a year.

"J. Chaney Robinson, her husband and Cox's brother-in-law, is assistant House bill clerk - \$3,120 a year.

"Grace Cox, wife of the Congressman, is a clerk in his office - \$3,120 a year.

"Robin Cox, Sr., a brother, postmaster at Donalsonville - \$2,400.

"Mrs. Jim Cox Hoggard, a sister, postmistress at Camilla (Cox's home town) - \$2,550.

"Charles M. Cox, a nephew, senior administrative officer of the Agricultural Adjustment Administration's special program division, who says he got his job without Cox's aid - \$5,600 a year.

"Congressman Cox's yearly salary - \$10,000."

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A radio circuit for transmission of photographs will be opened soon between the United States and the South Pacific war theater, the Army has announced.

Signal Corps experts are in Australia installing equipment and completing preparations for the service, which will be started "in the immediate future.

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SET MAKING SPEEDED BY "DILUTING JOB FOR UNSKILLED"

Schedules for marine radio units for the Maritime Commission ships have been stepped up by the Federal Telephone and Radio Corporation, manufacturing affiliate of the International Telephone and Telegraph Corporation by "diluting the job for unskilled workers".

"Thus, by breaking down the task into simpler sectional processes", E. G. Ports, Radio Communications Division Manager, explained to the New York Times, "we are able to use our highly skilled workers on parts that require their attention, and leave the balance for the unskilled workers. Of course, our plant has been hard hit by the man requirements of our armed forces, as have all others; and workers do not come to us fully trained, but job dilution has gone a long way toward solving our problems.

"An example of the working of this system can readily be seen in the manufacture of one particular cable assembly for our marine radio unit. This cable normally required 550 minutes to assemble, but today we are able to turn out the same job in 80 or 90 minutes.

"The marine radio unit, although accepted by the Maritime Commission in 1941, is essentially new. It provides a single unit for our Liberty ships which contains all the radio communications equipment required by law.

"Installation of the unit on shipboard consists chiefly in securing the unit in place and connecting the antenna and power leads. Old-type installations consisted of a multiplicity of units - transmitters, receivers, motor generators, auto alarms, charging panels, etc., and were mounted on tables or bulkheads and in some cases even in adjoining rooms.

"The wiring problem is greatly simplified, and a tremendous saving in time and expense is accomplished with the new unit. Installation of radio equipment on new ships normally requires from six weeks to two months, and tends to interfere with construction work on the vessel itself. With the new unit, all work is practically completed prior to the time the radio room unit is placed in position."

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SIR THOMAS SUGGESTS SOLUTION OF PETRILLO DISPUTE

Sir Thomas Beecham, noted English conductor, now residing in the United States, has written to Olin Downs, music editor of the New York Times offering a remedy to the Petrillo-transcription company differences as follows:

"Mr. Petrillo has informed the world that the quarrel of the federation is not with the recording companies at all but with

the broadcasting organizations, hundreds in number, who live partly or mainly upon mechanized music to the disadvantage of unemployed musicians. Would it be presumptuous to inquire what are the chances of the broadcasting bodies employing more musicians? Up to the moment, I take it, they have shown little disposition to do so. But the public, which will eventually have to be taken into consideration, is entitled, I think, to some enlightenment on this point. Also it might like to know if the present ban will be continued, even if the offending parties come well to heel.

"It would appear that one of the fundamental causes of the whole trouble is the unsatisfactory legal status of the gramophone record itself. In my country, when any record made by the London Philharmonic Orchestra is used by the British Broadcasting Corporation, we receive a fee for such performance. In this country I have observed that our records are played, day and night the year round with no advantage to the makers or contrivers of them. Once they are placed upon the market they become the free property of any broadcasting station that likes to use them. This, to my way of thinking, is hardly equitable. In other words, every broadcasting station on this continent might reasonably pay a fee, according to its economic capacity, for the right to make use of our records. This position could be secured by a short and simple act of legislation in Congress, making them copyright, and the recording companies would thus be enabled to control their distribution.

"How would this advantage benefit the Federation of Musicians? Taking into account the immense number of broadcasting stations in this country, and other channels of reproduction, a very large income would be forthcoming to the creators, artistic and mechanical, of the records. They, I am sure, would be only too willing to hand over to the Federation that larger portion of all fees receivable by them under such an amended dispensation. At least I am tolerably sure that there are few artists working on this continent who would not agree to do so at once. The result would be the federation coming into possession of a considerable annual revenue which it could disburse in any fashion it desired. It could bestow unemployment relief or, what would be infinitely more beneficial, create fresh machinery of employment."

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COX SUBCOMMITTEE TO CONVENE IN N.Y. NEXT WEEK

Although the exact time and place was not made known, it seemed to be pretty well determined that the sub-committee of the House Committee investigating the Federal Communications Commission would meet in New York City next Monday, August 2. There are only two members of this smaller Committee - Representatives Edward J. Hart (D), of New Jersey, and Richard B. Wigglesworth (R), of New York. The subcommittee will examine about 100 witnesses and endeavor to substantiate the charge that the FCC has had a "Gestapo" operating in the foreign language broadcasting field.

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FLY THUMBS COX COMMITTEE ON FBIS MUSSOLINI SCOOP

Stating that the Federal Communication Commission's Foreign Broadcast Intelligence Service, which has been under such heavy fire by the Cox FCC Investigating Committee, scooped everybody by giving the news of Mussolini's ousting to various U. S. agencies ahead of any other Government or press services. Chairman James L. Fly of the FCC declared this justified the existence of the service. He also said that the FBIS had not been established for the purpose of beating the press services and others to it but argued that in such cases as the Mussolini blow-up, it was necessary for the Government to have the facts and "authoritative word" immediately and here was one instance where they got them from the FBIS, the Cox Committee to the contrary notwithstanding.

Mr. Fly said the FBIS carried the second-by-second developments and gave all Government agencies the full text of the announcement, the reactions obtained from the Rome broadcasts, both at home and on the Italian shortwave programs, the British press reactions and the full text of the BBC broadcasts. Mr. Fly said this was a service that "undoubtedly could not have been rendered by any other agency".

The FCC chief said that the event happened at 4:40 P.M. Sunday, was picked up at 5 P.M., carried as a flash on the wires at 5:01 and the full story of the first texts at 5:05 P.M.

Asked how much the FBIS beat the press associations, Mr. Fly said the FCC service was not in the "scoop business" and that he thought it was incidental that they were ahead of the press associations and regular broadcasting services by minutes but more important that they gathered the information quickly and gave it to the Government.

Asked if the FBIS had attempted to appraise the significance of the Mussolini exit, Mr. Fly said it wasn't the function of the service to analyze conditions in a general way or to try to grasp their broad significance.

"We endeavor to keep the Government fully informed from the output of information and propaganda from all of the foreign countries. In that, I think the FBIS does an excellent job", Mr. Fly explained.

"Undoubtedly they will have analyses having to do with the various statements and the attitudes of the different countries - perhaps a comparison of the statements made by a single country, Italy or Germany, for example, in its own different released to different parts of the world.

"In other words, it is our job to analyze the propaganda and not to move beyond that sphere and pass judgments on the import of outstanding events in general. Much, of course, can be gained from a proper study of the propaganda, but of course that must be

combined with all other intelligence and information before an authoritative judgment is to be formed as to the impact of events in general. "

Clandestine radio stations greeted Mussolini's resignation with long exhortations to the Italian people, London listeners reported.

An underground station calling itself "GL" (probably for Giustizia Liberta), asserted the Fascist regime must fall with Mussolini.

Another clandestine station calling itself the station of the "Italo Balbo group", was heard attacking Mussolini as a coward, assailing the House of Savoy and issuing a "call to arms to Fascists."

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TRAITORS INDICTED IN BROADCASTS FIRST IN U.S. HISTORY

There has never been anything in our history to compare with the indicting of eight American citizens now resident in Germany or Italy. Attorney General Biddle declared every effort would be made to apprehend them and eventually bring them to trial in this country.

The defendants are charged with accepting employment with the Italian and German governments and with writing and broadcasting speeches and statements deliberately intended to weaken the morale of the American people, dissuade them from making war on the Axis, undermine faith in their own Government and the governments of their Allies, and in other ways to interfere with the military and naval operations of the United States.

The indictments said all radio facilities of both Germany and Italy are under the direct control of the respective enemy governments and that only such messages as will advance the interest of the enemy are allowed to be transmitted.

Named in eight separate indictments were:

Robert H. Best, 47, one-time United States Army officer, formerly of Sumter, S.C.; Frederick Wilhelm Kaltenbach, 48, formerly of Dubuque, Iowa, described as a counterpart of Lord Haw Haw; Dr. Ezra Pound, 57, formerly of New York City; Douglas Chandler, 54, formerly of Baltimore; Edward Leo Delaney, 57, formerly of Olney, Ill.; Constance Drexel, 48, formerly of Philadelphia; Jane Anderson, 50, formerly of Atlanta, Ga., and Max Otto Koischwitz, 41, formerly of New York City.

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FCC CLAIMS TO BE IN DARK RE BLUE NET SALE

There was an air of "we know nothing about it" at the Federal Communications Commission regarding the Blue Network sale rumors drifting in from New York. The names mentioned as prospective buyers are a Wall Street syndicate and James H. McGraw, of McGraw-Hill and Edward J. Noble, former Under Secretary of State, wealthy manufacturer, and owner of WMCA, New York. If Mr. Noble is identified with the group, which finally closes the deal, the FCC may be interested in his having a hand in operating two stations in New York City - WJZ and WMCA, which would be against the FCC regulations.

Top price for the Blue, one New York dispatch stated, was \$12,000,000 but this was later reported to have dropped to \$7,500,000 cash.

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IT IS RADAR ANY WAY YOU SPELL IT

You may never have thought of it before but a booklet just issued on the "Radar, Wartime Miracle of Radio", calls attention to the fact that the letters R - a - d - a - r spell the same forward and backward.

"This gives a clue to radar's performance in using the radio echo, which is reflected by any object which the radar beam strikes", the booklet published by the Department of Information of the Radio Corporation of America, explains. "An airplane, for instance, acts as a 'radio mirror' when it is intercepted by a radar beam."

The reader is also enlightened as to the origin of the new word:

"Radar - which means radio detecting and ranging.
 ra radio
 d detection
 a and
 r ranging "

Explaining the device with a simple illustration, the RCA Radar booklet says:

"The boy, who yoo-hoos at a cliff and hears the echo, is in effect illustrating the radar principle. The sound strikes an object and is reflected. Radio also has echoes. But, of course, radio travels much faster than sound; it travels at the speed of light, 186,000 miles a second. Knowing the speed of sound and light, also the time elapsed before the echo is heard, distance can be measured. For instance, knowing the velocity of the radio wave,

and by recording the time required for the echo to come back, the distance to the object that reflected the signal can be determined.

"The speed of the radio waves, however, is so great that it is only by the development of modern electronic devices that this measurement has been made possible. For instance, the time required for a radio wave to travel to an object 50 feet away and back again is only one ten-millionth of a second, yet radar can measure it."

The question is asked: "Does the enemy know about radar?" and answered:

"The fundamental principle is no secret. In fact, a main objective of one of the first Commando raids along the French coast, on February 27, 1942, was to capture intact the equipment of a radar station at Bruneval, north of Havre -- the mission was successful.

"Aiming to cripple one of Germany's key defense weapons against land invasion and against Allied air attacks, RAF 4-motored Lancaster bombers on June 21, 1943, made a heavy raid on the radio-radar factory in Friedrichshafen by 500-pound bomb hits on all main buildings.

"In 1935, the Telefunken company in Berlin revealed details of a 10-centimeter 'mystery ray' system said to be capable of locating position of aircraft through fog, smoke and clouds. It was reported that beams could be sent upward at a fixed angle from a large group of micro-wave transmitters. After reflection from the hidden airplane, the 'echoes' were picked up by a group of receivers built in small weather-proof, iron boxes which could be mounted atop church steeples and tall buildings. Each transmitter had its individual code signal so that the received beam could be identified and the object of reflection located.

"At the same time, reports were current that the United States and Italian armies were experimenting with radio-detection systems declared to revolutionize war tactics.

"It has since been revealed that for many years America has been at the forefront of radar development, but because the war struck Britain first, it was there that this new aerial watchdog received its baptism of fire. Radar was rushed into action, and the British are rightly praised for having done a magnificent job in quickly applying this great weapon to prevent the Luftwaffe from striking a knockout blow. Nazi fighter bombers have tried in vain to sneak by the radar patrols to reach England by flying low, skimming the water in hopes that the beams might be sweeping the skies overhead and therefore miss them."

Pointing out that RCA pioneered in radar the booklet states:

"The Radio Corporation of America as early as 1937 delivered experimental radar apparatus to the U. S. Army Signal Corps for aircraft location tests. RCA also produced, for the Signal Corps, portions of its first radar equipment, such as was in operation at Pearl Harbor.

"A set of radar, designed and manufactured by the Naval Research Laboratory, was installed on the U.S.S. NEW YORK, late in

1938. At the same time RCA had built for the Navy an experimental radar equipment which was tested on the battleship NEW YORK. As a result of the tests, the Navy decided to develop additional radar sets, and in October, 1939, because of RCA's pioneer radar work, it was awarded contracts for six sets of aircraft-detection equipment patterned after the original model built at the Naval Research Laboratory, and as installed on the U.S.S. NEW YORK. This was the first Navy service radar equipment order. The apparatus built by RCA was installed on U. S. naval vessels beginning in 1940."

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UNRESTRICTED MANUFACTURE OF TYPE 5Y3G RADIO TUBE ALLOWED

Because it is considered a more practical radio tube to produce than the Type 5Y3GT/G tube, unrestricted manufacture of the Type 5Y3G tube was allowed today (Tuesday) by the War Production Board through an amendment to Limitation Order L-76. This amendment will not add appreciably to present civilian tube supplies because of limitations on available materials, the Radio Division of WPB said. The order previously permitted manufacture of the Type 5Y3GT/G tube, but experience revealed that this tube did not perform satisfactorily and difficulty was experienced in its manufacture, the Radio Division said.

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FM VOTE FAVORS PRESENT ALLOCATIONS

FM Broadcasters, Inc. has just canvassed its membership as to whether or not they thought the present FM allocations were O.K. Also other questions were asked.

Replies were received from 20 FM broadcasters who have stations in regular operation.

Here are the questions and answers:

1. "Is the present allocation (43-50 mc.) the best for FM broadcasting?" (19 answers received. 13 answered "yes"; 5 said "no" and one can't be classified.)
2. "Should the present FM band be extended either up or down?" (19 answers received. 11 thought it should be extended; 2 didn't. 6 replies couldn't be classified as either "yes" or "no".)
3. "What new or modified engineering standards should be adopted?" (Out of 19 answers, 11 listed modifications they felt desirable; 6 announced themselves satisfied with existing standards. Another 2 had various answers.)

4. "Are mileage separations heretofore recognized for licensing purposes for same and adjacent channel operation satisfactory?" (18 broadcasters answered this one. 9 thought that present distances between such stations are working out all right; 7 didn't. Another 2 believed that more time will be needed before reaching any conclusion.)

5. "What degree of interference may be expected from sky wave propagation if the present FM band is retained?" (This question deals with the occasional freak reception of distant FM stations. Out of 19 answering, 9 believed that while there may be some interference from time to time, it will not be serious. On the other hand, 5 think just the opposite. There were 5 more answers voicing various qualified opinions.)

6. "In view of the fidelity characteristics of the receivers manufactured, has too much stress been placed on high fidelity in FM transmission and programming?" (20 answers were received. 8 said "yes"; 10 said "no"; 2 said "maybe".)

7. "What steps, if any, can or should be taken to prevent the distribution of inferior receivers incapable of taking reasonable advantage of service provided, or such as to injure that service?" (The majority of answers declared that public education about FM is the best way of combatting the distribution of inferior receivers.)

8. "Should allocation on the basis of trade areas be continued or is there a more satisfactory method?" (Of the 20 answers received, 12 prefer the current system. 6 have other ideas; 2 aren't sure.)

9. "Should FM boosters be permitted and, if so, should they be allowed to operate unattended, and on channels different from the channel of the originating transmitter?" (16 of the broadcasters were all for them. Only 2 said "no".)

10. "What should be the standards for synchronous operations?" According to FMBI's engineering committee, "the answers to this question are not sufficiently definite to permit classification. Various interpretations were placed on the question. Most of the answers indicate that this is something to be determined in the future."

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TRADE NOTES

W. B. Gillen has been named Manager of Manufacturing of the Tube Division of the General Electric Electronics Department. Mr. Gillen will be responsible for all G. E. tube manufacturing activities at Buffalo, Cleveland, Lynn, and Schenectady. A native of Warren, Ohio, Mr. Gillen graduated from Ohio State University in 1927, and his first job with General Electric was in the Warren, Ohio, Lamp Works.

The newly instituted Executive Administrative Program Committee, created at the recent Board meeting of the Mutual network, is holding its first meeting this week - a three day conference in New York City which began Monday, to prepare and discuss Fall and Winter programming.

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About the time the article appeared in this service "Believed Willkie-McCormick Radio Debate Would Be A Wow", the Mutual Broadcasting System suggested such a debate to Col. Robert R. McCormick of the Chicago Tribune, who replied: "Willkie is dead and buried. Why should I dig him up?"

Sylvania Electric Products, Inc. - Six months to June 30: Net income \$728,971 after taxes and charges, equal after preferred dividend requirements to 81 cents each on the 854,474 shares of common stock outstanding, compared with \$483,062, or 79 cents each on the 514,368 common shares outstanding, in the 1942 period.

Although billed as non-political, the broadcast of the speech of Vice-President Wallace from Detroit was labelled by many as political with a result that the Republican National Committee may ask for equal time to answer it.

Operation of a new radiotelegraph station in Algiers, North Africa, by Mackay Radio and Telegraph Company, an I. T. & T. associate, utilizing American equipment and personnel, has been started. The facilities of the new station are needed, Admiral Luke McNamee, President of the Company, said, to permit the expeditious handling of traffic between Algiers and this country.

This circuit will supplement the service Mackay has been providing direct to and from North Africa for several months through the facilities of the French North African Post and Telegraph Administration and its own station in New York.

Janet Lane, most recently associated with Stations WFIL and KYW, and with the John Wanamaker store in Philadelphia, has joined the staff of WEAJ as audience promotion manager. In her new position at WEAJ, Miss Lane will originate and conduct promotion plans intended to expand the station's audience.

Philip K. Baldwin, former Engineering Assistant in the CBS General Engineering Department, will assume new duties at WTOP, Columbia's outlet in Washington. Mr. Baldwin, formerly Chief Engineer of WEEI, Boston outlet, goes to Washington in the dual capacity of assistant to Clyde Hunt, Chief Engineer of WTOP, and as the CBS General Engineering Department Washington representative before Government and other bureaus.

Alfred Wallenstein, Musical Director of Station WOR, has been engaged as the permanent conductor of the Los Angeles Philharmonic Orchestra.

Miss Joan Lane, acting CBS Trade News contact for the last five months, has been made Trade News Editor of the Columbia Broadcasting System.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

RECEIVED

AUG 1 1943

FRANK E. MULLEN

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

*file
copy of
this speech
in Wash.
Jan*

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SHALL BROADCASTERS WIELD CENSORSHIP AXE? DURR ASKS

Discussing the problems of free speech and raising the question as to whether or not the broadcasters should be allowed to do the censoring, FCC Commissioner C. J. Durr, who recently took a shot at Representative Cox, made quite a speech at the Woman's National Democratic Club in Washington. He went to the bat for Goodwin Watson and the latter's pals, Messrs. Dodd, Jr. and Dr. Lovett and even had a good word for the "crackpots", saying, "The crackpots of one generation sometimes become the prophets of the next."

"In May of 1941, the Federal Communications Commission handed down several regulations relating to network broadcasting", Commissioner Durr told the Democratic women.

"The network regulations were handed down before my appointment to the Commission, but I have no hesitation in saying that if I had been a member of the Commission at that time, I would have favored them in principle.

"The Commission called its regulations a Magna Carta for the independent broadcasting stations, and claimed that it was extending a degree of free speech to a field where it had theretofore been restricted. Chairman Fly has given as an example the regular program of news comment put on by Raymond Gram Swing.

"Originally Mr. Swing's broadcast was on the Mutual Broadcasting System network. As such it was heard in many cities - and not heard in many others. Portland, Maine, is an example of a city in which Swing could not then be heard. There were only two broadcasting stations in Portland, Maine. One of them was bound by contract to the Columbia Broadcasting System, and that contract contained an exclusive arrangement by which the station agreed not to carry any program from any other network.

"The other station in Portland was affiliated with the National Broadcasting Company, and NBC also practiced exclusivity, so the second station in Portland likewise would not carry Swing's program. As a practical result, Raymond Gram Swing had no free speech, so far as network radio was concerned, in Portland, Maine, and listeners in Portland were deprived of an opportunity to hear him. And the same was true in many other cities.

"Subsequently, Swing transferred from the Mutual Network to NBC, and at that point he encountered another kind of contractual restriction.

"Many of these contracts between networks and stations also contained agreements by the network not to send a program to any other station in the territory served by its regular affiliate, even if the regular affiliate did not have time available or for any reason did not want to broadcast a program. Suppose, using Swing again as an example, that an NBC affiliate in some city decided not to broadcast his program. The result would be that no other station in that city could carry his broadcast, even though listeners wanted to hear him, the other stations wanted to broadcast his program, the network was willing, the advertising sponsor was willing, and Swing himself wanted to be heard.

"The Commission met these problems by providing, among other things, that a station may not enter into a contract which prevents it from broadcasting, if it so desires, a program from another network. The Commission also provided that a station may not enter into a contract which prevents a network, if it so desires from sending to another station in the area a program which its regular affiliate decides not to broadcast. Stations therefore remain free to broadcast or not to broadcast particular programs as they see fit. The purpose of the regulations is to prevent contractual restraints upon the free flow of programs. That, as fairly as I can give it in brief summary, is the Commission's view of the situation.

"The networks argue on the other hand that the regulations constituted an abridgement of the freedom of speech and of the press guaranteed by the Constitution.

"The Supreme Court, in upholding the FCC regulations, did not accept the argument that the guarantee of free press included freedom to make such restrictive contracts as the parties deemed necessary; today, the chief bar to free speech may not be governmental action, but rather the action of private parties.

"Traditionally, the threat to free speech was the threat of suppression by a powerful government. Today, free speech may also depend upon access or lack of access to privately controlled facilities for the dissemination of information - the press and radio. It may be as effectively curtailed by private economic sanctions as by the Government.

"In a town where the newspaper, radio station, and public hall facilities are all under common control, the controlling person or group may as effectively throttle free speech in practice as could a law prohibiting it. We have always been very sensitive to governmental interferences with the liberties of the citizen; and that is a healthy attitude. But I sometimes wonder whether we are sufficiently sensitive to and conscious of private interferences and restraints.

"The Communications Act of 1934 - and I am amazed at how much misunderstanding there is about this - places the decisions concerning what shall and shall not be broadcast in the hands of the more than nine hundred station licensees all over the country.

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"England attempted to find the answer in operating its stations through the British Broadcasting Corporation, a governmental agency. On the entertainment side, there are no serious problems. The broadcaster needs listeners before he can sell time, just as a newspaper needs circulation, and this in itself is sufficient incentive to give the listeners what they like. There is, of course, always the danger that news of one nature may be suppressed or played down and news of a different nature played up, but the problem here is the same as in the case of newspapers, and a wide latitude must be allowed to the broadcasters in determining what is newsworthy and what is not. However, the practice indulged in by broadcasters and network officials of blue penciling the script of commentators, where the remarks are neither libelous nor violations of the Wartime Code of the Office of Censorship, is a cause for concern. Even where the blue penciling is based on fear of libel, the question is presented whether or not the libel laws should be modified to encourage greater freedom of speech.

"The greatest problem arises in the field of public discussion, and here I think the danger lies not in what is permitted to be said but what is kept from being said.

"And here arises the question as to whether or not Congress should lay down further standards and set up a Board of Review to pass upon complaints of unfair exclusion from the air. I won't give you the answer, because, frankly, I don't know what it should be. But here are some of the arguments pro and con.

"Arguments for leaving complete responsibility with the broadcaster:

"1. The radio is an instrument of expression not unlike the newspaper and any interference whatsoever with the discretion of the broadcaster would be inconsistent with freedom of speech.

"2. Because of the large number of broadcasters and the diversity of their own prejudices and predilections, the errors made in one direction will be offset by those made in the other, and there will be an automatic balancing which will assure a fair overall presentation of all points of view.

"3. Government supervision would inevitably lead to political pressure and would offer a ready means by which the party in power could consolidate its position at the expense of the minority parties. Likewise, complaints that programs favorable to the 'ins' are barred would receive more sympathetic consideration than complaints from the 'outs'.

"4. The broadcasters, and particularly the independents, are conscious of and sensitive to the problems and points of view of their communities, and any centralized supervision would tend to increase the time devoted to a discussion of national problems at the expense of time for discussion of local affairs.

"Arguments Against Leaving Complete Responsibility with the Broadcasters:

"1. Broadcasters, unlike newspapers, can operate only by virtue of a special privilege granted to them by the Federal Government, namely, the use of radio frequencies. These frequencies are limited in number and belong to the people as a whole, and therefore the imposition of conditions upon which they may be used is not an interference with freedom of speech.

"2. There is as great danger of pressure from private economic groups as from political groups. The greater part of broadcasting revenue comes from a very small number of advertisers who have a life and death power over the stations which they can exercise in their own private interests without accountability to anyone, while government officials are accountable to Congress and therefore, in the final analysis, to the people themselves. Moreover, there is always minority political party to police the actions of the majority party and bring public opinion to bear against the majority party.

"3. While there may be a diversity in points of view of broadcasters, this diversity operates in a very narrow range, as they all operate under the same general business principles and depend upon the same economic conditions for their survival. Therefore, while they may have some differences, such as those which exist, say, between Democrats and Republicans, prohibitionists, and isolationists and interventionists, they would have a common hostility to any economic or political theories which might be inconsistent with their way of doing business or adverse to their economic interests.

"4. Under present law, the only penalty that can be imposed upon a station for failure to act in the public interest is revocation of or failure to renew its license, and this punishment is too severe to be inflicted upon a station which has on the whole rendered satisfactory program service but in isolated cases has discriminated unfairly against individuals or groups. Moreover, the individual or group discriminated against cannot take too great comfort out of seeing the broadcaster punished when it does not serve the purpose of getting them on the air at the time when they feel their message is pertinent.

"5. The commercial broadcasters, concerned as they are with keeping their listeners and advertisers, would be disinclined to permit the expression of a point of view that might be unpopular with even a portion of their listeners, however sound and reasonable the point of view might be. Moreover, the broadcasters themselves are in position to influence their listeners to such an extent that in time a great number of the listeners would be hostile to any point of view that did not coincide with the line that the broadcasters themselves had laid down."

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COX N.Y. HEARING TUESDAY - CLAIM INDEPENDENTS O.K. FLY

The subcommittee of the Cox Committee investigating the Federal Communications Commission will meet in New York next Tuesday, August 3rd, instead of Monday as originally scheduled. The hearings will begin at 10 A.M. in Room 110 of the Federal Reserve Building in Foley Square.

Asked if he had had any reaction to the charges made by Representative Cox that the FCC was terrorizing the broadcasting industry, Chairman James L. Fly said there had been "quite a bit", particularly from the smaller independent stations. The operator of one of these stations wrote: "The Commission is the smaller broadcaster's best guarantee for fair treatment in the industry."

Mr. Fly added:

"There has been some backfire from stations that have been pressed by the staff of the Committee to give evidence or make statements against the Commission when those stations were unwilling to do so. There has been a pretty broad circularization of the various stations by the Committee's counsel in an effort to get them to make statements against the Commission, and in certain cases where they have declined to make such statements, they received sharp reprimands from the counsel of the Committee."

According to Drew Pearson, columnist, who has taken up the cudgel for the FCC, the Cox investigation has degenerated chiefly into a name-calling contest in which Chairman Larry Fly is the main target.

"Everything that happens, no matter whether it pertains to international affairs or the salary of a stenographer, is blamed on Fly", Mr. Pearson writes.

"Only objector to the antics of the Cox Committee is forthright Representative Hart of New Jersey.

"The other day Cox's Committee counsel, Eugene Garey, started to read a message from J. Edgar Hoover, when Cox of Georgia interrupted with a eulogy of Mr. Hoover. He told of his great devotion to the FBI chief, concluding with the remark:

"At one time we wanted to vote a Congressional Medal to Mr. Hoover."

"And I suppose", said Congressman Hart of New Jersey, "that Chairman Fly blocked that too."

Taking another fling at the investigation, the Washington Post, which is also lined up against Representative Cox in an editorial captioned "Dignity of Congress", said:

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"It is a question of whether the dignity of Congress is to be respected or spurned.' So spoke Mr. Eugene L. Garey in protest against the reluctance of Government officials to give confidential information to the Cox Committee of which he happens to be chief counsel.

"We wonder if the dignity of Congress is respected when a committee counsel is permitted to browbeat witnesses in star chamber proceedings. We wonder if the dignity of Congress is respected when a committee counsel subjects witnesses to leading questions of the 'Have-you-stopped-beating-your-wife?' variety. We wonder if the dignity of Congress is respected when a committee counsel conducts an inquiry on the 'principle' - as Mr. Garey felicitously phrased it - of 'the seizure of the headlines' and the 'principle' - again in Mr. Garey's words - 'that the committee must keep the commission's side of the case from reaching the public.'

"We wonder how much dignity Congress will have left if it allows this Cox Committee travesty on the American judicial process to continue."

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U. S. CENSOR WARNS FURTHER ON RADAR PUBLICITY

Following a recent warning from the War Department the following further admonition has been addressed to broadcasters and editors by Byron Price, Director of Censorship:

"The extent of current public discussion of radar is causing increasing concern to the Government.

"The principle of radar is generally understood here and abroad, and some limited disclosures have been made officially. New methods of applying the principle are being developed, however, and there is much the enemy does not know.

"The fact of prior publication should not be used to cover added description, discussion, and deduction, or to support a theory or draw a conclusion.

"Radar is a secret weapon within the meaning of the Code. Editors and broadcasters are especially requested to be alert to every mention of radar and military electronic devices; to establish beyond all question that there is appropriate authority for every statement made; and to submit all material on the subject - other than that released by appropriate Government authority - to the Office of Censorship for review in advance of publication or broadcast.

"So inclusive a request would not be made if the highest considerations of national security were not directly involved."

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PETRILLO ORCHESTRA OFFER SEEN AS 4TH TERM HOKUM

One gentleman in the broadcasting industry laughed long and loud about the plans of James C. Petrillo, head of the American Federation of Musicians to put into execution what was said to be an idea of President Roosevelt to have members of the country's leading symphony orchestras give free concerts in smaller communities which ordinarily do not have an opportunity to hear good music.

"That sounds to me like 4th term hokum to catch the farm vote", he ejaculated. This observer looked upon the \$500,000 fund of the A. F. M. for small town concerts as a shrewd way of contributing to President Roosevelt's 1944 campaign.

Neville Miller, President of the National Association of Broadcasters, said Mr. Petrillo's offer was "unequaled for hypocrisy." Mr. Miller said that when there were records for the home, schools and radio stations, it was possible for "all of our citizens, wherever situated", to hear symphonic music.

"If Mr. Petrillo were sincerely interested in the welfare of symphonic music, he could, by lifting his ban, permit the equivalent, not of 570, but of hundreds of thousands of times 570 concerts", Mr. Miller added.

The fact that Mr. Petrillo had been playing around the White House came as a surprise to many in the industry and explained the cock-sure attitude the music leader has maintained in his dealings with the transcription people and the War Labor Board.

If the WLB, which last week took jurisdiction over the controversy between the American Federation of Musicians and the seven transcription companies, decides that Petrillo's move is a "strike" and not a "labor dispute", it will order musicians to return to work for the transcribers and then proceed with adjudication of the case. The Board has the power, if it's necessary, to formulate a new contract between the two parties and put it in force."

It was said at WLB this morning (Friday) that no further action would take place for the next few days at least.

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President Roosevelt's radio address to the nation July 28th, in which he reiterated his demand for "unconditional surrender" of all three Axis powers, was heard by a listening audience of 42,704,000 persons, according to a survey made by C. E. Hooper, Inc., and released by the Columbia Broadcasting System.

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RADIO BONER PUTS OWI SHORT-WAVE UNDER HULL BLUE PENCIL

The net result of OWI's boner of insulting the Italian King by short-wave and President Roosevelt blowing up with indignation is a hobbling of the Overseas Branch, about the only thing that is left of OWI, by virtually putting it under the blue pencil of Secretary Hull and the cane-swinging boys at the State Department.

After a session "in the woodshed" with Secretary Hull, Robert Sherwood, Director of the OWI Overseas Branch, said that there would be no change in the method of handling policy questions, but "anything the least bit controversial will be referred to the State Department and the joint chiefs of staff".

Policy with respect to the present Badoglio government in Italy was canvassed at the conference, Mr. Sherwood said. In addition to Secretary Hull and Mr. Sherwood, the session was attended by Milton Eisenhower, Acting Director of OWI; James P. Warburg, Director of OWI's Overseas Service in New York City; Michael McDermott, press relations chief of the State Department, and Robert Pell, State Department liaison officer.

Joseph Barnes, Deputy Director of the Overseas Branch of the OWI in New York City, said there that he and James P. Warburg accepted responsibility for the broadcast in which King Victor Emmanuel was described as "the moronic little King" and Marshal Badoglio as "a high-ranking Fascist".

Mr. Barnes said that neither he nor Mr. Warburg had actually written the script but that they were responsible for the context of the broadcasts as prepared by the OWI staff of news writers.

There was further embarrassment for the OWI in the charge by Joseph P. Kamp of the Constitutional Educational League that the Overseas Branch had paid a 15 year refugee boy, who had only been in the country a few months, a salary of \$380 a year.

Mr. Kamp also charged that an employee of the Foreign Language Section of OWI, David Karr, has admitted inability to read or translate any foreign language and that he was for two years "a part-time worker on the staff of the Communist organ, the Daily Worker".

An OWI spokesman, commenting on the charges, said neither Weiner nor Karr now are employed by the agency.

Weiner, he said, was used for three months earlier this year on youth programs short-waved to France and was paid only for the time he worked. He was paid between \$200 and \$300 and has not been employed since May 15, he added.

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7/30/43

BLUE NETWORK REPORTED SOLD FOR 8 MILLION

A New York dispatch reported that sale of the Blue Network has been made to the group headed by James H. McGraw, Jr., President of the McGraw-Hill Publishing Company, and Edward J. Noble, Chairman of Life Savers Candy Corporation.

"A price of \$8,000,000 was reported offered to the Radio Corporation for the network, which was reported as being acceptable, subject to Government approval", the dispatch goes on.

"Final papers have not yet been signed nor has approval of the Federal Communications Commission been obtained, although the way is believed cleared for early consummation of the sale.

"Sale of the system was ordered by the FCC in 1941. It was set up as a separate system in January 1942 as a step toward divorcing it from the Red network of National Broadcasting Company, all owned by R. C. A.

"Mr. Noble is the owner of Station WMCA in New York. Under FCC rulings pertaining to ownership of more than one radio station, it is believed this station will either be sold or merged with Station WJZ of the Blue."

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BATTLE FOR MILLER RESIGNATION EXPECTED TO BE RENEWED

If prearranged strategy is followed, there will be a renewal of the battle to get the scalp of Neville Miller, President of the National Association of Broadcasters, when that organization's Directors meet in Chicago today (Friday). Being groomed to take his place is William B. Lewis, former Deputy Chief of the Office of War Information. It was expected that Mr. Lewis would return to his old position of Vice-President of the Columbia Broadcasting System, but apparently that fell through. At any rate, Mr. Lewis is being backed to succeed Neville Miller. It will take 17 out of 25 votes to oust Mr. Miller and his proponents say that the opposition simply haven't that many votes. On the other hand, the the faction seeking to dislodge the NAB President say they profited by the last encounter against Mr. Miller and that this time they will not lose.

If the NAB Board endorses a resolution asking for Mr. Miller's resignation, full settlement will be made of the remaining term of his contract, which expires in June, 1944. Mr. Lewis will, according to plans, take office Sept. 1. Mr. Miller's salary is \$35,000 a year. It is reported that Mr. Lewis has been offered \$50,000.

Ir Mr. Miller is forced out, it will be chalked down as a victory for Chairman James L. Fly, who has been openly accused of trying to bring about the former's downfall - most recently at the Cox Committee investigation. Things have never been right between Messrs. Fly and Miller since the big row they had at the St. Louis convention and probably never will be until one or the other is eliminated from the picture.

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ANOTHER APPROACH POSSIBLE IF FDR DEFEATS KERR RIDER

Considering the Goodwin Watson ouster in the Kerr legislative rider, Robert Albright writes in the Washington Post:

"Some Congressmen, who doubt with the President the constitutionality of the Kerr rider to the urgent deficiency bill 'firing' by name three Federal employees, are already discussing a more sweeping but probably constitutional approach.

"If the Kerr rider is knocked out by the courts, this group plans to strike again at Government employees connected with allegedly 'subversive' organizations by blanket legislation redefining Civil Service qualifications for office.

"The Kerr amendment appears clearly headed for the court skids because it not only discriminates but in effect impeaches named officials without a trial.

"Ironically, the courts might have to uphold the more general legislative approach, although actually it would indiscriminately bar from Federal office, without naming names, a far greater number who could not meet the prescribed 'standard'."

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TELEGRAPHIC CARRIERS REACH DEAL ON TRAFFIC

The Western Union Telegraph Co. and R.C.A. Communications, Inc. have agreed on the division of international traffic in connection with a plan for merging Western Union and Postal Telegraph companies.

This was disclosed Wednesday at a hearing on the merger before the Federal Communications Commission, but Chairman James L. Fly blocked attempts to put evidence concerning the agreement into the record.

Frank B. Warren, general counsel of the R.C.A.C., stated that so far as Western Union and R.C.A.C. are concerned they are in agreement. Mr. Fly commented that discussion of this could be put

off and the hearing proceeded with technical testimony.

RCAC operates entirely in the international field with domestic offices in only three cities. Elsewhere Western Union offices handle RCAC traffic. Through a long-standing agreement Western Union turns over to RCAC two foreign destination messages for each nine foreign originated messages which RCAC turns over to Western Union for delivery in the United States.

RCAC asked the Commission to order a division formula more favorable to it and a week ago the Commission asked the companies to try to work out a plan. Mr. Warren said this had been done.

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OPA ADJUSTS CEILING PRICES ON WIRE, CABLE

Provisions for the individual adjustment of ceiling prices for producers and sellers of wire, cable and cable accessories similar to adjustment provisions recently made available to manufacturers of essential machinery were announced by the Office of Price Administration today (Friday).

The action, contained in Amendment No. 4 to Revised Price Schedule 82 (Wire, Cable and Cable Accessories), which becomes effective August 4, 1943, is confined to cases qualifying under rigid tests of essentiality of the seller and the product.

The new adjustment provisions are substantially the same as set forth in Amendment No. 78 to Maximum Price Regulation No. 136.

Generally, the new provisions will permit OPA to adjust prices after it has ascertained that ceiling prices are at such a level that supply of vital wire or cable is impeded or threatened provided that the adjusted price will not cause an increase in the cost-of-living.

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WALTER RUSS, MACKAY RADIO MARINE DIV. SUPT., DIES

Walter V. Russ, 43 years old, Manager of the Marine Division of Mackay Radio and Telegraph Company, an associate of International Telephone and Telegraph Corporation, died last Monday at Lynbrook, Long Island.

Born and educated in Portland, Oregon, he was formerly Assistant Radio Inspector for the Commerce Department. Shortly thereafter he accepted a post with the Kolster Radio Corporation in Newark, N.J., as a District Service Manager. After four years with Kolster he went to the Pacific Coast with Westinghouse.

Mr. Russ joined Mackay Radio and Telegraph Company in 1935 in the company's San Francisco office, and was transferred to New York as Superintendent of the Marine Division in 1937; he was made Manager of the Division in 1941.

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