

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

~~RECEIVED~~  
GENERAL DELIVERY  
50 ROCKEFELLER PLAZA, NEW YORK, N.Y.

## INDEX TO ISSUE OF MARCH 3, 1944.

Congress Asked To Order Committee To Resume WMCA Case.....	1
M. C. Charges FCC Tried To Reach Him Through Broadcasters.....	4
New York Times Pays \$987,500 For WQXR.....	5
Fly Again Prods House Committee To Hear FCC.....	6
Radio Mfgs. Urged To Specify A Or B Capacitors.....	7
Petrillo Demands NBC, Blue Turntablers Join AFM.....	7
Trammell Foresees Television As Great Postwar Development.....	8
FCC Hasn't Heard Of Prospective Marshall Field-WJJD Buy.....	9
Zenith Forms New Radionics Corp.....	10
Seeks To Justify Use Of Midwest Radio Service Name.....	10
Baltin New Television Broadcasters' Secretary.....	11
Trade Notes.....	11

No. 1607

## CONGRESS ASKED TO ORDER COMMITTEE TO RESUME WMCA CASE

There will probably be a continuation of the rough and tumble debate on the floor of Congress which a discussion of the Federal Communications Commission probe stirred up earlier in the week when Representative Miller (R), of Missouri, next Tuesday will renew the demand made by his colleague, Representative Wigglesworth(R) of Massachusetts, that the Investigating Committee resume hearings on the same of Station WMCA.

Representative Wigglesworth touched off the fireworks earlier this week by telling members of the House that for years charges of the most serious character have been levelled at the FCC "including inefficiency, political favoritism, illegal action, corruption and dictatorial domination of the air." He called on Chairman Lea to resign or "conduct a fearless investigation". Representative Lea denied any charge of "whitewashing" the investigation. He said that he had "no present plans to resign", and was in hope that a "full, frank and constructive investigation" might now get underway.

"Has the select committee received the cooperation of the administration?" the speaker (Mr. Wigglesworth) asked. "It has not. On the contrary, it has met with constant obstruction, intimidation and underhand tactics in what appears to be a desperate effort to hamstring the work of the committee and to suppress the truth." \* \* \*

"Generally speaking, the full force of the administration has been thrown against the work of the committee. The subservient portion of the press, extreme left-wing organizations, and every direct and indirect means available has been utilized in this connection.

"When the present Chairman, (Representative Lea) of the Committee was appointed, it was reliably rumored that the White House had sent instructions to whitewash the investigation and fold up the committee." \* \* \*

"Since his appointment there has been continuous difficulty in arriving at a satisfactory arrangement with the Federal Communications Commission with a view to obtaining for the committee staff essential documents and data." \* \* \*

"Statements in the public press indicate that Eugene L. Garey's resignation as Chief Counsel of the Investigating Committee, was demanded under threat of criminal action, not against himself but against a friend and associate." \* \* \*

"If these facts are true, that is dirty ball. If these facts are true, it is coercion or blackmail by the executive branch of this Government in attempting to obstruct the proper functioning

of the legislative branch of the Government in the interest of the people. It is difficult to believe that the Attorney General or the Assistant to the Attorney General or any other responsible person in the Department would lend himself to such tactics of the gutter.

"The allegations made in the public press should be investigated. The people of the Nation are entitled to know how the Department of Justice is operating under the Roosevelt administration.

"What is the President afraid of, Mr. Speaker? What is his administration afraid of? What is it that they fear to expose to the light of day? What can there be that is so wrongful or damaging as to lend to this obstruction, intimidation, and political coercion or blackmail?"

Taking up the cudget for the other side, Representative Hart (D), of New Jersey, said that he had been the one who had urged a delay in hearing the WMCA case until the New York court was given a reasonable time to dispose of the suit Mr. Flamm had filed against Mr. Noble. He said:

"I believe that to have called Mr. Noble, the defendant in this action, involving the same transaction, involving the same parties, and, under the force of the process of the committee and under the force of the oath to which he would have been subjected, to have compelled him to disclose on the witness stand before our committee the defense of the suit pending against him, involving a huge sum of money, would have been highly improper per se, an abuse of power, an ignoble perversion of the function of a Congressional Committee, an injustice to Mr. Noble as a defendant, and an affront to the court of competent jurisdiction which will soon be called upon to hear the evidence and to deliver a just verdict upon the facts and upon the law."

Representative Hart said that the Congressional Committee had not held any hearing and had not called any of the parties to testify until after the New York suit was filed, which was in August of last year. When he spoke of a "reasonable time" for the New York Court to act, Mr. Hart said he had something like six weeks in mind.

"The controversy here and between the executive and legislative branches of the Government is whether or not the Committees of this House and the Committees of the body at the other end of the Capitol can require the members of the executive departments to disclose to us information which we deem to be necessary which we deem to be vital to legislation which has to be considered", Representative Hoffman (R), of Michigan, interjected. "We have had the executive department say to us, 'We want so much money.' In one instance the President said, as I recall, that he wanted 10 times \$10,000 for additional secretaries. We gave him the money. He hired them. If the newspaper reports are correct, in the Senate yesterday one of these hired men that our constituents are paying had the effrontery to tell the Congress which appropriates the money that it is none of

its business what they are doing, or what they are saying, nor what they have done, how they are spending the taxpayers' money which we gave them, nor how they propose to spend future appropriations."

Representative Lea (D), of California, said that shortly after he had been made Chairman of the Committee that Mr. Fly had called him up and offered the fullest cooperation.

"It seemed to me that the mere fact that I had engaged in conversation with Mr. Fly was presented as an inference that there was something wrong about it", Mr. Lea continued.

"As a matter of fact I have not seen Mr. Fly for about a year and a half now. The contact I had with him was when he called up by telephone, not at my invitation. He, or the Commission, did not dictate the Committee program in the slightest particular. The Federal Communications Commission as far as I am aware has not controlled any part of the work that has been done by this Committee."

"It was suggested by the gentleman from Massachusetts that he had understood that the President had sent down word that the investigation was to be whitewashed. If the President ever sent such word, he did not send it to me.

"You can be dead certain that Franklin Roosevelt knows enough about me to know that if he sent such a message as that it would be the thing that would most deeply cause my resentment. He will not tell you for one moment that he has such an opinion of me, that I am so subservient or so pusilanimous that any such statement would affect my conduct. The broad truth is that I do not believe there is a word of truth in any such report. Nothing has come from the White House, nor has anybody who represented the White House ever said anything like that to me or requested me to do anything in this situation."

Speaking of Mr. Garey, Representative Lea said:

"Within three days of my appointment, almost before I had started my work as Chairman, information came to me indirectly that he had initiated or started to create distrust and undermine me as Chairman of this Committee. As time went on reports came to me which I could not ignore as tending to confirm these earlier reports. In repeated contacts he had treated me with an insolence that I had never before seen displayed by an employee of any Member of this House. My experience has convinced me that he is vindictive to an extreme degree. As an investigating attorney he has the fault of being an inveterate hunter of headlines and too frequently by the smear route to that end."

Representative Cox (D), of Georgia, on the other hand defended Mr. Garey:

"I made a careful survey of the entire country in an effort to find somebody to propose to the Committee as its General Counsel. I interviewed literally hundreds of people. The result was that the name of Mr. Garey was brought to my attention, and I asked him to

come down for an interview. I had never met him before. He came. He reluctantly agreed to undertake the work, that is, to serve as the counsel for the Committee.

"I say to you that he was not down here looking for a job. His being down here has cost him hundreds of thousands of dollars, and that is not an exaggeration. He is a lawyer of very large practice. All that he waived and put aside in order that he might be true to the trust that had been reposed in him. He did a lawyerlike job."

Representative Lea also said:

"It is charged that three members of the Committee met on February 16, discontinued the hearings as to the sale of Station WMCA at New York and thereby we were suppressing information, white-washing the investigation. The Committee did not vote to discontinue that hearing, but on the contrary voted only that the hearing be postponed until the court having jurisdiction of a private controversy involving the facts on which the investigation was being made should have a reasonable opportunity to dispose of the case. There was no disagreement of the three members as to the fact that the transaction involved should be investigated. We were also in agreement that the further hearing of the matter at this immediate time was not warranted. I believe we did the right thing, but this is true, that if we made any mistake it was not that of refusing to hear the matter but only as to the time the hearing should be held."

X X X X X X X X

#### M.C. CHARGES FCC TRIED TO REACH HIM THROUGH BROADCASTERS

Apparently intended to show that the Federal Communications Commission is playing politics, Francis Case (R), a Member of Congress from South Dakota, broke in on the debate in the House over the FCC investigation, saying:

"I am a member of the Appropriations Subcommittee for Independent Offices which handles appropriations for the Federal Communications Commission. A very unusual thing happened to me this afternoon. During the call of the House immediately preceding the gentleman's speech, I was called by long-distance telephone from Aberdeen, S. Dak., the call being placed by Harvey Jewett who is the owner or principal owner of a small radio station there, and who also happens to be the National Republican Committeeman for the State of South Dakota. Mr. Jewett told me that he had a letter which he had received from the head of a broadcasting association of which his station is a member, which asked him to get in touch with me. He read a letter to me over the telephone.

"The letter, as nearly as I can recall, said that the writer had been in telephonic communication that morning, the morning of the writing of the letter, with Mr. James L. Fly, Chairman of the Federal Communications Commission, in which Mr. Fly told him that Francis Case, a Republican from South Dakota, was a member of the Committee

3/3/44

that was trying to deny the Federal Communications Commission a proper appropriation. The writer of the letter suggested that Mr. Jewett kindly do what he could in the matter and further suggested that a copy of any communications showing what he did in the matter be sent to Mr. Fly in Washington.

"Mr. Jewett said that he knew nothing about the matter other than what was in the letter and had called up to find out what the score was. He did not attempt to tell me what I should do but merely asked me what it was all about.

"I told Mr. Jewett that it was very interesting that some interesting statements were expected to be made on the floor this afternoon with regard to the Federal Communications Commission and that I hoped that he would send me a copy of the letter. I advised him that the appropriation matter was now before the Senate, that the withholding of the appropriation by the subcommittee, and the House, was taken as an action of the Committee in which there was only one member of the subcommittee who opposed it \* \* \* \*

"In some paragraph or sentence of the letter read to me the suggestion was made that the reason that the Committee was acting was because of some misleading information brought before it by the special and select committee. As the Record will show at the time that appropriation was under consideration here on the floor, the action of the subcommittee was taken on the basis of a specific recommendation by the Joint Chiefs of Staff supported by a field study, by the opinions of the theater commanders, and endorsed and transmitted to the President by the Secretary of War and the Secretary of the Navy in a strongly worded letter accompanied by the text of a proposed Executive order.

"I have made this statement, under the indulgence of the gentleman from Massachusetts (Mr. Wigglesworth) because this incident happened within the hour, and when the gentleman spoke of political intimidation, it occurred to me that this attempt to get the owner of a small station in South Dakota, who happens to be the National Committeeman of my party in my State, to influence my position in an appropriation matter taken with members of both parties on what we deemed to be its merits, was perhaps a little evidence in point."

X X X X X X X X

NEW YORK TIMES PAYS \$987,500 FOR WQXR

The formal application for the transfer of license of Station WQXR in New York from John V. L. Hogan to the New York Times has just been received by the Federal Communications Commission. The sale price is given as \$987,500, which includes WQXQ, the FM outlet.

X X X X X X X X

## FLY AGAIN PRODS HOUSE COMMITTEE TO HEAR FCC

Although accused by the Investigating Committee of holding out on them on essential documents, Chairman James L. Fly of the Federal Communications Commission, stating that "all of us stand ready to be cross-examined" has addressed another letter to Chairman Lea (D), of California, of the House FCC investigating Committee asking to be heard. Representative Lea said he would call his Committee together to consider Chairman Fly's request. Mr. Fly's letter read:

"I am impelled once again to request that the Commission be given a prompt hearing before the Select Committee. It is of importance that the Congress and the public understand that throughout a full year of 'investigation' the members and the staff of this Commission have stood ready to appear and to present the complete record of the Commission's policies, decisions and actions.

"In the light of the present critical status of the Commission's appropriation pending in the Congress, which is brought about by the prejudicially one-sided record before the Select Committee, it is extremely urgent that the Commission be permitted to offer the complete facts on the work of the Radio Intelligence Division and the Foreign Broadcast Intelligence Service.

"It is also of some importance that there be no question as to the continuing readiness of the Commission to meet all questions regarding its grant of the petition of Donald Flamm, seller, and Edward Noble, buyer, to permit the transfer of Station WMCA from Flamm to Noble. The Select Committee has long had all Commission documents pertaining to this Station. Flamm has stated that the Commission had no connection with the negotiations of the sale, which is the subject matter of the present private litigation between Flamm and Noble in the Supreme Court of New York County. I venture, therefore, to suggest that the Select Committee may desire at an early date fully to question the Commission members and staff as to any and all Commission action relating to Station WMCA. I am convinced that this testimony will in no way impinge upon the testimony in the private litigation now pending. And I should think it unfortunate if the present charges so loosely flung about regarding this private transaction were permitted to cast any reflection on the integrity of this Commission or the legal propriety of its decisions.

"It is just possible that this repetition of our many requests for a prompt and full hearing may meet with the point that the Select Committee's legal staff is somewhat depleted. In view of the competence of the Committee members and of the documents and information in their possession, and in view of the further fact that the Commission's staff will carefully organize material to be presented, I think it clear that the Committee can proceed with a thorough-going hearing. If, however, any member of the Committee suggests that the Committee may be handicapped in this regard, let me assure you that after the hearing suggested, all of us will stand ready again to appear before the Committee and to be cross-examined exhaustively."

X X X X X X X X X

## RADIO MFGS. URGED TO SPECIFY A OR B CAPACITORS

As a means of conserving the scarcer high grades of mica and providing more prompt deliveries of components, radio equipment manufacturers were urged by members of the Fixed Capacitor Manufacturers Industry Advisory Committee at a recent meeting in Washington, to specify American War Standards Characteristic A or B capacitors (condensers) in circuit locations where they will serve efficiently the purposes for which the equipment is intended, the War Production Board said today.

A WPB representative told members of the Committee that an estimated 50 percent of the capacitors in use on ground and aircraft radio equipment could use Characteristic A or B mica capacitors effectively.

A representative of the Mica-Graphite Division of WPB said it has been the policy of the division to deny authorization for the use of the highest grades of mica for capacitors in circuit applications where a lower grade of mica would serve the purpose. Capacitor manufacturers have assisted in observing this policy, he said. Supplies of mica will be available to continue the policy, he indicated.

Backlogs of unfilled orders for mica capacitors have decreased between the end of December and the end of January, WPB representatives told the Committee members. The backlog for paper dielectric capacitors has remained at about four months' production, the industry members were informed. The backlog for ceramic capacitors at the end of January had increased approximately 20 per cent over the end of December and now represents approximately five months' production.

X X X X X X X X X X

## PETRILLO DEMANDS NBC, BLUE TURNTABLERS JOIN AFM

James C. Petrillo has delivered an ultimatum to NBC, Blue and WOR, New York City, that all record turntable handlers join the American Federation of Musicians.

CBS will not be affected at present by the new Petrillo demand because its technicians are all members of the International Brotherhood of Electrical Workers, Local 1212, an AFL affiliate, while technicians at NBC, the Blue and WOR are members of the National Association of Broadcast Engineers and Technicians, an independent organization. IBEW has a three-year contract with CBS.

If the demand is met, added salary costs may run from \$35,000 to \$50,000 per network.

X X X X X X X X



## TRAMMELL FORESEES TELEVISION AS GREAT POSTWAR DEVELOPMENT

In a statement to NBC affiliated stations, Niles Trammell, President of the National Broadcasting Company this week declared that of all the post-war developments promised by the progress of the art and science of radio, television presents the greatest challenge and the greatest opportunity. It is a challenge which can be met only by the cooperation of Government, the broadcasters and the radio manufacturing industry, Mr. Trammell declared.

He revealed the American Telephone & Telegraph Co. had made tentative plans to install between 6000 and 7000 miles of coaxial cable within the next five or six years, making relay of television signals possible on a network basis.

Under this plan, according to the Associated Press, New York and Washington would be linked by cable by 1945 as New York and Philadelphia are today; New York, Boston, Chicago and Los Angeles by 1946; the South added by 1947 and the network complete by 1950.

The basis of NBC television activities, Mr. Trammell advised affiliated stations, may be summarized as follows:

I. "NBC will cooperate with the Government and with other members of the industry in line with its research, experimentation and practical operating experience in television, in the effort to secure the best possible standards of operation for a commercial television broadcasting system in the United States.

II. "In developing a basis for an eventual television network, NBC will cooperate in every way with the owners and operators of the stations affiliated with its network.

III. "In preparation for the expected expansion of television services in the post-war period, NBC will, within the limitations of wartime operations:

"(a) Expand its existing program service by tapping new sources of program material and talent, and by developing new program techniques;

"(b) Transmit field programs once a month or oftener from points outside the studio;

"(c) Resume studio broadcasts from the NBC television studio in Radio City;

"(d) Continue research and development in all phases of television.

IV. "As soon after the war as materials become available, NBC will construct a television station in Washington, D. C., so that a service of sight-and-sound may be available in the nation's capital, and from the nation's capital to other cities when interconnection between stations is made available.

V. "To establish the anchor points of television system, NBC has filed additional applications with the Federal Communications Commission for construction permits for television stations in Chicago, Cleveland, Denver, San Francisco and Los Angeles.

VI. A nationwide network will not spring up overnight, but must proceed as an orderly, logical development. Such a development would establish television networks in the following possible ways:

3/3/44

"1. An Eastern Network that will extend from Boston to Washington, with stations located at such intervening points as Worcester, Providence, Hartford, Schenectady, New York, Philadelphia, Wilmington, and Baltimore, with perhaps an extension to Syracuse, Rochester and Buffalo.

"2. A Mid-West Network that will develop with Chicago as its hub, spreading out to Milwaukee, Minneapolis, St. Paul, Des Moines, St. Louis, Indianapolis, Detroit and Cleveland.

"3. A Pacific Coast Network between the great talent center of Hollywood connecting with San Francisco and gradually extending to other important points.

"These regional networks will gradually stretch out over wider areas, and will themselves become linked together. Thus, city after city, across the continent will be brought into network operation, until finally complete nationwide networks will become a reality."

Including enclosures, Mr. Trammell's statement to the affiliated stations comprised 16 typewritten pages.

X X X X X X X X

#### FCC HASN'T HEARD OF PROSPECTIVE MARSHALL FIELD-WJJD BUY

Although it was reported from Chicago that Marshall Field was about to buy Station WJJD in that city from Ralph L. Atlass, evidently no word of the transaction had reached the Federal Communications Commission officially. Nevertheless, word from Chicago was to the effect that the deal was practically closed.

Color is lent to the report by the fact that Mr. Atlass is also the owner of Station WIND of Gary, Indiana, which also covers Chicago, and therefore has been considered a Chicago station. If that were held to be correct, Mr. Atlass under the regulation that no one shall own more than one station in the same or overlapping areas, would have to dispose of either WJJD or WIND by June 1st. Seeking a ruling on the order and as the first test case, Mr. Atlass recently applied to the FCC for a hearing on this. His request was granted but as yet the date of the hearing had not been set.

WJJD operates with 20,000 watts on 1160 kc. limited time and the call letters are the initials of Senator James J. Davis, of Pennsylvania. This came about through Mr. Davis being the head of the Moose Lodge when that organization owned the station.

X X X X X X X X

## ZENITH FORMS NEW RADIONICS CORP.

H. J. Wines, for seventeen years General Sales Manager of the Frigidaire Division of General Motors Corporation at New York and Chicago, has been appointed General Manager and Director of the newly formed Zenith Radionics Corporation of New York, subsidiary of Zenith Radio Corporation, with headquarters in the Empire State Building. Commander E. F. McDonald, Jr., President of the radio company, will also head the radionics company.

In a release from Chicago on March 1st, J. J. Nance, Vice-President and Director of Sales of Zenith Radio Corporation and its subsidiaries, reported that their shipments for the month of February were the largest in the company's history. Both the months of January and February of this year exceeded any preceding two months in the company's history. The shipments for the ten months of its present fiscal year exceeded those of any previous full year. Zenith's shipments February 29th alone also exceeded any previous single day reaching a peak of \$1,400,000.

Mr. Nance stated that the recent order placing Chicago in Group 1 Acute Labor Area should not affect Zenith as it holds orders for Government equipment sufficient to maintain production at full capacity, thus assuring continuous employment of its people. Zenith has not only met each and every one of its scheduled deliveries of radionic apparatus to the Government this year, but has exceeded its scheduled deliveries on a number of its products for the Armed Forces.

X X X X X X X X X

## SEEKS TO JUSTIFY USE OF MIDWEST RADIO SERVICE NAME

Nathaniel Goldberg, trading as North Eastern Radio Co., 799 Broadway, New York City, and as Midwest Radio Service Co., 80 East 11th St., New York City, has filed answer to a Federal Trade Commission complaint charging him with the use of unfair and deceptive acts and practices in connection with the sale of radios and radio parts.

Goldberg denies the complaint's allegations that in his advertising matter he falsely represents that he maintains a radio laboratory and is a manufacturer of radios; that he and his employees are radio engineers; that he sells his merchandise at factory or manufacturers' prices, and that the radios repaired by him are factory rebuilt sets and will give new radio performance. The respondent asserts that none of the advertising matter complained of was used during or subsequent to 1943 and that much of it was discontinued prior to that year.

Goldberg formerly was service representative in New York and New Jersey for Midwest Radio Corp., of Cincinnati, a large well-established firm which manufactures and sells radios under the trade name "Mid West". In justification of certain of his representations objected to in the complaint, Goldberg alleges that after the termination of his employment with Midwest Radio Corp. in 1940 he used, in his business, laboratory equipment purchased from Midwest, continued in his employ factory service men who had been in the employ of

Midwest, carried in stock a line of factory-made radios and sold radios and radio parts at exceptionally low prices which actually represented a savings to the purchaser of up to 50 percent. He contends that he is a manufacturer of radios within the meaning and use of the term among members of the purchasing public.

"The complaint alleged, and the respondent denies, that through the use of his trade name Midwest Radio Service Co., and through the use of representations in advertisements addressed to owners of Mid West radios and customers and former customers of Midwest Radio Corp., the respondent has led the public to believe that he is still connected with or maintains a factory branch for the Cincinnati corporation.

X X X X X X X X X

BALTIN NEW TELEVISION BROADCASTERS' SECRETARY

The Board of Directors of Television Broadcasters' Association, Inc., have announced the appointment of Will Baltin as Secretary-Treasurer of the Association. Mr. Baltin has been Program Manager of the DuMont Television Station, W2XWV in New York City since 1940.

Mr. Baltin will devote himself to handling the business affairs of the Association and will coordinate the activities of member television companies for the advancement of television during wartime and in the post-war period.

The Television Broadcasters' Association, Inc. was organized in January to advance the interests of television in the United States. Allen B. DuMont of the DuMont Laboratories, Passaic, N.J. is President and Lewis Allen Weiss of the Don Lee Network, Los Angeles, is Vice-President.

X X X X X X X X X

::: TRADE NOTES :::

The Storage Battery Division of Philco Corporation at Trenton, N.J., has just received its fourth Army-Navy "E" Award.

-----  
Stations KYCA, Prescott, Ariz., and KWJB, Globe, Ariz., became affiliated with the National Broadcasting Company network as of March 1st.

-----  
In a sketch of Robert E. Hannegan, Democratic National Chairman, Marquis Childs, columnist, says: "For one thing Hannegan intends to organize a big radio campaign - spend some real money."

-----  
Fulton Lewis, Sr., 73, father of MBS commentator, died Wednesday at his home in Washington, D.C. A member of the bar for almost a half century, he was twice President of the Washington Arts Club, head of the District unit of the Society of Colonial Wars, and for 16 years President of the Washington Law Reporter Company.

-----  
The Allen B. DuMont Laboratories, Inc., at Passaic, N.J., was among those to receive the Army-Navy production award this week.

X X X X X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

~~KA~~ + A 00

## INDEX TO ISSUE OF MARCH 7, 1944.

NBC Sets New High For White House Correspondents' Show.....	1
Goes To Bat In Congress For Independent Broadcasters.....	3
NAB Takes Issue With WMCA Selling Controversial Time.....	5
WJJD To Field \$700,000; WFTL Fort Industry \$270,000.....	6
CBS Issues Invasion Orders; MBS Pre-Invasion News Sheet.....	7
NBC Seeking Chi. Television Channel Gets Rise Out Of Zenith.....	8
\$1,000,000 OWI Short-Wave Base To Be Built.....	8
FCC Row Breaks Out Anew On Two Capitol Fronts.....	9
CBS Issues Press Courtesy Cards.....	10
Sweden Bars Advertising; Also Campaign Speeches.....	10
Officers' Uniform Held As Inducement To Radio Repair Men.....	10
Trade Notes.....	11

No. 1608

7. A 10

March 7, 1944.

## NBC SETS NEW HIGH FOR WHITE HOUSE CORRESPONDENTS' SHOW

The National Broadcasting Company surely went to town Saturday, March 4th, with the show they put on at the Statler Hotel for the White House Correspondents' dinner and the 11th Anniversary of President Roosevelt. It has been the custom of the networks to alternate in furnishing the entertainment at these dinners and down through the years there have been some excellent programs but none finer in the opinion of the writer than the one NBC gave last Saturday night. One estimate was that conservatively it would cost between \$25,000 and \$30,000 to duplicate it.

Personally supervising the performance were David Sarnoff, President of the Radio Corporation of America, Niles Trammell, President of NBC; Frank E. Mullen, Vice-President and General Manager; John F. Royal, Vice-President in Charge of New Developments; Frank M. Russell, Washington Vice-President, and Carleton D. Smith, NBC Washington General Manager.

Not only were there stars seldom assembled on one stage but performers less well known who themselves almost stopped the show. For instance, there was a trained seal - an animal well known to the newspaper corps - which brought down the house by flapping up to the microphone and giving an imitation of one of Herr Hitler's speeches. Then there was Wally Berg, introduced as "a hot air artist", causing a distinguished Senator to remark, "they should seat him at the head table". Mr. Berg, a toy balloon trickster, created a zoo of miniature rubber balloon animals right before your eyes. "Archie" came all the way from "Duffy's Tavern" in New York to help dispense the hospitality. Then followed the debut in this country of Pedro Vargas, a great Mexican tenor, with the largest sombrero and the most brilliantly colored zerape ever seen north of the Rio Grande. Before Pedro began, he made a little speech in Mexican which Vice-President Wallace got busy and translated for the President.

A thrilling curtain raiser at these dinners is the salute to the President by a company of soldiers, sailors and marines. This year WACS and WAVES were included. The U. S. Navy Band led the procession. Dr. Frank Black of NBC, later took over with 40 members of the NBC Concert Orchestra.

Gracie Fields who, believe you me, has a real voice and all dolled up in a white silk dress and glittering with diamonds is a looker as well as a comedienne, wowed the customers. Gracie, Britain's highest paid star, almost blew herself up singing "The Greatest Aspidistra in the World". Elsie Janis, "sweetheart of the AEF", was brought by plane from Los Angeles to give her own version of "Hinky, Dinky, Parley Vous", and "what you boys' fathers liked in the last war".

Bob Hope came on saying that trying to find a room in Washington, he wound up in the basement of the Carlton Hotel. Seeing a man half asleep in a chair there, he said, "I'm going to another hotel." The man said: "Don't be foolish, I'm the manager of the Statler and look where I am." Mr. Hope said he "finally found a nice bench in a park overlooking the Shoreham." Some of his other wisecracks were:

"Trying to find a room in Washington is like trying to find 'My Day' in the Chicago Tribune."

"Mr. Roosevelt has been President so long that when I was a boy my father said to me, 'Bob, maybe some day you'll grow up to be Vice-President.'"

"At the last military conference between Roosevelt and Churchill, they discussed where and when to attack the enemy and how to keep Eleanor out of the crossfire."

"Willkie has got his eye on the President's chair, but look what Roosevelt's got on it."

"I get a big kick out of that Yank soldier who fathered quadruplets. Proves there'll always be an England."

The most dramatic moment was the appearance of Fritz Kreisler. He seemed to have completely recovered from his tragic accident. After thunderous applause, the audience arose in tribute to the great artist.

The only speaker was President Roosevelt who said: "I wish Dave Sarnoff could come and show us how to broadcast our White House press conferences."

There was a memorable finale when Fred Waring and His Pennsylvanians sang the "Battle Hymn of the Republic" with the President and the audience joining in.

Earlier in the evening Merriman Smith of the United Press was sworn in as President of the White House Correspondents' Association succeeding Paul Wooton, Washington Correspondent of the New Orleans Times-Picayune and McGraw-Hill Publications. Mr. Wooton, one of the most valuable and popular members of the Washington newspaper corps, was returned by acclimation to his old job of Secretary-Treasurer of the Association. Someday somebody is going to write a story about Paul. Not only is he the Business Manager of the White House Correspondents, but he is the mainspring of the Overseas Writers, the Trade Press group, and a Director of the National Press Club. And here we'd be remiss not to mention Miss Haggett, Mr. Wooton's capable secretary so well and favorably known to Washington correspondents.

J. A. Fox, of the Washington Evening Star, was installed as Vice President of the White House Correspondents' Association, and three members of the Executive Committee - Fred Pasley, of the New York News; John H. Crider of the New York Times and Robert G. Nixon of International News Service.

Among those from the radio industry who attended the dinner were:

Carl Burkland, General Manager, WTOP, Washington; Wells Church, head Radio Bureau, Rep. North Committee; Martin Codel, formerly of Broadcasting Magazine; George Crandall, CBS Publicity Chief, New York; Comdr. T. A. M. Craven, Federal Communications Commissioner; Leif Eid, NBC, Washington; Earl Gammons, Vice-President CBS, Washington; Earl Godwin, radio commentator; Richard Harkness, radio commentator; Lieut. E. K. Jett, Federal Communications Commissioner; G. W. Johnstone, Blue Net News Chief; Paul Aesten, Vice President CBS, New York; Capt. Thomas Knode, Public Relations, NBC, Washington; Lynne M. Lamm, National Association of Broadcasters, Ernest K. Lindley, radio commentator.

Also, Edward McGrady, Vice-President, Radio Corporation of America; Claude Mahoney, Blue Net commentator; Clarence Menser, Vice President in Charge of Programs, NBC; Byron Price, Director of Censorship; John Harold Ryan, President Elect, National Association of Broadcasters; Oswald Schuette, Radio Corporation of America; Fred Shawn, NBC, Washington and Paul White, News Chief, CBS.

X X X X X X X X X

#### GOES TO BAT IN CONGRESS FOR INDEPENDENT BROADCASTERS

Championing the independent broadcasters, Representative Karl E. Mundt, (R), of South Dakota, declared that "it is gratifying to know that a Senate committee is about to report out legislation designed to establish a code of ethical rules and regulations for broadcasting which will protect the rights of free speech for all and prevent the radio industry from either being subjected to the extra-legal decrees of the FCC or the non-legal dictations of a few monopolistic moguls presently enjoying almost exclusive access to the best air waves."

Representative Mundt added that it is hoped and expected that these objectives will be enacted by the present Congress.

Prefacing his remarks, Representative Mundt said:

"In view of the fact that the radio industry, the Federal Communications Commission and the need for revising legislation dealing with the establishment and maintenance of a free and impartial radio in this Republic are occupying more and more attention in Congress, I am utilizing permission granted me by the House to include at this point an informative article appearing in the February 28th issue of Broadcasting. The author of the article is Ed Craney, of Butte, Mont., who is further identified by the statement at the beginning of this article.

"If radio is to remain free in this country as I, for one, very much desire it shall, it is necessary that legislation be passed



3/7/44

which will set up clear-cut and understandable rules and regulations which will not be subject to the whim or interpretative impulse of the FCC. It is also essential that the public be protected against some of the existing flagrant abuses in broadcasting by which individuals, organizations, and institutions are attacked over the air without adequate provision being guaranteed that they shall be assured the right of free speech by being given the opportunity of rejoinder. In other words, to remain free the radio industry must demonstrate its right to be free.

"Freedom of speech on the air, Mr. Speaker, must not be the monopoly of the few, nor the exclusive privilege of the favored. Congress has a responsibility to the listening public and to the integrity of our great Bill of Rights to set up rules of fair play and correct behavior on the air waves which shall apply alike to the great radio networks and the independent radio outlets."

The statement at the beginning of Mr. Craney's article in Broadcasting, which Representative Mundt referred to, read:

"Ed Craney is no stranger to broadcasters. Identified with practically every major controversy of the craft for a dozen years, he quit the N.A.B. at the stormy St. Louis convention in 1941, announcing he wouldn't return until there was a change. With the departure of Neville Miller as N.A.B. president, he applied for re-admission, which was approved by the N.A.B. board February 3. Friend and confidante of Chairman Wheeler, Democrat, of Montana, Mr. Craney, in characteristic fashion, volunteers his views herewith from his vantage point as unofficial attache of the Senate Interstate Commerce Committee now writing a new radio law."

Mr. Craney's article concluded:

"I am fully convinced that the independent stations should maintain their own association and also should hire someone as competent as a Russell or a Gammons to head its Washington office. This representation should be exclusively for the independent stations - for us and not with the interests of a network or a great manufacturing or communications company always in the background.\* \* \*

"What can we do for the benefit of ourselves? How can we raise enough money to support an N.A.B. without the networks? Representation in Washington is of primary importance to us. But we need not carry on alone all the work of the present N.A.B. Many functions can be usefully and properly collaborated between our independent organization and a networks' organization and funds can be supplied jointly for that work. N.A.B. used to operate on much less than the \$350,000 budget of today; under wise and competent management, it will not be difficult to do so again. Moreover, the industry will have better standing if it is not running an expensive Washington corporation lobby."

X X X X X X X X

3/7/44

## NAB TAKES ISSUE WITH WMCA SELLING CONTROVERSIAL TIME

What appears to be a development of a sharp difference of opinion within the industry is suggested in a letter from Willard D. Egolf, Assistant to the President of the National Association of Broadcasters to Nathan Straus, President of Station WMCA in New York, which reads in part as follows:

"The National Association of Broadcasters feels some concern over the announcement of WMCA policy to sell time for the discussion of controversial issues. Your requirement that both sides of a controversy be willing to participate commercially is only an incident to the real problem, we feel, and is not an adequate solution.

"For several years prior to 1939 the broadcasting industry searched for a suitable policy to cover the broadcasting of programs involving controversial issues. On July 11 of that year the Code of the National Association of Broadcasters was adopted at a meeting of the membership with more than five hundred present. Serious study by leaders of the industry resulted in a strong, unequivocal declaration in the section entitled, 'Controversial Public Issues'. Put to the test and subjected to discussion many times since 1939, this language still stands in the opinion of the industry as the soundest assurance of operation in the public interest.

"In the light of this provision of the Code, the thing to be most regretted is a policy which places money in the balance, against a manager's judgment, in deciding the weight of a controversial issue. There is no substitute for alert, aggressive, public-minded station management. When the decision as to broadcasting a controversial public issue becomes involved with commercial revenue, even though both sides are represented, it cannot be denied that the prospect of revenue will occupy a prominent place in the negotiations; it will receive consideration and it may be accepted as a determining factor to the exclusion of sound broadcast policies. Worst of all, a station manager is invited to base his decision on monetary rather than public service considerations, thereby setting up false standards.

"In no sense does the Code of the National Association of Broadcasters impair the 'freedom to listen'. This right is the foundation of the Code. It is part of the basic radio law, under which owners of radio stations are licensed only on condition that they operate 'in the public interest, convenience and necessity'. There is a public responsibility which need not be sugar-coated by an inducement to sell time which they are charged to furnish free.

"There is nothing in your policy which enables a proponent of a controversial issue to obtain broadcast time more readily than he is able to obtain it under the Code. As a matter of fact, reduced to its final analysis, your policy provides a means whereby he may be kept off the air altogether, and effectively. His opponent, by your own statement, need only say that he is unable or unwilling to spend the money for a reply. Under the Code of the National Association of

3/7/44

Broadcasters, a station manager may schedule a broadcast on a controversial issue, if he deems it in the public interest. If no one on the opposing side chooses to make a reply, both sides are held to have had their 'day in court'. Thus, at least station management is vindicated in the exercise of unbiased judgment in the public interest.

"Inasmuch as the announcement of your policy received publicity through press and radio, we are taking the liberty of giving similar publication to this letter."

X X X X X X X X

WJJD TO FIELD \$700,000; WFTL FORT INDUSTRY \$270,000

The sale of two important stations was completed last week when Marshall Field bought Station WJJD in Chicago from Ralph L. Atlass and associates, and the Federal Communications Commission finally placed its stamp of approval on the sale of WFTL, Fort Lauderdale, Florida, to Fort Industry, headed by Lieut. Commander George B. Storer, now stationed in Chicago. The Commission at the same time authorized WFTL to open and maintain studios in Miami. The money consideration in the WJJD deal, a 20,000 watt station operating on limited time, was \$700,000, and for WFTL, with 10,000 watts, \$275,000.

Mr. Field has been looking for a station in Chicago for sometime and the FCC order requiring the disposal of more than one station under the same ownership in any territory opened the way for the purchase as the Atlass group would have been required to dispose of either WJJD or WIND, whose coverage overlaps.

All of the common stock of WJJD, Inc. and 360 of 900 outstanding shares of preferred stock were purchased by Mr. Field from Ralph L. Atlass, Leslie Atlass, P. K. Wrigley and A. M. Linick. Horace L. Lohnes, Washington attorney, represented Mr. Field and W. Theodore Pierson the stockholders in WJJD.

Mr. Wrigley, chewing gum manufacturer, real estate operator and owner of the Chicago Cubs, is principal owner of WJJD, holding approximately 35% of the common stock, of which 15,000 shares were outstanding. Ralph Atlass holds approximately 25%; his brother, Leslie, CBS Vice-President in Chicago, approximately 20%; and Mr. Linick, identified with the station management, approximately 10%.

The 15,000 shares of common stock are being acquired for \$660,000, at the rate of \$44 per share. The price per share of the preferred stock was \$100, or \$36,000 for the 360 shares acquired, leaving 540 shares at \$100 per share outstanding. Acquisition of the remaining preferred shares would bring the overall price to \$750,000.

According to the sales contract, the sellers guarantee the balance sheet as of Jan. 31, 1944. The balance sheet shows current

3/7/44

assets of approximately \$225,000 and a net worth of about \$320,000. Replacement value of technical equipment and studios was estimated at \$200,000. The station has current contracted business of between \$400,000 and \$500,000.

Fort Industry, of which J. Harold Ryan, President-elect of the National Association of Broadcasters, is Vice-President, acquired WFTL from Ralph A. Horton, investment broker.

Commander Storer was quoted as saying that Stephen A. Vetter will continue as Managing Director of the station under the new ownership. He will report to George W. Smith, Executive Vice-President of Fort Industry and directing head of WWVA, Wheeling, and L. A. Pixley, Fort Industry General Manager in Detroit. Mr. Pixley also heads the Standard Tube Co., Storer enterprise engaged in Government contract work. The Fort Industry Co. stations, in addition to WFTL and WWVA, are WMMN, Fairmount, West Virginia; WLOK, Lima, Ohio; WHIZ, Zanesville, Ohio, WAGA, Atlanta, Georgia, and WSPD, Toledo, Ohio.

The application for transfer, filed by Andrew W. Bennett, Washington attorney, covered acquisition of equipment and property valued at \$181,000, plus several mortgages, which brought the figure to \$275,000. A claim against the sale entered by Mr. Vetter, based on a previous contract with Mr. Horton, was settled.

X X X X X X X X

CBS ISSUES INVASION ORDERS; MBS PRE-INVASION NEWS SHEET

The networks are preparing for the invasion in earnest. Paul W. White, CBS Chief of News Events, has just sent confidential instructions which are called "A blueprint to all CBS World News men for our domestic coverage of the prospective invasion of Western Europe." Another confidential memo, written for the benefit of CBS correspondents who will be assigned to invasion forces and for the network's bureau men in London, has been sent out.

A specially prepared news sheet, with accompanying photos and mats of the network's overseas and domestic news commentators and reporters, as they stand poised for the Allied invasion of the European continent, has been mailed to newspaper radio editors and affiliated radio stations by the Press Department of the Mutual Broadcasting System.

The promotion contains stories and photos on all the network's topflight news men.

X X X X X X X X

## NBC SEEKING CHI TELEVISION CHANNEL GETS RISE OUT OF ZENITH

There appears to be the makings of a first class scrap in NBC's applying for Television Channel No. 1 in Chicago W9XZV, long assigned to the Zenith Radio Corporation.

Hugh Robertson, Executive Vice President and Treasurer for Zenith, promptly issued the following ultimatum:

"Zenith's television transmitter, W9XZV, (commercial television construction permit WTZR) is the oldest existing television transmitter in the Chicago area, and from the standpoint of providing continuous scheduled program service, is older than any New York station.

"W9XZV has been broadcasting regularly scheduled programs continuously since March 30, 1939. We have used our present frequency in the public interest, not only from the standpoint of providing good programs, but also as a means of contributing to advancement of the art. In 1939 Commander McDonald let it be known to the industry in general that the facilities of our station would be made available upon request to schools, business organizations, and others engaged in television research. We have on several occasions transmitted special programs in response to such requests. We have also, at the request of the Federal Communications Commission, conducted special research for that organization.

"Zenith has a considerable investment in television, and has used its assigned television frequency to the greatest possible advantage for science, industry, the FCC, and the general public. NBC's action in asking for Zenith's frequency is presumptuous and unfair, and will be vigorously contested."

X X X X X X X X

\$1,000,000 OWI SHORT-WAVE BASE TO BE BUILT

Construction of a \$1,000,000 short-wave broadcasting plant to serve the Pacific area, the Far East and Latin America will begin in San Francisco within a few weeks, it was announced Sunday by the National Broadcasting Company.

The plant, expected to be in operation by Fall, will be designed and built by the NBC for and in collaboration with the Office of War Information and the Defense Plant Corporation.

For the duration, the plant, having four powerful stations, will be operated, technically by NBC, San Francisco, for the Overseas Branch of OWI, which will handle program operations.

X X X X X X X X X

FCC ROW BREAKS OUT ANEW ON TWO CAPITOL FRONTS

Two outstanding clashes in the row over the Federal Communications Commission investigation are scheduled on Capitol Hill today (Tuesday). First, Chairman James L. Fly will be given his first face-to-face crack at the House Investigating Committee, which though it has been investigating the Commission for more than a year, has not yet offered Mr. Fly an opportunity to be heard. It is generally conceded, however, that his appearance now will not mean much - in fact, amount to a whitewash - inasmuch as Eugene L. Garey, the man who was going to put Fly over the jumps, was recently forced to resign, as was Representative Eugene Cox (D), of Georgia, former Chairman. This, many believe, was pulling the teeth of the investigation.

The only hope of the opposition is that Representative Richard B. Wigglesworth (R), of Massachusetts, and Representative Louis E. Miller (R), of Missouri, minority members of the Investigating Committee, may try to put Mr. Fly on the spot.

Last week, Representative Wigglesworth denounced the investigation on the floor of the House, demanding that Committee Chairman Lea resign unless he conducted "an honest and fearless" inquiry, and today Representative Miller, following the Committee meeting at which Mr. Fly is to appear, will proceed to the House and probably give the members another dose of the same.

Representative Warren Magnuson (D), of Washington, who already has taken up the cudgel for the FCC, has asked for time to answer Mr. Miller so there may be quite a scrimmage on the floor of the House also. Mr. Miller has announced that he will present all the facts concerning the manner in which the hearings on the FCC are now being conducted.

When Chairman Lea announced the latter part of the week that the Committee would give Chairman Fly and the FCC a chance to be heard, Representatives Wigglesworth and Miller declared the decision had been made over their vigorous protests. Whether Representative Miller will reiterate demands that Representative Lea resign, or will announce that he and his colleague will refuse to serve on the Committee remained uncertain.

Mr. Miller disclosed that he and Mr. Wigglesworth had felt so vehemently on the subject of proceeding at this time with the FCC side of the case, without completing an investigation which had previously been started, that they had taken their own stenographer to the executive session of the Committee when the decision was made.

The about-face the White House did in allowing Jonathan Daniels to testify before the Senate Agricultural Committee has led to the belief that the House Investigating Committee may review its efforts to force the hand of President Roosevelt to allow J. Edgar Hoover and high ranking Army and Navy officers who had been called to testify regarding the FCC. When previously called they were all gagged by executive order.

X X X X X X X X

## CBS ISSUES PRESS COURTESY CARDS

It has been the experience of out-of-town press correspondents endeavoring to look in on New York broadcasts to get man-handled by an attendant or usher who frequently looked like a cross between a phony Marine Corps Major General and a hotel bell-hop.

George Crandall, CBS Director of Press Information, may have had this in mind when he got the happy idea of issuing press courtesy cards to facilitate admission to broadcasts. The card itself is not a ticket of admission to CBS studios or playhouses but upon presentation at Press Information at 485 Madison Avenue, credentials will be issued to bearer for guest privileges in the New York studios and playhouses of Columbia during rehearsal and "on the air". In sending the card, Mr. Crandall further states: "We would appreciate your advising us in advance of your visit here, so that we may reserve tickets for those broadcasts you wish to see."

X X X X X X X X

## SWEDEN BARS ADVERTISING; ALSO CAMPAIGN SPEECHES

The number of licensed radio receiving sets in Sweden now is 1,709,012, having increased in 1943 by 80,940. In 1942 the gain was 79,300. Since the population is about 6,400,000, there is a radio set for every four inhabitants, or roughly one for every family, a record for all countries with a similar system of charging Government license fees.

No advertising is allowed on the Swedish radio and no political campaign speeches. The revenue from the license fees pays for the programs, which are provided by a service corporation - Radiotjanst - on which the newspapers, the radio manufacturers and the Department of Education are represented. For more details see chapter on "Radio Broadcasting" by Yngve Hugo, Director of the Swedish Broadcasting Corporation, in "Sweden - A Wartime Survey", distributed by the Albert Bonnier Publishing House, 665 Lexington Avenue, New York 22, New York.

X X X X X X X X X

## OFFICERS' UNIFORM HELD AS INDUCEMENT TO RADIO REPAIR MEN

A folder captioned "Work for Philco in Vital War Job and Wear the Uniform of an Officer" carries a facsimile of a letter addressed to radio servicemen which reads, in part:

"In some of these jobs, the work is of such a military character, the men who do it are entitled to wear the uniform and enjoy the privileges of an officer, except for insignia designating rank. Yet they are civilians, working for Philco, the world's largest radio manufacturer.

"In this work, the most interesting and often thrilling assignments can come to you. For example, you may be sent to a military air base and be given the job of helping to supervise the installation of electronic equipment to be used at that base. Or, if such work appeals to you, you may become an instructor of Army or Navy personnel being trained in radio."

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

Alfred J. McCosker, Chairman of the Board of Directors of the Mutual Broadcasting System, has been named as a member of Mayor LaGuardia's newly-formed city-wide Committee on Unity, "to promote understanding and mutual respect among all the racial groups in our city".

According to Mayor LaGuardia, the Committee, made up of 19 members headed by Charles E. Hughes, Jr., would observe and analyze dangerous trends and unfavorable conditions, study the causes and suggest remedies.

National advertisers, advertising men and media executives will meet in Washington March 8 with Elmer Davis, Director of the Office of War Information, to receive first-hand reports on the progress of the war and the needs of the home front.

If the transmitter of United Radio Algiers, North Africa, has familiar "buzz" to the G.I.'s within its listening range, it's because it is the same outfit that once perched in the meadows at Wayne, N.J., as New York transmitter WABC of the CBS network.

The following stations have applied for construction permits for new High Frequency (FM) broadcast stations: The Valley Broadcasting Co., Steubenville, Ohio; WFBM, Inc., Indianapolis, Ind., to be operated on 47,700 kc.; Capital Broadcasting Co., Washington, D. C. to be operated on 46,700 kc.; Plaza Court Broadcasting Co., Oklahoma City, Okla.; Liberty Broadcasting Co., Pittsburgh, Penna; Drovers Journal Publishing Co., Chicago, Ill., to be operated on 48,700 kc.; The Broadcasting Corp. of America, Riverside, Calif., to be operated on 43,500 kc.; also for construction permit for a new commercial television broadcast station to be operated on Channel #3 (66000-72000 kilocycles);

Through an arrangement between the Committee on Scripts for Soldier and Sailor Shows, Writers War Board, and the Entertainment Section of Special Services, manuscripts are being sent overseas weekly in mimeographed folios. The folios also contain skits from dozens of network radio programs, mainly of comic nature.

"Why cannot the Government let some radios be put on the market so that the war veterans who return can buy one at a reasonable price?" a "Disabled Veteran" writes the Washington Star. "Now that I want to buy one I find that the dealers are asking from \$35 to \$50 for several bad radios that sold in peace time for from \$5 to \$10 each.

"Should we war veterans who have served our country to the best of our ability be as much entitled to buy a radio at a reasonable price as the nations of Europe, Asia or South America, etc., or not?"

X X X X X X X X



# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

*Handwritten:* Mr. [unclear]  
*Stamp:* REC'D MARCH 10 1944  
30 ROOMS ALLEN PLACE, N.Y.C.

## INDEX TO ISSUE OF MARCH 10, 1944

FCC Clash Puts FDR In Another Hole With Congress.....	1
Fly Denying FCC Fell Down Dominates House Investigation.....	3
Paul Galvin's Brother Dies.....	5
FCC Presents New 5,000 To 20,000 Watt Station Analysis.....	6
CBS Brochure On Program Promotion Of 128 Stations.....	7
Senate Committee Would Slash FCC Funds \$2,163,857.....	8
U. S. Signal Corps Radio Equipment Called Best At Front.....	9
Network Stations Fight FCC Move To Publicize Contracts.....	10
Trade Notes.....	11

No. 1609

## FCC CLASH PUTS FDR IN ANOTHER HOLE WITH CONGRESS

Explosions on two fronts on Capitol Hill over the Federal Communications Commission allegedly defying Congress on the same day that President Roosevelt had smoothed down the ruffled feathers of the Senate by allowing Jonathan Daniels to testify, came at an embarrassing time for the President who at that moment was doing his utmost to appease the legislative branch.

Also Representative Miller (R), of Missouri, coming right out and saying that if the Administration permits the FCC investigation to reveal even a small portion of the corruption "they will already have lost the November elections" confirms the predictions made in these columns that the FCC would be one of the national campaign targets. Unquestionably bureaucracy will be a big Republican issue and if so, Chairman James L. Fly is very likely to be put forward as a No. 1 example.

Not only was there a crossing of swords last Tuesday between Chairman Fly when, after he was kept waiting for more than a year, he was given his chance to testify before the House Investigating Committee and Representatives Miller and Wigglesworth (R), of Massachusetts, but Mr. Miller later continued the offensive on the floor of the House. Here the FCC was defended by Representative Warren G. Magnuson (D), of Washington.

Representative Miller, who declared the Investigating Committee was blocked and now was a "whitewash move", said in part:

"The indefinite postponement of the WMCA case is not only most unusual, quite aside from the way and manner in which the postponement was considered and acted upon, but is without a parallel in legislative history.

"Congressional committees and their staffs have been known to refrain from investigations and disclosures in matters wherein criminal prosecutions were known to be pending, and rightly so, it may be. But there is no record of any case where the mere pendency of a civil action has been made the pretext for stopping hearings once commenced on a matter between private persons.

"It must be remembered that the Committee's investigation of WMCA had been completed before Flamm filed his suit against Noble. Flamm's suit against Noble was not filed until very early in August, last, while the Committee was holding hearings in New York concerning the FCC's activities in respect of foreign language stations and their personnel. The Committee's investigation had been completed weeks before the Flamm suit was instituted, so far as the committee staff could complete the matter without open hearings before the Committee.

"As the mystery of this New Deal drama unfolds, you will find moving mostly behind the scenes the significant name of Thomas J. Corcoran, once an aide to Mr. Roosevelt. It will be shown later on, that Mr. Noble employed the former chief counsel of the FCC at the suggestion of Mr. Corcoran and that Mr. Corcoran was in the picture to the point where he may have shared in a fee estimated to run as high as \$50,000.

"The \$50,000 bait hung out by Edward J. Noble to 'Tommy the Cork' in a law case does not explain the vigor with which the New Deal so-called inner circle has tried to prevent disclosures in these hearings.

"That Donald Flamm was flimflammed out of a radio station in a fast-moving business deal - and now wishes to recoup - does not explain the administration's violent efforts to put a stop to these investigations.

"May I suggest to you that the administration sees that if they permit this investigation to reveal even a small fraction of the corruption which must exist after 12 years of control of all of the departments of this Government, they will already have lost the election next November.

"And worse, if this Committee of Congress - of Congress, mind you - if this Committee of Congress submits to this administrative gag, we will find that we have closed the door to the shady corridor which leads to the real truth about which men were really responsible for the horror of Pearl Harbor. "

Replying, Representative Magnuson said:

"The gentleman from Missouri devotes a great deal of time to the sale of a radio station in New York and to the fact the Committee temporarily postponed hearings on the matter until such time as a New York court had decided the matter; the case now being before the courts in New York and not before the Committee regarding the matter of whether or not there was any collusion or fraud or whether the sale was this or that. That is a matter of testimony and of course has nothing to do directly with the Federal Communications Commission.

"There is a lot of innuendo that somebody said this or that about and to Mr. Noble and Mr. Flamm. The gentleman from Missouri says that Mr. Noble has now become a power in the radio industry. Maybe the gentleman's objections to Mr. Noble becoming a power in the radio industry goes back to the time when he resigned in 1940 to campaign for Mr. Willkie. That is about as far-fetched as some of the statements that have been made in these speeches. "

"In all fairness to Mr. Flamm, does not the gentleman think that Mr. Noble should be submitted to this Committee's investigation, because Mr. Flamm has had to answer every question propounded to him without the benefit of objection or a ruling of a court as to whether or not it may be relevant?" Representative Cole (R), of

3/10/44

Missouri asked. "Does not the gentleman think Mr. Noble should be subjected to the same thing?"

"I have no reason to believe he is not going to be subjected to it", Representative Magnuson replied.

"But the Committee's action has precluded that", Mr. Cole persisted.

"That is the trouble with this whole business - it has not precluded anything", the Gentleman from Washington answered. "Now we merely have some other matters that we want to settle in the meantime while this controversy has gone to New York. We said we would postpone it for a reasonable time. I do not know of any statement that has been made that these parties will not be called in if it is pertinent to a Congressional investigation for the purpose of legislation, but we do not want to go to washing somebody's linen in New York."

X X X X X X X X

#### FLY DENYING FCC FELL DOWN DOMINATES HOUSE INVESTIGATION

An expression which Chairman James L. Fly of the Federal Communications Commission frequently uses, "Then we moved in" might well describe his taking the witness stand in the House FCC probe after having been kept waiting for more than a year. In the absence of counsel to replace Eugene L. Garey and staff, Mr. Fly, in the words of one high FCC official "took complete charge of the proceedings". Someone remarked "you could almost smell the whitewash".

It was an eleventh hour attempt on the part of Mr. Fly to save his Radio Intelligence Division which the House had taken an axe to and which, while he was testifying, was at the mercy of the Senate. "The Radio Intelligence Division did a good job at all times" he maintained.

Chairman Fly was on the stand continuously at the Tuesday, Wednesday and Thursday hearings and will resume next Tuesday.

A new charge was injected into the hearing when Representative Miller (R), of Missouri, asked Mr. Fly what he knew about 'what happened to an American force of destroyers and light cruisers in Alaskan waters as a result of information sent out by the Federal Communications Commission."

Mr. Fly denied any knowledge of the incident and classed it with other "unfounded" charges against the FCC. Representative Miller did not elaborate upon the question.

The witness denied at length the allegation that in failing to stop the Japanese language broadcasts he had contributed to the Pearl Harbor disaster. He said that prior to Dec. 7, 1941,

"peacetime" conditions prevailed in Hawaii and that communications out of the islands were not censored.

"All they would have to do is walk into a cable office and send it", Mr. Fly asserted. "There is no doubt that Japanese authorities were thoroughly informed on the situation in the islands."

He said that had any illicit short-wave stations operated by the Japanese been in existence "our direction finding stations would have located them."

Representative Magnuson (D), of Washington, then pointed out that there were hundreds of Japanese workmen employed at the Navy Yard, any one of whom may have supplied the enemy fleet with information through regular consular channels of cable and wire, then totally uncensored. Also that it "would have been possible for example, for one of the Japanese maids working in the Navy Yard to have cabled the information direct to Japan."

Discussing "the Committee counsel's flight of fancy that sometime prior to Pearl Harbor I defeated an Army and Navy plan to eliminate Japanese language programs from Hawaii stations", Mr. Fly said:

"This charge was first made by Committee Counsel on the opening day of public hearings.

"The charge has been made in one form or another later on in the record -- though there is a common origin, I think. It was made slightly more definite by Committee Counsel during his examination of Commissioner Craven, Ensign Harold Graves, and Director J. Edgar Hoover. Admiral Hooper was supposed to have come to me with a proposal for stopping these broadcasts and I was supposed to have scotched it. And then when the Army and Navy had about arranged with the stations for stopping them voluntarily, I stepped in and stymied the plan with a speech. That's the charge. There's not a whit of evidence to support it. None of the witnesses questioned even knew anything about the matter. I don't know anything about it. There's just nothing to it.

"The answer is that there was no speech scotching non-existent arrangements to stop broadcasts which the Army and Navy did not want stopped. Here are the facts.

"In the early part of 1941, Admiral Hooper and a member of the Commission's staff discussed the question of the desirability of Hawaiian stations broadcasting Japanese language programs. As a result of this discussion, it was agreed that the Commission would record and analyze these Japanese language broadcasts in order to determine whether or not they were subversive in nature.

"All the Japanese language programs broadcast by Hawaii stations during the period from July 6 to July 12, 1941, were monitored. These recordings were translated and analyzed by the Commission's staff.

"The analyses revealed that these programs were principally devoted to the broadcasting of commercial spot announcements for national and local business firms. Music normally was entirely transcribed."

"Careful analysis did not disclose any subversive activity or perceptible political significance in these broadcasts. Admiral Hooper was kept fully advised on the situation."

Chairman Fly then quoted from a final letter to the naval officer August 23, 1941, sent by E. K. Jett, then Chief Engineer of the FCC, and then added: "Admiral Hooper never did reply to this letter and as far as we know or have any record, he never came back at us on the matter again."

Chairman Fly stated that the FBI and the Army and Navy took the law into their hands and tapped the wires at Pearl Harbor prior to the attack.

Representative Miller introduced a letter from Chairman Vinson of the House Naval Affairs Committee which said that Mr. Fly's opposition to the bill permitting wire tapping and his failure to halt Japanese language broadcasts in Hawaii placed the FCC in the position of partial blame.

Mr. Fly asserted the letter's language showed, in his opinion, that it was inspired by Rear Admiral Stanford C. Hooper, Navy communications officer, now retired.

"Mr. Vinson signed it, but Hooper's fingerprints are all over it", Mr. Fly snapped.

"Here is an effort by Hooper to remove me as Chairman of the Board of War Communications. He tried through the Navy Department and he tried through the Naval Committee and he failed. It is pertinent to the rumor that I had something to do with the retirement of Hooper", Mr. Fly said.

X X X X X X X X

#### PAUL GALVIN'S BROTHER DIES

Word was received by Bond Geddes of the Radio Manufacturers' Association of the death last Tuesday in Chicago of Joseph Galvin, a brother of Paul V. Galvin, President of RMA. Funeral services for Mr. Galvin were held this morning (Friday) at St. Giles Catholic Church, Oak Park, Illinois.

X X X X X X X X X X

## FCC PRESENTS NEW 5,000 TO 20,000 WATT STATION ANALYSIS

During the year 1943 there were 221 standard broadcast stations operating with power of 5 to 20 kw, an analysis just made by the Federal Communications Commission reveals. One of these stations was located in Alaska, 1 in Hawaii, 4 in Puerto Rico, 2 in the District of Columbia, and 213 were in 45 of the States. There are no stations operating with this power in the States of Nevada, Vermont and Wyoming. Included in the 221 stations are 15 non-commercial stations. There also were 6 outstanding construction permits. Forty of these stations operate on clear channel frequencies and 181 on regional frequencies, and may be grouped as follows:

<u>Number of Stations</u>	<u>Power</u>	<u>Time</u>
1	20 kw	Limited
9	10 kw	Unlimited
1	10 kw	Limited
1	7½kw	Unlimited
1	5kw-N-10kw-D	Unlimited
1	1kw-N-10kw-D	Unlimited
154	5 kw	Unlimited
3	5 kw	Limited
10	5 kw	Daytime
37	1kw-N-5kw-D	Unlimited
2	500 watts-N-5kw-D	Unlimited
<u>1</u>	100 watts-N-5kw-D	Unlimited
221		

One hundred and seventy-one of these stations have filed revenue reports for the year ended December 31, 1943, reporting "net time sales" amounting to \$51,207,000, and the same stations reported \$42,051,000 for the year 1942, an increase of \$9,156,000 or 21.8%.

Five of the 171 stations showed a decrease in net time sales and the remaining 166 showed increases ranging from \$1,000 to \$182,000, and may be grouped as follows:

5 stations reporting decreases of \$1,000 to \$56,000; 37 stations reporting increases of \$1,000 to \$25,000; 49 stations reporting increases of \$25,000 to \$50,000; 43 stations reporting increases of \$50,000 to \$75,000; 19 stations reporting increases of \$75,000 to \$100,000; 18 stations reporting increases of \$100,000 to \$182,000.

One hundred and fifty-six of the 206 commercial stations serve as outlets for the four major networks as follows:

Blue - 32 stations; Blue and Mutual - 6 stations; Blue and National - 2 stations; Columbia - 49 stations; Columbia and Mutual - 2 stations; Mutual - 20 stations; National - 45 stations.

X X X X X X X X X X

CBS BROCHURE ON PROGRAM PROMOTION OF 128 STATIONS

A report on Columbia Broadcasting System's 1943 program promotion campaign has been released by the network in brochure form. The campaign was launched in September 1943, and broke simultaneously in 128 CBS "station cities" throughout the United States.

The report, contained in a large 16-page brochure, is based on verified statistics received from the 128 participating stations. Each station was supplied by CBS with material for use in media within their own markets. This material included live and recorded announcements for use on the stations; mats for newspaper advertising; talent posters by such well-known artists as James Montgomery Flagg and many others for display purposes; car and bus cards; post card pictures of talent for direct mail; informative booklets on the programs and a special press book prepared by CBS Press Information.

Total broadcasts on the stations of live and recorded announcements, many of which featured the network stars themselves, numbered 47,045.

The newspaper insertions in the "station cities" reached a national monthly circulation of 543,577,000 - an average daily circulation of over 19,000,000.

Over 175,000 of the brilliant, large posters portraying leading CBS artists or directors were displayed throughout the "station cities", on billboards, in department stores, hotel, theater and station lobbies and in other suitable locations.

The car cards displaying the CBS stations' programs, call letters, and frequencies reached an overall monthly circulation of 1,146,656,000 - 38,200,000 daily.

CBS Press Information's 132-page book supplied a diversity of material for radio editors, feature editors and radio columnists.

The brochure points out that the program promotion campaign, a voluntary CBS station-network cooperative effort, attained its objective:

"To invite the mass of the American people to listen to those (CBS) programs, and to recognize the fact that they were being offered by the foremost talent, sponsored by the foremost advertisers and broadcast over the foremost network in America."

X X X X X X X X

Frederick A. Turner, 37 years old, was picked up in Brooklyn by the Federal Communications Commission for operating an amateur radio set despite the fact that all amateur licenses were suspended at the outbreak of the war. Turner had a homemade set and there was no evidence linking him to any espionage activity. He was evidently operating the set for his own amusement and was communicating with other pleasure seeking amateurs, several of whom will be arrested soon, the FCC said.

X X X X X X X X X



## SENATE COMMITTEE WOULD SLASH FCC FUNDS \$2,163,857

At almost the same hour yesterday (Thursday) that Chairman James L. Fly was endeavoring to convince the House Committee investigating the Federal Communications Commission that Admiral S. C. Hooper had tried to kick him out, instead of vice-versa, the Senate Appropriations Committee administered a swift kick to the FCC by not only approving the House cut of \$1,654,857 from the FCC appropriations but recommended another cut of \$509,000 itself.

This was a painful surprise on the part of New Dealers who had predicted that the Senate would restore the \$1,654,857 which would completely wipe out the FCC Radio Intelligence Division. However the Senate Appropriations Committee was on the warpath for bureaus and bureaucrats and mercilessly descended upon Mr. Fly and the FCC along with the TVA, FEPC, and nearly a score of other bureaus in the \$8,557,943,938 independent offices bill. This Committee recommendation will be taken under consideration by the Senate probably early in the week.

The Senate Committee also approved an amendment prohibiting use of TVA funds for political purposes through payment of newspaper or radio advertisements.

Last year the Joint Chiefs of Staff, in a letter to President Roosevelt endorsed by Secretary of the Navy Knox and Secretary of War Stimson, requested that the functions of RID be taken over by the Army and Navy. Although the President rejected the request for an Executive Order to accomplish this purpose, the Joint Chiefs of Staff never have withdrawn their request or informed Congressional appropriations committees that they have changed their minds.

It was this action which caused the House to recommend abolishing the RID and transferring its activities to the Army and Navy and which no doubt caused the Senate to uphold the House.

The original request of the Federal Communications Commission was \$8,371,700, the largest in its history and compared with a request for the fiscal year 1940 of \$1,830,000. For radio intelligence work which was set up by emergency funds of the President back in 1941 to the extent of \$1,600,000, the request was \$1,960,000. The amount asked for non-war Commission work was \$2,209,000 for salaries with an additional of \$16,700. This would be affected by the further cut of \$309,000 which the Senate has recommended.

X X X X X X X X

Addressing the Empire State Town Meeting at Union College, Schenectady, George W. Healy, Jr., Director of the Domestic Branch of OWI, spoke of the "generous support" OWI receives from radio stations, newspapers and other media.

X X X X X X X X

## U.S. SIGNAL CORPS RADIO EQUIPMENT CALLED BEST AT FRONT

"The mobile headquarters radio station is far and away the best field radio equipment at the front. This is the unanimous opinion of all British and American officers interviewed." - From an official report to the Chief Signal Officer from the Mediterranean theater.

The recipient of the unusual and convincing citation quoted above is radio set SCR-299 - developed by the Signal Corps - which has been in the thick of battle on every front and which has rendered exceptional service under the most severe combat conditions.

"SCR-299 radio stations", another report says, "have been the main means of radio communication between the American forces in North Africa, having covered at one time a range of 2,300 miles with satisfactory performance. If operated on proper frequency, it is believed that these radios will cover any reasonably long distance with 24-hour service. The SCR-299 proved to be the real answer to the problem of long distance communication in the African and Italian theaters."

But as these enthusiastic statements and others in a similar vein were coming into Washington, a new and improved version of the SCR-299 had been developed and tested by the Signal Corps and was even then being produced and shipped overseas as rapidly as possible.

The new station is called the SCR-399 and, while it retains the major radio components of its predecessor which have proved so valuable, the frequency range has been extended, the mobility increased, and a new cabin-like shelter has been developed which can be mounted on the bed of a standard 2½-ton cargo truck. Formerly a specially-designed panel truck was used. This model added to production requirements, was less easily maneuvered, and rendered the vehicle more susceptible to enemy identification because of its distinguishing characteristics. The new truck and shelter combination allows more interior space and permits receivers to be mounted in chests which can be removed from the shelter. Like its predecessor it may be operated while in motion.

When necessary the shelter and the installed radio equipment may be removed and set up on the ground as a complete field radio station with all the communications facilities intact. Both the shelter and the detachable trailer - which transports a gasoline-driven power generator - can easily be camouflaged, and the trailer can be separated from the shelter as much as 200 yards by extension cables. Remote control provision incorporated in the equipment permits operation of the radio station from as far as a mile away. That is, the operating position can be separated from the equipment by this distance.

The transmitter and its accessories, together with two standard Signal Corps receivers, operating chests, spare parts chests and all other equipment necessary to make up a complete mobile radio

station, are securely fastened in the shelter. The radio components are placed on shock-proof mountings to absorb vibrations. Throat or lip microphones may be used to permit voice modulations if gas masks must be worn.

Two operators may sit at the operating chests inside the shelter with all receiving and transmitting controls within easy reach. Moderate temperatures are maintained through use of an electric heater in cold weather and by the heater fan and ventilating blower during hot spells.

A companion set for airborne transport - the SCR-499 - includes all the principal components of the SCR-399 except that none of the radio equipment is installed in the shelter and the power unit is not installed in the trailer. Canvas covers are provided as protection for the major radio parts and the various units may then be transported by air or other means to a desired destination where they are quickly set up as a field radio station either in a shelter, a tent or a vehicle.

The SCR-299 helped pave the way for Allied victories in the Mediterranean theater from El Alamein to Italy. In Africa alone it operated on five networks, including circuits from Oran to England, Gibraltar, Casablanca, Algiers and Accra.

From the Pacific theater comes the following comment from a Signal Corps colonel:

"New Guinea is 1,000 miles from Australia. The Japanese at one time had air superiority. Our only form of communication was radio. We were fortunate enough to get two SCR-299 stations - for two months that was our only form of communication.

"Sometimes we took the set from its panel truck and set it up in the jungle. We used remote control because the Japanese had direction-finding equipment. By the use of this equipment they could determine the approximate location of our transmitters.....If we had not been supplied with the two radio stations, we would have been almost completely isolated."

X X X X X X X X

#### NETWORK STATIONS FIGHT FCC MOVE TO PUBLICIZE CONTRACTS

Spirited opposition was shown last week to the proposed rule of the Federal Communications Commission to make public certain records including network affiliation contracts.

James D. Wise represented NBC and Radiomarine Corp., and Philip Hennessy, for King-Trendle Broadcasting Corp. and Scripps-Howard Radio at the public hearing. Briefs were filed by Julius Brauner, for CBS; William Dempsey, for Don Lee Broadcasting System; Robert T. Bartley, for NAB; and James A. Kennedy, for All-America Cables & Radio, Inc. and the Mackay system.

Messrs. Wise and Hennessy argued that "broadcasting is a private, competitive industry", not a common carrier, and therefore network affiliation contracts should not be made public.

FCC Chairman James L. Fly argued that broadcasting is not a standard product and that publication of the figures would tend to stimulate competition among broadcasters.

X X X X X X X X X X

::: TRADE NOTES :::

The War Production Board announced yesterday that as a result of increased supplies, use of shellac has been eased for phonograph record manufacture and in the second quarter of 1944 its use will be permitted on the basis of one-fourth of manufacturers' total consumption in 1941. The manufacturer will be allowed to purchase 40 per cent of the total in the form of low-grade shellacs and 60 per cent in the form of high-grade shellacs, officials said.

Through the design and creation of an electronic "master mind" employing 126 vacuum tubes to calibrate Signal Corps radio apparatus, Philco Corporation engineers saved 144,000 manhours of labor last year and, with other economies, made it possible to reduce the cost of this one type of equipment to the Government by \$1,170,000 in 1943, it was announced this week by John Ballantyne, President of Philco Corporation, in a letter to stockholders.

A demonstration of new advertising techniques in television will highlight an address by Thomas F. Joyce, Manager of the radio, phonograph and television department of the RCA Victor Division, Radio Corporation of America, at a special "Television Day" program of the Sales Executive Club of New York. The luncheon-meeting will be held in the Hotel Roosevelt ballroom Tuesday, March 14.

E. Anthony & Sons, Inc., West Yarmouth (Near Hyannis), Mass., has been granted construction permit for a new station to use frequency 1240 kilocycles, 250 watts, unlimited time (facilities of formerly licensed station WOCB), pursuant to procedure provided in Public Notice of January 26, 1944.

Merritt R. Schoenfeld, formerly Network Sales Manager of the Central Division of the Blue Network, has been appointed Assistant General Manager of the Central Division.

E. K. Hartenbower, of the Central Division Sales staff, will succeed Schoenfeld as Sales Manager of the Division, and Gilbert R. Berry, Sales Manager of Station WENR, will take over the post of Assistant Sales Manager of the Division.

Joe Ryan, formerly a 12-Station Regional Chief of Information for the War Food Administration in Milwaukee, has been named to the post of Farm Editor for KSO and KRNT. Mr. Ryan came to the Des Moines Cowles Stations, direct from special assignments on the Milwaukee Sentinel.

X X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

30 ROCKEFELLER PLAZA, NEW YORK, N. Y.

RECEIVED

MAR 16 1944

FRANK E. MILLER

## INDEX TO ISSUE OF MARCH 14, 1944

Tom Joyce Beats Bass Drum For Television Selling Power.....	1
Petrillo, Despite His First Knockout, Still Thumbs WLB.....	3
Dies Blows Up Over Commentators And Threatens Probe.....	4
WLW, WMAZ And Raymond Gram Swing Cop duPont Prizes.....	6
MBS President Home From Mexico.....	6
Lovett - FCC Watson-Dodd Associate - Out; Reported Ousted.....	7
Commentators Again Blasted; They Welcome Inquiry.....	7
Navy Prefabricated Radio Shack Wasn't So Hot.....	9
FDR And A Radio Campaign.....	10
Radio Appeal Brings Absentees.....	10
Trade Notes.....	11

No. 1610

March 14, 1944

## TOM JOYCE BEATS BASS DRUM FOR TELEVISION SELLING POWER

Tom Joyce of RCA Victor today (Tuesday) was scheduled to address the Sales Executives Club in New York on the subject of "Television Seen As Aid to Postwar Employment". This no doubt will be pretty well carried by the press associations but in glancing over an advance copy of the speech, a thing which struck us as being of special interest to the industry was what Mr. Joyce said about the selling power of television to merchandise consumers and the possibilities of its use in advertising. Some of his references to this follow:

"What proof have we of television's selling power as compared with other advertising media? Just this:

"One of the National Broadcasting Company's 1941 television advertisers in a scientifically controlled test determined that the effectiveness of television selling was of the order of ten to eleven times greater than all the other media used by the advertiser combined.

"Because television has the power to create consumer buying of goods and services beyond anything that we have heretofore known, we can count upon its helping to bring about a high level of postwar prosperity in agricultural, industrial and the distributive industries, as well as personal and professional services.

"Only about five per cent of the department store advertising revenue goes into radio broadcasting. That's because department store executives have found through actual experience that they must show their goods in order to sell them. Television will do just that!

"Television may enable department stores to compete effectively with mail order distribution. Daily 'television specials' with a telephone order service will make shopping easier and may reduce distribution costs. One sales demonstration can reach hundreds of thousands - or millions - of possible buyers. Whereas newspaper 'specials', before the war, were largely designed to get the customer in the store, the 'television special' - occurring at a different spot in each day's program - will be an inducement to watch the sponsor's entire program of advertised goods; and therefore will pay for itself in added sales, with far less inconvenience to the customer.

"Now, to the magic of radio sound, has been added the magic of sight. A much greater revolution is ahead of us than when sound was added to the motion picture. The Chinese proverb states 'One seeing is better than a hundred hearings.' From this, I would deduce that the relative importance of television over radio - FM or standard broadcasting - is in the ratio of 100 to 1."

A highlight of Mr. Joyce's address was the presentation of a visual demonstration of television advertising technique. Several products were first described in spoken "commercial" announcements. Professional actors then presented these sales messages as dramatizations, to give a "preview" of how commercial sponsors might utilize television in the future.

In one of these comparisons, the announcer spoke briefly on the quality of shatter-proof glass. A moment later when this announcement was brought to life, a large sheet of shatterproof glass was brought on stage, and a man pounded it with a sledge hammer.

Other commercials featured a vacuum cleaner picking up dirt and dust; six men in a tug-of-war involving a pair of "no rip" overalls; and a thirsty man drinking a glass of foamy beer, complete with lip smacking and smile of satisfaction.

In concluding his address to the New York Sales Club, Mr. Joyce said:

"Assuming that television is given the green light and no obstacles are placed in the path of its commercial development, then this is what we may expect:

1. The development of a satisfactory home radio and television set to retail for approximately \$200. Our analysis of the market has shown that 61.3% of the people are prepared to buy a television set at this price.
2. The rapid expansion of television receiver sales in the first television market - that is, New York, Philadelphia, Albany-Schenectady, Chicago, and Los Angeles. Television transmitters already are in operation in these cities. This first television market has 25,907,600 people, 7,410,000 wired homes and 28.46% of the United States buying power.

Within 18 months after television receivers are available at a \$200 retail price, 741,000 homes will be equipped. Assuming the average viewing audience per receiver, on the basis of 741,000 equipped homes, is six people, (the present average is 10) the total advertising audience available would be 4,446,000 people.

3. Three of these markets - New York, Philadelphia and Albany-Schenectady - are already broadcasting television programs originating at a central source.
4. Within five years, television transmitting stations will provide coverage for the 157 key cities of the United States.
5. It would also be reasonable to expect that by the end of the fifth year, after the full commercialization of television, the engineers of the industry should be able to develop a low cost automatic rebroadcasting television transmitter to provide coverage of the smaller markets."

X X X X X X X X

## PETRILLO, DESPITE HIS FIRST KNOCKOUT, STILL THUMBS WLB

Notwithstanding the sock between the eyes given to him by the War Labor Board panel - the first time any such thing happened to him in his life - James C. Petrillo, A.F.M. President, let out a gosh awful squawk declaring he didn't believe the WLB would back up the panel and if it did, it would be to the Supreme Court for Jimmy.

Saying in effect "to hell with the WLB any way", the bantam labor leader pointed to the fact that 59 companies had jumped through the hoop when he had cracked the whip and only three had held out - the Radio Corporation of America and Columbia Broadcasting System subsidiaries. Furthermore, he argued the dispute with the recording companies had nothing to do with the war and that it began before the WLB was ever heard of. If it hadn't been for the War Labor Board, RCA and CBS would have signed long ago, Petrillo fumed.

The only other thing beside the Supreme Court which would get the men back to work for RCA and CBS, he was quoted as saying, was his own convention or an order from President Roosevelt. Maybe if the President remembered those concerts Petrillo gave for him, which were such a flop, he might do that.

The panel recommendations reversed Petrillo on every single point. Stingarees among these were that 2 out of 3 members of the A. F. M. do not depend upon music for a livelihood. Also that no instance has been cited where employers have paid money to a union for the benefit of unemployed union members who are not the employees of the paying employers. Likewise that the introduction and use of radio has probably not on balance decreased the employment of musicians.

In an editorial "Petrillo's Setback", the Washington Post also takes a shot at him:

"Two of the three members of the WLB panel that has been investigating the Petrillo case have recommended that the WLB exercise its power to terminate the strike. They also urge rejection of union demands that recording companies be directed to pay money directly into the union's unemployment fund. These adverse findings must have administered something of a jolt to Mr. Petrillo, especially as the report makes it clear that his musicians are really on strike to secure concessions of an extraordinary and unprecedented nature.

"All this talk about the banning of record-making because the use of canned music takes bread out of the mouths of musicians is a smokescreen concealing the real issues in dispute. What Mr. Petrillo is aiming at and has so far failed to obtain from the Columbia Recording Co. and RCA's recording subsidiaries is an agreement committing these two large producers of records to direct payments into the unemployment fund of the musicians' union. \* \* \*

"In our opinion, the panel has dealt very gently with Mr. Petrillo in affirming that the kind of direct payments he is seeking



'under proper safeguards would not be opposed to social policy, at least in those instances where members of the same union through the work they perform for the same employers, create the technological unemployment of their union brothers.' \* \* \*

"A royalty of 2 per cent on the gross revenues from juke boxes, for instance, would net Mr. Petrillo's union about four million dollars yearly, according to the estimates of the WLB panel. The union's unemployment problem might be solved by levying this kind of tribute on employers. But how about the rest of us who would pay the tribute?"

"To our way of thinking, the panel has taken an unassailable position in maintaining that the union's demand is not 'customary' and 'may not properly be imposed under the prescriptions of the War Labor Disputes Act and the practice of the board.' No doubt Mr. Petrillo could make out a strong legal case against the WLB's assumption of jurisdiction over the dispute involving the musicians' union. But that is an issue that should have been raised long ago when the WLB first began to interfere in disputes that had only a remote relation to the war effort."

X X X X X X X X X

#### DIES BLOWS UP OVER COMMENTATORS AND THREATENS PROBE

Indignation among Congressmen who have been targets for certain commentators reached a boiling point on the floor of the House resulting in Representative Martin Dies (D), of Texas, threatening to launch an investigation of the commentators and their sponsors.

"Many people in the country are beginning to suspect that certain broadcasting companies are in collusion with certain sponsors to mold public opinion by propaganda", Mr. Dies said in a prepared statement.

"Our Committee is being urged to investigate this matter on the grounds that it is distinctly un-American.

"We may subpoena the scripts of certain radio commentators over a period of several years for careful study.

"We may then subpoena the sponsors and the officials of the broadcasting companies to inquire into their motives and reasons for the dissemination of falsehoods.

"In this way we can determine whether or not the charges that some of the broadcasting companies are now lending aid and comfort to un-American propaganda are true or false.

"An exhaustive investigation will prove that fully 60 per cent of the statements of some commentators can be proved utterly false."

"In the event the broadcasting companies refuse to comply with my request to work out an arrangement whereby citizens who have been maligned and falsely attacked on the air will be accorded an opportunity to answer the charges over the same facilities to the same audience, it is my intention to introduce legislation that will insure this opportunity", Representative Dies declared last Friday on the floor of the House. "I am convinced that the overwhelming majority of the Congress are anxious to support legislation to guarantee freedom of speech over the air to citizens and public officials who have been slandered. Refusal by the broadcasting companies to work out some suitable arrangement will convict them of complicity in the conspiracy to destroy free speech and parliamentary government. The Congress and the American people will no longer tolerate the totalitarian practice of permitting the use of broadcasting facilities to assassinate the character and reputations of innocent people. If the broadcasting companies are wise they will take the initiative in working out a fair arrangement that will accord to the maligned people the opportunity to be heard."

Representative Dies said that he had conducted a poll in the House and said the members "almost to a man favor legislation to curb libelous statements on the air". Mr. Dies said that should legislation be necessary, he will propose a law that will (1) give local jurisdiction to courts in areas where the alleged libel is heard, and (2) make possible for anyone who has been "maligned or slandered" to reply to the attacks on equal facilities, and to the same audience.

Speaking along the same line, Representative Hoffman (R), of Michigan, said:

"Supplementing the statement of the gentleman from Texas (Mr. Dies), and what he has said about radio stations being required to give equal opportunity to those who are slandered by men speaking over the radio, permit me to add that a bill introduced by me now pending before the Committee on the Judiciary, would make radio commentators responsible for libel or slander published over the air in the district where the broadcast is heard."

To which Representative Rankin (D), of Mississippi, added:

"It seems that the radio has developed into a most dangerous instrument so far as the welfare of this country is concerned. I am not interested in the personal attacks on me so much as I am in the attacks on the Congress of the United States and the Government of this Nation.

"A short time ago Walter Winchell was strutting around in the uniform of a lieutenant commander of the Navy and at the same time maligning Members of the Congress of the United States, consorting with that alien Carlson, whom the gentleman from Texas (Mr. Dies) denounced as a traitor on yesterday, and spreading subversive propaganda throughout the Nation. When Members of the Congress demanded that he either strip that uniform off or get into the war, instead of going to war, where other young men have gone, he stripped off the

3/14/44

uniform and went before the radio and denounced the Congress as the 'House of Reprehensibles'.

"It is time that Congress took steps to put a stop to such subversive attacks on the legislative branch of this Government over the radio."

X X X X X X X X

#### WLW, WMAZ AND RAYMOND GRAM SWING COP DU PONT PRIZES

With James B. Shouse, General Manager of WLW at Cincinnati, and Wilton E. Cobb, General Manager of WMAZ, at Macon, Ga., on hand to receive the honors, these stations were proclaimed the winners of the 1944 Alfred I. du Pont \$1000 Radio Awards last Saturday in New York. Raymond Gram Swing of the Blue Network sponsored by Socony-Vacuum Oil Company, won the commentator's prize. WLW is an NBC affiliate and WMAZ of CBS. NBC and the Blue broadcast portions of the presentation.

Among those who broadcast was Mark Woods, President of the Blue, who pointed out that the Blue had broadcast the inaugural award ceremony in 1943, although the awards were given to a commentator and to stations not affiliated with the Blue.

"We considered it a signal honor", Mr. Woods said, "that, thanks to Mrs. DuPont, we were allowed to broadcast the ceremony. This year, of course, we are delighted that Mr. Swing, one of our own commentators, is among the winners."

The Alfred I. duPont Radio Awards, corresponding to the Pulitzer prizes in journalism, were established by Mrs. Jessie Ball duPont in memory of her late husband. Three awards are made yearly: two to radio stations - one 5,000 watts or under, and one over 5,000 watts - and one award to a Radio Commentator.

X X X X X X X X

#### MBS PRESIDENT HOME FROM MEXICO

Miller McClintock, President of the Mutual Broadcasting System, has returned to his desk after a month's trip to Mexico, where he visited and conferred with officials of Radio Mil, Mutual's 32 station outlet in Mexico.

X X X X X X X X

3/14/44

LOVETT - FCC WATSON-DODD ASSOCIATE - OUT; REPORTED OUSTED

Although happily greeted by Mrs. Roosevelt on her visit there a few days before, Dr. Robert Morss Lovett finally quit as Executive Assistant to the Governor of the Virgin Islands. Last July after a prolonged fight, Dr. Lovett, for alleged subversive affiliations, was removed from the Federal payroll by Congress along with Goodwin Watson and William E. Dodd, Jr., both of the FCC.

Secretary Ickes stood firmly behind Dr. Lovett, calling the Congressional action unconstitutional, and allowed him to serve without salary in order to permit him to file a suit for back salary in the suit now pending in the U. S. Court of Claims against the Government by the Virgin Islands official and the two FCC employees. Chairman Fly also made every effort to save the jobs of his men and likewise allowed them to work without pay so as to have grounds for a suit.

It was announced that Dr. Lovett had resigned at Secretary Ickes' request to clear the way for new appropriations which a House Committee declined to recommend as long as Dr. Lovett hung on.

In a statement to the press, he said: "It is obvious that, with appropriations pending for next year, my presence in the islands, in view of the personal hostility of members of Congress, is a burden which the Department of the Interior cannot longer carry in view of its obligations to the people of the Virgin Islands, whom I can best serve by leaving them."

X X X X X X X X

COMMENTATORS AGAIN BLASTED; THEY WELCOME INQUIRY

For the third consecutive day members of Congress continued to pound away at the radio commentators. Representative Clare E. Hoffman (R), of Michigan, became so worked up Monday that he delivered a speech that covered 16 pages in the Congressional Record in which he charged that "smear campaign" radio commentators, the C.I.O., and others were in cahoots with the New Deal to besmirch Congress. He even charged that the New Deal was corrupting the FBI. Representative Martin Dies (D), of Texas, repeated his charge that fully 60% of the statements of some radio commentators could be proven false.

In spreading their propoganda on the air, broadcasters such as Walter Winchell, Mr. Dies said, "have become adept in taking advantage of the loopholes in the libel laws."

"The technique of smear by innuendo is being used more and more by these commentators to get around the law", he commented. "It is not so much what is said as the way it is said that does the damage."

3/14/44

Representative Dies showed copies of his correspondence with Mark Woods, President of the Blue Network, in his attempt to answer what he charged was a falsehood broadcast by Mr. Winchell December 19, 1943.

This was a quotation from P.M., known as the uptown edition of the Communist Daily Worker in New York City, which asserted that Joseph Kamp, "whose publication is named in the Federal indictments as a tool for subversives and propagandists over here has had access to the Dies Committee files."

Mr. Dies said he wrote the Blue Network that he had documents to show the utter untruth of this accusation, including a letter to Kamp specifically forbidding him permission to examine the Committee's files. He asked for part of Winchell's time on the air to deny the charge.

Mr. Woods wrote Mr. Dies that it was not "in the public interest to cancel the Winchell program and allot that period to you." He offered Mr. Dies 15 minutes on the network at some other time but Mr. Dies noted that the same audience which heard Winchell would thus not hear the Dies reply.

Representative Busbey (R), of Illinois in charging that persons in strategic posts were working for totalitarian domination of the United States and the European continent, named the Federal Communications Commission as one of the Government bureaus in which these people were entrenched.

Representative Hoffman said he had urged the FBI to investigate the writings and radio utterances of Walter Winchell and other "smear artists", whom he charged with "creating disunity".

"Throughout this country", Mr. Hoffman said, "hundreds of thousands of persons are seeking seriously for the reason why Winchell, Drew Pearson, whom the President described as a chronic liar, and others are permitted unlimited freedom in creating disunity, while honest, respectable citizens out in the country are, upon complaint, immediately investigated by agents of the FBI."

Observing that Winchell "demands the prosecution for sedition of all those who disagree with his foul insinuations", and at the same time claims to be a "buddy" of Director Hoover, Mr. Hoffman called upon Mr. Hoover to disavow publicly any connection with Winchell.

"If the FBI desires to retain the confidence of the people, it must divorce itself not only from the mouthpiece of the Jergens Company, Walter Winchell, but from New Deal political control", Mr. Hoffman told the House. "If it does not, it will soon find itself, so far as the public is concerned, in the same category as other Government agencies."

3/14/44

In New York, H. V. Kaltenborn, a founder and former president of the Association of Radio News Analysts, said he believed Association members could stand comparison with Mr. Dies "on accuracy, judgment, taste or sensationalism."

"But I agree with Mr. Dies that the subject of an unfair personal attack on the air should be given a chance to reply", Mr. Kaltenborn added.

Mr. Kaltenborn said he welcomed "the Winchell-Dies battle" in calling attention to the "knotty problem of free speech on the air.

In Miami Beach, Fla., Walter Winchell said he had "been asking various members of Congress to be investigated for many years."

"They keep saying no", Mr. Winchell declared. "I would be very happy to tell these men to their faces things I have not been allowed to tell on the radio or in the newspapers.

"Dies is the kind of man who does not like any kind of criticism. Some time ago he asked Drew Pearson to please ask Winchell to lay off him. When I told Pearson to tell him to go to hell I expected him to use the Congressional Record to even matters."

X X X X X X X X X X

#### NAVY PREFABRICATED RADIO SHACK WASN'T SO HOT

Washington is having quite a laugh about the "speed" with which a prefabricated radio shack constructed by the Civil Aeronautics Administration for the Navy could be erected. A sample, which was finally put together for exhibition purposes at the Commerce Department is one of the 65 units the Navy is sending abroad.

The shack was supposed to be quick and easy for the radio-men to erect but listen to what actually happened when the thing was tried out:

"The job, CAA heard, was so simple that five men could erect such a unit in 90 minutes. Ten men assembled in the courtyard Thursday, with an eye to cutting that record. Five hours later they were still struggling with plywood panels and bolts, trying to determine why the door wouldn't fit into the space provided for it. This had been only one of the minor problems confronting them during the experiment, as the roof came plummeting down on their heads once and the floor fell through shortly before that."

X X X X X X X X

## FDR AND A RADIO CAMPAIGN

If, for reasons of personal safety of the Chief Executive during a war, Mr. Roosevelt will be unable to travel about the country making speeches - or because he is so busy with conduct of the war he must stick to his White House desk - the President may be confined to campaigning via the radio, Gould Lincoln writes in the Washington Star. His Republican opponent, on the other hand, may be free to travel.

After three national campaigns, it may be argued, President Roosevelt does not need to get about the country and show himself to millions of the people. On the radio he has few if any equals. He will be able to speak from Washington to millions of listeners all over the country, and to the men in the armed forces abroad. So predictions are made today that the President will not travel for political purposes in the coming campaign and will not address great public gatherings. The most he may be expected to do, it was said, is to speak at a Democratic dinner in New York on his way to Hyde Park to cast his vote.

It is possible the exigencies of the political campaign may in the end call for different tactics on the part of Mr. Roosevelt. Suppose, for example, a Republican tide of large proportions appeared to be running in October. The President and his advisers might come to a conclusion that, whatever the risk, it would be necessary for him to get out and fight for re-election. They came to such a conclusion in 1940, when Mr. Willkie's drive for the presidency seemed to be gaining ground. Mr. Roosevelt then took to the road in a most efficient manner. He might do so again, war or no war, danger or no danger.

The campaign ahead, therefore, brings many problems, among them a division of the air for political speeches. A War Bond drive in the closing days of the campaign, for example, might make it difficult for the Republicans to get time. They also may have more difficulty reaching the voters in the armed forces overseas with their arguments.

X X X X X X X X

## RADIO APPEAL BRINGS ABSENTEES

Absenteeism of almost one fourth of the employees of the Potomac Railroad Yards in Alexandria, Va. recently threatened to create a traffic bottleneck seriously hampering the movement of troops and munitions along the Atlantic Coast.

An appeal over Washington, D.C. radio stations urging all employees to return to their jobs brought 19 of the 75 absentees back to work.

X X X X X X X X





# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

RECEIVED  
MARCH 17 1944  
NEW YORK, N. Y.

## INDEX TO ISSUE OF MARCH 17, 1944

Continuation of Sen. White As Leader Break For Radio.....	1
FCC Head Foresees Overseas Communications Merger.....	2
Bamberger Seeks Phila And Washington Tele Stations.....	4
FEA Eases Up On Export Regulations.....	5
Management Meeting Of Blue Net Department Heads.....	5
British Obliged With Batteries For U. S. Handie-Talkies.....	6
Communications Foremost Military Tool.....	6
Last Ditch Senate Fight To Restore \$2,000,000 FCC Cut.....	7
Woods Denies Trying To High Pressure Anthony In Sale.....	8
Enter - The Weekly News Letter On Television.....	9
WPB Reports On Civilian Radio Tubes And Dry Batteries.....	10
Trade Notes.....	11

No. 1611

## CONTINUATION OF SEN. WHITE AS LEADER BREAK FOR RADIO

Senate Republicans continuing Senator Wallace White, of Maine, as their acting floor leader for the remainder of this year, keeps radio at the front in the Upper House. Senator White is co-author of both the original Radio Act and the present Wheeler-White radio bill now pending in the Senate. It was a high tribute to him to be chosen to temporarily take over the duties of Senator McNary, of Oregon, the Republican leader. If the usual routine had been followed, a new leader would have been elected following the death of Senator McNary and for a time this was considered and Mr. White was strongly mentioned for the place. However, many always want to be the leader and frequently his election is bitterly contested, resulting in considerable bad feeling. The Republicans particularly desiring unity decided not to elect a permanent leader at this time and thus to tide over any sharp intraparty clash until after the November elections when Republicans hope to capture the 12 additional Senatorial seats necessary to reorganize the Upper House. Senators White, Vandenberg, of Michigan, and Taft, of Ohio, would have been among the candidates for leadership.

A happy compromise was hit upon by the GOP Senators and that was to continue Senator White as acting floor leader, continue Vandenberg as acting chairman of the Republican Conference, and make Senator Taft chairman of the newly created Steering Committee. All of these officers were elected only for the rest of the present session of Congress which ends next January.

The Republicans gradually have regained ground until they now hold 37 of the 96 Senate seats. For a clear majority they will have to capture 12 Democratic places this Fall without losing any. Most observers believe it will take a landslide to give the Republicans numerical control of the Senate this year, but party workers are confident they will at least bring their membership up close to that of the Democrats.

As leader, Senator White is in a better position to advance any radio legislation than he would be as ranking minority member of the Senate Interstate Commerce Committee. On the other hand, if the Republicans dump over the apple-cart in November, Senator White will become Chairman of the Interstate Commerce Committee succeeding Senator Burton K. Wheeler (D), of Montana.

As it is now, Senator Wheeler holds the whip-hand on the White-Wheeler radio bill which his Committee is now considering. One report is that Senator Wheeler is not anxious to press the bill at this time because of objections from Chairman James L. Fly of the Federal Communications Commission and the White House. Having bitterly fought the President on several occasions, it was said

Senator Wheeler was laying off at the present time in hopes the lightning might strike him as a vice-presidential candidate to run with Mr. Roosevelt or even a presidential candidate if in the last minute the President should decide not to run. Senator Wheeler was the Progressive Party candidate for Vice-President with Robert M. LaFollette in 1924.

Further indications that Mr. Wheeler is less critical of the Administration is said to be a more friendly attitude towards Chairman Fly. One skeptic expressed the belief that even if the White-Wheeler radio bill - which he said would call for a five-man Commission maybe with a rotating Chairman, which would throw Fly out of the saddle - passed the Senate this session, he didn't believe it had a chance of getting by the House. This, of course, would put it all up to the next Congress.

Also it may mean something to the broadcasting industry that Senator Bob Taft has been named one of the Republican Senate triumvirate and head of the new nine-man Steering Committee. WKRC at Cincinnati, operated by the Times-Star, is owned by the Taft family and Senator Taft has already proved himself a vigorous defender of radio on the Senate floor.

X X X X X X X X

#### FCC HEAD FORESEES OVERSEAS COMMUNICATIONS MERGER

Continuing his appearances before the House Committee investigating the Federal Communications Commission, Chairman James L. Fly expressed the opinion that the proposed merger of U. S. communications in foreign countries would be approved by Congress. Mr. Fly also testified with regard to other matters and will again resume the witness stand next Tuesday.

An indication that hearings before the Senate Interstate Commerce Committee on investigation of international wire and radio merger might begin soon, was the introduction of a resolution (S. Res. 268) which would authorize the expenditure of \$5,000 for the hearing.

Mr. Fly's views and a re-statement of why he favors an international communications monopoly were developed in cross-examination by Counsel Barger of the House Committee as follows:

"MR. FLY. In terms of training, experience and philosophy, I have pretty consistently been opposed to monopolies where monopolies were not the sort of structure that would properly serve the public interest in the particular field. In this particular area of communications, I have advocated monopoly on two scores and I have opposed monopoly on at least one other.

"When you move into the field of public utilities, naturally you have a different factual and theoretical situation to consider. There are many instances - as in the case of telephone, or

3/17/44

local waterworks or electric light systems, or domestic telegraph - where a monopoly makes most sense. In the case of the telephone it appears we have gotten substantial benefits from a monopoly. In the field of public utilities there is close public regulation to see that the public is not exploited through the misuse of the power of monopoly.

"In the field of international communications, again, I think there is a place where those who are conscious of the important factors involved ought to advocate a monopoly."

"MR. BARGER. Reading from your Detroit speech of November 25, 1942:

'There is great need today for a monopoly of all American-owned international radio and cable facilities.'

"MR. FLY. That is right."

"MR. BARGER (continuing reading:)

'That isolation is forever at an end is an inexorable fact. In the world of tomorrow we must be in close contact with every point on the globe of real importance from a business or political or social point of view. The international communications system must be an instrument of national policy. Our own inter-company cut throat competition - which enables foreign governments and their inevitable monopolies to play American off against American to foreign advantage must cease. The American company must be single and complete; must be strong, tough, efficient. And it must be backed by the government at every turn if we are to have this one essential of national strength. We are now moving toward this end.'

That represents your views and your philosophy then, so far as international communications are concerned?"

"MR. FLY. Yes."

"MR. BARGER. And the part of your Detroit speech that I have read, can that be taken, in a measure, as a forecast of things to come as you advocate them?"

"MR. FLY. I should like to think it is a prophecy."

"REP. LEA, CHAIRMAN. In referring to unification, did you mean unification of ownership or unification of Government control?"

"MR. FLY. I hadn't distinguished there, sir, and I am not taking a position. To my mind the essential thing is to get a strong, comprehensive, efficient system under a single control, and I think it is somewhat secondary as to what, if any, interest the Government may have in it, or as to whether it will be privately owned."

3/17/44

"REP. LEA, CHAIRMAN. Does what you have advocated include possible Government ownership?"

"MR. FLY. I have not advocated Government ownership. I don't think we have taken a position on that. Some of the companies, I believe, feel that in this particular field of the international it might be well to have Government ownership, but I am not at all sure I would agree to that. I think the thing to do is to get a strong unit that the Government can back up and support in these foreign fields, rather than have the thing in conflict abroad with the inability of the Government to support any company. And then in turn the Government would want to be in a position to insist that such a concern move out and establish additional lines of communication."

X X X X X X X X

#### BAMBERGER SEEKS PHILA AND WASHINGTON TELE STATIONS

The Bamberger Broadcasting Service of New York, which operates WOR, and of which Alfred J. McCosker is President, has applied for construction permits for commercial television stations to be located in Philadelphia and Washington. In the former city, Bamberger seeks Channel #7 (102,000-108,000 kilocycles) and in the latter, Channel #4 (78,000-84,000 kilocycles). Philco has also applied for #4 in the Capital.

The Allen B. Dumont Laboratories for reinstatement of television license for W3XWT in Washington and has requested a change in transmitter site, power from 1,000 watts aural and visual to 2,000 watts aural and 4,000 watts peak visual, change type of transmitters and change emission from A3 and A5 to Special and A5.

Louis Wasmer, Inc., of Spokane, Wash., has applied for a construction permit for a new Commercial Television Broadcast Station to be operated on Channel #1 (50,000-56,000 kilocycles).

Havens & Martin, Inc., Richmond, Va. also requested a construction permit for a new Commercial Television Broadcast Station to be operated on Channel #3 (66,000-72,000 kilocycles) with power of 3 kilowatts for aural and 4 kilowatts (peak) for visual.

The Crosley Corporation of Cincinnati has asked for an extension of the completion date of their television station W8XCT until next October.

X X X X X X X X X

## FEA EASES UP ON EXPORT REGULATIONS

The Foreign Economic Administration is notifying exporters that, effective immediately, import recommendations from countries of destination will no longer be required in submitting applications for licenses to export certain vehicles, office and radio equipment, petroleum products and repair parts for industrial equipment from the United States to most American republics, FEA announced.

The action announced represents a further simplification of export controls. Under the original Decentralization Plan for regulation exports to Latin America, it was necessary for United States shippers to submit special import recommendations along with their applications for licenses to export most commodities.

The bulletin calls particular attention to the fact that the current modification "is designed to simplify existing procedures" and does not necessarily indicate an improvement in the supply situation for these commodities. It points out that "exports of the commodities named continue to be subject to quantity and other limitations of the War Production Board and other war agencies."

In addition to reducing paper work for exporters, the modification will make possible speedier transmission to United States suppliers of information about essential needs of Latin American countries and a quicker adjustment of action to meet such needs under WPB production schedules. The changes are in line with recommendations made by export trade associations for increasing the flexibility of export controls to meet rapidly changing situations.

Among the commodities for which import recommendations will not now be required for the Latin American destinations named below are radio receiving tubes and other equipment. Destinations include Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Ecuador, Guatemala, Haiti, Honduras, Panama, Paraguay, Peru, Uruguay and Venezuela.

X X X X X X X X

## MANAGEMENT MEETING OF BLUE NET DEPARTMENT HEADS

Forty-seven Blue Net Department heads and other management executives from New York and Chicago will attend a meeting called by Edgar Kobak, Executive Vice-President. Up for discussion are problems of programming, engineering, sales, station relations and other phases of network broadcasting in war-time. In addition to reports by Department heads, Mark Woods, President of the Blue, will report on the general policies of the network, and outline plans for the future development of the company under its new ownership. The meeting is schedule for Saturday, March 18th at the Waldorf-Astoria Hotel in New York City.

This meeting will be the first general management meeting since the purchase of the Blue Network from the Radio Corporation of America by Edward J. Noble, and the subsequent sale of an interest in the network to Time, Inc., Chester J. LaRoche, Mark Woods and Edgar Kobak.

X X X X X X X X

## BRITISH OBLIGED WITH BATTERIES FOR U. S. HANDIE-TALKIES

When preparations were being made for the North African invasion during the Summer of 1942, General Eisenhower asked for 11,500 handie-talkies, the small compact, 5-tube Signal Corps radio transceiver used by front-line soldiers for short direct communications. This order had to be filled from stocks on hand at the Signal Supply Division of the European Theater of Operations.

Although there were that number of sets on hand, the question of batteries proved to be the stumbling block. Batteries tend to run down whether in use or not, and it was the duty of the Signal Corps officers in charge of the division to make sure that each handie-talkie put in the hands of American troops was powered with batteries that were of optimum life.

Accordingly, a British firm was contacted, and after studying the American-made battery, agreed to attempt the job of turning out 11,500 of them for inclusion in the radio sets.

Five days before the first contingent of troops left England on what was then the first and largest amphibious operation in the history of World War II, the British firm began turning out the "hearts" of the handie-talkies.

At the end of those five days, every handie-talkie supplied to the invading forces, was primed with batteries that were at their peak.

The story is one of many reported to the Chief Signal Officer by Colonel Pierson A. Anderson, then Director of the Signal Supply Division, E.T.O. Colonel Anderson, who recently returned to this country after serving in England since August 1, 1942, has now returned to the United Kingdom.

X X X X X X X X X X

## COMMUNICATIONS FOREMOST MILITARY TOOL

On a recent "Telephone Hour" broadcast, Major General Harry C. Ingles, Chief Signal Officer of the U. S. Army, said:

"Military signal communications have developed with incredible rapidity into one of the foremost military tools.

"They keep the commander in touch with the enemy's whereabouts and activities, and give him the means of directing his forces. They get the ammunition forward to the guns, and food forward to the troops in the line.

"They bring tank destroyers to knock out enemy tanks, call for artillery or bomber support to reduce a strong point which otherwise would cost a whole company of men. They keep traffic flowing, warn of approaching air raids, warn of mine fields, contaminated water, snipers. They direct the crippled fighter plane back to its field and coordinate the evacuation and care of the wounded. I know of no other single activity which is so much a part of all military activity,

X X X X X X X X

## LAST DITCH SENATE FIGHT TO RESTORE \$2,000,000 FCC CUT

There was a rough and tumble battle which lasted most of Thursday afternoon in an effort on the part of the Administration to restore the budget slashes made by the House and recommended by the Senate Appropriations Committee, of Federal Communications Commission funds. Evidently four alarms had been turned in by the White House as the defense of the FCC was vigorously taken up by the Administration wheel-horses, Senator Barkley of Kentucky, Majority Leader, Senator Hill of Alabama, Majority whip, and Senator Mead, of New York. It seemed to this writer that Senator Barkley, despite the recent outburst, was again back in his old roll of trying to pull the chestnuts out of the fire for the President.

It is expected that a vote will be taken Monday.

The amendments by which the House reduced the FCC appropriation for the FCC includes the following: \$1,000,000 from the Radio Intelligence Division; \$500,000 from the Foreign Broadcast Intelligence Service; \$113,607 for new positions requested; \$21,897 for the Personnel Division; \$19,353 for the Budget and Planning Division.

The Senate Committee further reduced the appropriation by \$209,000, which is recommended to be taken from the regular appropriation to be applied to unspecified activities, and \$300,000 from the national defense appropriation to be applied to unspecified activities.

Altogether, the total reductions resulting from the seven Senate Committee and House amendments amount to \$2,163,857.

Senator Mead moved to restore the cut on the ground of national defense. It was charged that the real reason was that the Democrats don't want to lose that many jobs just before election. Senator Mead's amendment, however, was opposed on the ground that the FCC was duplicating military radio intelligence work against the wishes of the Secretaries of War and the Navy, Senator Mead saying the Commission never entered the field of military intelligence unless specifically requested to do so by the services themselves.

He asserted that despite the fact that Secretaries Stimson and Knox wanted FCC intelligence activities transferred to them, they had been overruled by President Roosevelt after "an exhaustive investigation", and intimated that they now conceded the desirability of the work being retained by the FCC.

"Let me ask the Senator from Washington who he thinks is better qualified to say whether or not the Federal Communications Commission has been rendering good service in aid of the war effort - the War and Navy Departments, or the Senator from Washington and the Senator from New York?" Senator Bridges (R), of New Hampshire said, addressing Senator Bond (D), of Washington.

"Does the Senator from N.Y. say that Mr. Roosevelt, to whom he refers as Commander in Chief, is running the war, or that



General Marshall, Secretary Stimson, Admiral King, and Secretary Knox are running it? Have we political domination in conducting the war; or are the military and naval chiefs conducting it?" Mr. Bridges interjected later in the debate.

Senator Mead countered by saying that he was trying to answer him.

"I wish the Senator would start with the last question, because it is fundamental. Are the Army and Navy chiefs conducting this war, or do we have political direction from the White House?" Senator Bridges persisted.

"There is evidently no political association so far as the Secretary of war or the Secretary of the Navy is concerned", Senator Mead retorted. "The Senator would not admit that there is any political affiliation so far as either the Secretary of War or the Secretary of the Navy is concerned. Of course, they are above politics; but I take it from the Senator's statement that there may be some politics so far as the Commander in Chief is concerned. I am only trying to discern the inferences in the Senator's statement."

"I do not believe that the Secretary of War, the Secretary of the Navy, and their chiefs of staff, and the various generals and admirals are playing politics", Senator Bridges replied. "They are trying to win the war. I want Mr. Roosevelt to let them conduct the war, without interference and I do not want to see him on an issue like this go over the heads of those in actual direction of the Army and Navy."

X X X X X X X X

#### WOODS DENIES TRYING TO HIGH PRESSURE ANTHONY IN SALE

There was a prompt and emphatic denial from Mark Woods, President of the Blue Network, that he had tried to put the heat on Earle C. Anthony in endeavoring to secure a lower price on Station KECA. Mr. Anthony is alleged to have made this charge in asking the Federal Communications Commission for more time in which to sell the station which he is obliged to do to comply with the Commission's order in connection with multiple ownership - Anthony being the owner of KFI and KECA both in Los Angeles. Mr. Anthony is also said to have claimed that the Blue was trying to intimidate other prospective purchasers by refusing a network outlet in Los Angeles.

In a telegram to the FCC, Mr. Woods said:

"We most emphatically deny that the Blue network company or any of its executives have at any time endeavored to compel Mr. Anthony to sell KECA at any price."

Mr. Woods' telegram said the Blue had made offers within the past two years which Mr. Anthony was able to accept or reject at

will. The network has first refusal under 30-day agreement in which they must meet terms and conditions of any proposed sale elsewhere.

"We are shocked and surprised", Mr. Woods wired the FCC, "that the petitioner should use as an excuse for his appeal . . . the completely unsupportable allegation that the Blue network has sought to take unfair advantage of the petitioner's position."

X X X X X X X

ENTER - THE WEEKLY NEWS LETTER ON TELEVISION

Making its bow is the "News Letter on Television" to be issued in mimeographed form weekly to members of the Television Broadcasters' Association. The new publication, which has for its slogan, "Keep Your Eyes on Television" is edited by Will Baltin at the Association's headquarters, 500 Fifth Avenue, New York City. By way of introduction, Mr. Baltin says:

"This is the first news letter to emanate from the newly opened offices of the Television Broadcasters' Association, Inc., in New York City. Copies will be circulated to TBA members and others every week in the year and will contain news and information about television progress in wartime and its potentialities as one of the greatest industries in the post-war world. A digest of the past week's happenings in the television field and commentary on new television developments will be included in each issue."

The News Letter tells its readers that an informative article on television and its post-war possibilities appeared in the February 28, 1944, issue of the Wall Street Journal. The financial publication explored the new industry from several aspects, pointing out that theatre television is likely to be as important an adjunct of the industry as the home market. It sees Hollywood leaders embracing television because it will prove a boon at the box office, and it points out that the film industry has the stars and creative artists to give television programs a "lift".

Another paper wrote:

"If present advertiser interest is a criterion, television should develop after the war into as large and potent an advertising medium as radio has become in the last two decades." So writes Lawrence M. Hughes in the current issue of Sales Management magazine. While the number of viewers today cannot be compared with the radio listening public "they're an avid audience and they respond", he says. "Radio has become a \$300,000,000-a-year advertising medium on sound alone, but we haven't seen anything yet", Mr. Hughes avers. "Wait till sight is harnessed to sound in 35,000,000 American homes!"

X X X X X X X

## WPB REPORTS ON CIVILIAN RADIO TUBES AND DRY BATTERIES

(For Release Sunday, March 19)

Definite quality improvement and in some instances increased production of some minor civilian goods can be expected by consumers in the next few months, the Office of War Information reported on the basis of the War Production Board's revision of a number of limitation and conservation orders during the last few months. Among the items mentioned were dry cell batteries, of which WPB says:

"Shipments of dry cell batteries to civilians this year are not expected to exceed the number delivered to civilians in 1943. Last year, the dry battery industry produced 3,750,000 radio battery packs, as compared with the 3,500,000 produced in 1940. All but two percent of the dry cell batteries made in 1943 went to rural users."

Regarding radio tubes, WPB advises:

"The number of radio tubes for civilian use will continue inadequate for all needs, because military requirements for electronic equipment for combat use are increasing. The tubes, however, being manufactured for civilian sets for the first time will be of the more critically needed types. Although civilians were able to purchase an overflow from military orders of 5,500,000 radio tubes in the last quarter of 1943, these were a result of haphazard production and did not include a sufficient number of 'hard-to-get' types.

"For the first time, WPB has actually scheduled in the first quarter of 1944 a minimum of 4,500,000 radio tubes for civilians of the 'hard-to-get' types. These tubes will be stamped 'MR', that is, they can be used only for maintenance, repair or operating supplies and will thus be channeled into the civilian market only.

"At least 18,000,000 'MR' tubes (less than half of normal replacements) are anticipated for civilians this year - and probably more - because manufacturers are permitted to produce 'over-runs' above quota, if military orders are completed and if facilities and labor are available.

"While increased production is not expected to meet all present civilian needs for radio tube replacements, WPB expects it to improve materially the current shortage. More than 33,000,000 radio tubes for replacement purposes were manufactured in 1941 in addition to tubes in 8,000,000 new radio sets which were sold. But production of new civilian sets has not been permitted since April, 1942. The number of tubes needed for replacement in civilian sets in 1944 is estimated at more than 41,000,000 because of the backlog of demand for tubes, longer radio listening hours and the use of old or repaired radios.

"More equitable distribution of radio tubes to civilians will be made possible by the WPB directive to manufacturers to trade among themselves the various types of radio tube each manufactures. Each company will then have a balanced stock of radio tubes from which jobbers will be able to obtain a certain percentage of their 1941 purchases of each type of tube."

X X X X X X X

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

Arthur J. Wilson, former Chief of the Production Control Branch of the War Production Board's Radio and Radar Division, has been appointed Director of the Board's Production Scheduling Division, J. A. Krug, Program Vice Chairman, has announced.

Before Mr. Wilson went to WPB on October 2, 1942, he was Vice President of the Audio Production Company, a Western Electric subsidiary.

-----

The York Broadcasting Co., York, Penna., operators of WORK, have applied to the Federal Communications Commission for a construction permit for a new High Frequency (FM) Broadcast Station to be operated on 45,100 kilocycles, with coverage of approximately 1,550 square miles.

-----

When the National Conventions, both Republican and Democratic, meet in Chicago this Summer, the four major networks for the first time in history will pool their pickup apparatus, such as microphones, etc., insofar as possible. This will be done for the first time in the history of radio because war conditions are restricting the availability of apparatus.

A common pickup system will be installed in the convention hall to feed all networks, and floor staffs will be pooled wherever possible. However, each network will be able to do side broadcasts.

-----

Station KALB, Alexandria Broadcasting Co., Inc., Alexandria, La., has had its petition for reinstatement and application for construction permit to change transmitter site, install directional antenna, change frequency from 1240 to 580 kilocycles, and increase power from 250 watts to 1 kilowatt granted by the Federal Communications Commission, upon certain conditions.

-----

In the event of an air raid or major disaster in Washington, the District's War Emergency Radio Service is ready to take over the city's communication service. A branch of the Office of Civilian Defense, the WERS was organized in March 1943 when an emergency radio license was granted the District Commissioners authorizing establishment of the disaster unit.

Its members are radio operators whose amateur or "ham" stations completely encircle the city and are in otherwise strategic spots.

-----

The Federal Communications Commission granted consent to acquisition of control of Jacksonville, (Florida,) Broadcasting Corp., licensee of Station WPDQ, from Ernest D. Black, E. G. McKenzie and Mrs. Margaret Curtis to L. D. Baggs, by the transfer of 18 shares, or 60 percent, of the issued and outstanding capital stock, for a total consideration of \$180,325.75.

X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

---

GEN. M. J. ...  
80 ROCKEFELLER PLAZA, NEW YORK, N. Y.

## INDEX TO ISSUE OF MARCH 21, 1944

Stinging Blow To FCC In Senate \$2,000,000 Funds Slash.....	1
Petrillo Demands WLB Hearing; Senator Would Stop Him.....	3
Giving Dies Crack At Winchell May Soothe Capitol Hill.....	4
RMA N.Y. Spring Meeting; Industry Promotion Campaign.....	6
Netherlands Patriots Seize German Confiscated Radios.....	7
CBS Wins 1944 Pan American Colombista Scroll.....	8
Permitted Uses Of Quartz Crystals.....	8
"Radio Forum For The Abused" Suggested To Rep. Dies.....	9
Philco Continues To Increase Wartime Production.....	9
British Press Rate Reference Clarified - Editor Protests.....	10
Trade Notes.....	11

No. 1612

March 21, 1944.

## STINGING BLOW TO FCC IN SENATE \$2,000,000 FUNDS SLASH

Despite a two-hour plea by Senator LaFollette (Progressive), of Wisconsin, and a personal appeal from Senator Barkley (D), of Kentucky, back in his old role of presidential defender, the Senate yesterday (Monday), upheld the House cut of \$1,654,857 in the FCC appropriations for the Radio Intelligence and Foreign Broadcast Divisions plus \$509,000 from the regular FCC budget which the Senate Appropriations Committee requested be lopped off.

Senator Wheeler (D), last week had lined up with the Administration in its last ditch fight by lauding Chairman James L. Fly and the FCC to the skies, but he might just as well have saved his breath. When the Senate finally called the roll for the amendment offered by Senator Mead (D), of New York that the full \$2,163,875 be restored, it was roundly beaten by a vote of 38 to 22. This was accomplished by 13 Democrats joining 25 Republicans against the FCC restoration as follows:

NAYS - 38 - Aiken, Austin, Ball, Bankhead, Brewster, Bridges, Brooks, Buck, Burton, Bushfield, Byrd, Clark, (Mo.), Davis, Eastland, Ferguson, George, Gillette, Hawkes, Holman, McCarran, McKellar, Millikin, Overton, Revercomb, Robertson, Russell, Stewart, Taft, Thomas, (Idaho), Tydings, Vandenberg, Walsh, (N.J.), Weeks, Wherry, White, Wiley, Willis, Wilson.

Only eighteen Democrats, 3 Republicans, and 1 Progressive stood by the Administration and the FCC:

YEAS - 22 - Andrews, Barkley, Capper, Clark, (Idaho), Downey, Ellender, Guffey, Hatch, Hill, Johnson (Colo.), LaFollette, Langer, McFarland, Maybank, Mead, Murray, O'Mahoney, Radcliffe, Shipstead, Thomas (Utah), Tunnell, Wheeler.

Then Senator Mead offered an amendment to restore the \$509,000 cut recommended by the Senate Committee but this was beaten by a vote along similar lines of the \$2,163,875 restoration amendment, namely 32 to 24.

Practically the whole fight so far as the million and a half dollar portion of the appropriation - that for the Radio Intelligence Division - waged around whether the Senate should take the word of Secretaries Knox and Stimson and the Joint Chiefs of Staffs that the FCC was overlapping the Army and Navy, or of President Roosevelt and of numerous lesser officials whose testimonials Mr. Fly was accused of gathering.

When Senator Barkley finally took the floor in behalf of the President, he said:

"It seems to me unfortunate that the affairs of the Federal Communications Commission have gotten into the posture of controversy and criticism back and forth on account of matters which have nothing to do with the pending amendment or the pending appropriation, and nothing to do with the war, as a matter of fact. I do not know to what extent the long-existing controversy between the Federal Communications Commission and a portion of the Congress had anything to do with the action of the House in reducing the appropriation by a million and a half dollars. It may be that it had nothing to do with it, and was not thought of in that connection. Nevertheless, it is difficult to dissociate the two things altogether, in view of what seems to me to be the drastic cut made by the House, and the even more drastic cut made by the Senate Committee. \* \* \* \*

"It may be that there are Senators and Members of the other body of the Congress who prefer to take the judgment of the Secretary of War and the Secretary of the Navy to that of the President, but they certainly cannot indulge in that preference on the ground that either one of these officers is a high military or naval officer, any more than the President is. Neither of them is a military or naval officer."

Senator Bridges (R), of New Hampshire, asked Senator Barkley if he considered Admiral Leahy an authority.

"Of course Admiral Leahy is a very high ranking naval officer", Senator Barkley replied, "and enjoys the confidence of the country, and has had an outstanding record as a naval authority. But from the standpoint of the command of the Navy, the President of the United States outranks Admiral Leahy, of course. I think the President's judgment in that matter is entitled to the same consideration to which it would be entitled in any other matter where the decision must be made by the Commander in Chief of the Army and Navy."

Senator Brewster of Maine inquired:

"Do I understand that we are being urged now to support the proposal upon the basis of the fact that it is the opinion of the President of the United States which is involved?"

Mr. Barkley. "I am not urging the Senator from Maine or any other Senator to vote for the amendment offered by the Senator from New York on the ground that it is the judgment of the President that the activity ought not to be transferred. That is his judgment. I respect that judgment."

Mr. Brewster. "The Senator does not always follow that judgment." (Laughter)

Mr. Barkley. "Well, I follow it much more frequently than does the Senator from Maine. I hope the Senator from Maine accords to me the right to differ even from the President of the United States whenever I feel that it is my duty to do so. \* \* \* In this particular instance my judgment coincides with that of the President, and I am just as happy or more happy to say so, than I am to say so when I disagree with him."

Mr. Bridges. "Am I to understand the Senator from Kentucky to infer that those who oppose the amendment are placing dollars ahead of lives?"

Mr. Barkley. "No; I am not saying that at all. But I say that I am not willing to economize even to the extent of \$2,000,000 if by doing so I think I am jeopardizing the lives of any of our men anywhere in the world."

Senator LaFollette said defending the FCC that the Commission had located a radio station in the German Embassy in Washington and that it never had an opportunity to communicate with Germany.

"I cannot find any contention in the record that the armed services have done a single thing about closing out the espionage nests in Central and South America. Commission representatives went to those neighboring countries under the general direction of Secretary Hull and there, cooperating with the local governments, effectively assisted in closing out the espionage radio operations in Central and South America. I may say that more important than eliminating and preventing the reopening of any illicit, illegal radio communications in Central and South America with our enemies, is preventing their reopening here in the United States and elsewhere in our territory."

X X X X X X X X X

#### PETRILLO DEMANDS WLB HEARING; SENATOR WOULD STOP HIM

There were two important developments in the Petrillo case Monday. First the American Federation of Musicians formally filed objections with the War Labor Board to the New York Panel report on the ground that it was contrary to law and fact and beyond the powers and jurisdiction of the Board to adopt. In addition the musicians asked for a public hearing to submit further arguments.

Second, Dr. Joseph E. Maddy, President of the National Music Camp of Interlochen, Mich., appeared before the Senate Interstate Commerce sub-committee, headed by Senator Worth D. Clark (D), of Idaho, to again protest against his high school musicians being kept off the air by Petrillo.

Since 1942, Dr. Maddy said, Petrillo has kept all school bands and orchestras off the networks, denying freedom of the air to nearly two million boys and girls. His quoted excuse is that "music educators are murderers, training musicians to take the bread and butter from union musicians."

"This war by Petrillo against the school children of the United States is indefensible", commented Senator Vandenberg (R), of Michigan, "Congress must take effective action in this matter."



Senator Clark agreed, telling the witness that the Committee was endeavoring to draft a bill which would meet objections of the Department of Justice to legislation, previously submitted, which was criticized as unconstitutional.

The witness said legislation making it unlawful for any person or group to interfere with the broadcasting of educational programs, so certified by the Federal Communications Commission or some other agency, should be the answer.

"If not too broad, it could very easily be enacted", said Senator Clark, who asked Dr. Maddy to draft a bill making it unlawful to interfere with the broadcasting of non-commercial music or cultural programs.

"I believe Congress is thoroughly out of sympathy with Petrillo's treatment of your organization", Senator Clark said to Dr. Maddy.

Dr. Maddy said the union leader once threatened him if he disclosed that he had been forced to pay for a 50-piece "standby" union orchestra before the union would permit a high school orchestra to broadcast at the music educators' National Conference at Chicago in 1928.

"You better be careful what you say over the radio if you value your health", he said Mr. Petrillo told him.

Senator Clark said that the Senate sub-committee before acting further would await the outcome of any action the War Labor Board might take.

X X X X X X X X X

#### GIVING DIES CRACK AT WINCHELL MAY SOOTHE CAPITOL HILL

If anything could calm the boys on Capitol Hill and maybe prevent Congress from hamstringing commentators with a new set of libel laws, it was the good work of Mark Woods, President of the Blue Network, in getting Andrew Jergens of the Jergens Lotion Company of Cincinnati, Walter Winchell's sponsor, to offer Representative Dies (D) of Texas, equal time to scrap it out over the air with Winchell. Mr. Dies promptly accepted the offer which was made through the Jergens Company's advertising agency Lennen & Mitchell, and the debate is scheduled to take place next Sunday night, March 26th. Mr. Winchell will go on at his usual time 9 P.M., EWT, and Representative Dies will follow him with the same audience at 9:15 P.M.

In the meantime a subpoena has been served on Mr. Woods for recordings and scripts of Mr. Winchell's broadcasts for the past two years. Also Mr. Jergens, who is supposed to be paying Winchell \$5,000 a broadcast will probably be called.

Thus quite a few people most certainly will be put through the ringer and maybe the outcome will be to tighten up on radio libel laws so that it will be obligatory to give anyone attacked an opportunity to reply and make the commentator personally responsible for what he says instead of his sponsor.

However, it is the belief that Mark Woods insisting upon the Texan being offered equal time to reply to Winchell will do much to get Congress off the necks of the commentators. As a matter of fact, if it were possible for the networks or radio stations to give every Senator and Representative as much time as he wanted on the air, it is the belief of this writer that the criticism of radio on the Hill would almost vanish.

Not being able to do this the next best thing for the nets or stations to do is to allow anyone who thinks he has been attacked over the air equal time to reply.

However, Mr. Woods offering this free time to Mr. Dies is liable to set a precedent which may cause broadcasters considerable trouble. The Winchell sponsors and Mr. Woods most certainly will be called upon to also give time to Representatives Hoffman (R) of Michigan, Rankin (D), of Mississippi, and others who have been involved with Mr. Winchell.

In fact, a Rankin-Winchell debate has already been suggested by the Mississippi Legislature. A resolution proposed that it be held at a joint session of the Mississippi House and Senate in Jackson. Mr. Winchell was quoted as not having any particular desire to face the people of that State, but suggested that the debate be held in Madison Square Garden and the proceeds go half to the poor and needy of Mississippi, and half to the Red Cross.

Also Senator George (D), of Georgia, and others who have hit back at Drew Pearson, may demand a crack at Mr. Pearson. However, most of the complaints are against Mr. Winchell. He is the main target.

An effort will be made by Representative Dies and his colleagues to put the heat on Mr. Jergens, Winchell's sponsor, if he comes to Washington to testify, but it has been charged that because Mr. Winchell is a defender of the President and could be of such great assistance in the fourth term fight, the White House would exert every effort to keep him on the air.

When Representative Dies spoke to the House about Mr. Winchell last Friday, Representative Hoffman similarly assailed the Winchell broadcasts asserting that the Jergens Co. paid Mr. Winchell \$260,000 a year for his Sunday evening radio comment and stating:

"For his own good and for the good of the country, the Dies Committee should summon Jergens to explain why he permits, why he sponsors the continuance of the vicious attacks upon Congress, upon those in the armed forces, by Winchell.

"In view of Winchell's record, it is pertinent to inquire of Jergens whether Winchell has any hold upon him, which prevents him from taking steps to curb his spokesman, his employee, in the face of mounting public indignation."

"There is said to be a printed record", Mr. Hoffman charged, "in Government files, thus far withheld from the public under the faithful old alibi 'not in the public interest', which sheds an illuminating light upon the relationship between sponsor and broadcaster."

Station KGHL, of Billings, Montana, has offered Representative Dies 15 minutes of Mr. Winchell's own broadcast time. The station said it would replace Winchell with a transcribed speech by Dies "the first Sunday after it is received".

X X X X X X X X

#### RMA N.Y. SPRING MEETING - INDUSTRY PROMOTION CAMPAIGN

The unprecedented 1944-45 war production program will be the principal topic of discussion at the annual RMA "Spring Conference" in New York April 12 and 13th.

Production, employment and other problems of the war program, will be discussed by the Board of Directors and many committees, together with tentative future but distant reconversion problems.

Numerous RMA committees will hold meetings to make reports and recommendations for consideration of the RMA governing board on April 13th. Several Committees also are holding preliminary meetings, before the New York "Spring Conference" where the program for the entire industry's annual "war conference" at the twentieth annual RMA convention in Chicago, on June 6 and 7 will be developed.

Immediate employment and labor problems, including draft deferments, absenteeism, etc., will be considered at the New York RMA meetings, together with changes in the immediate production program, involving "cutbacks" and contract terminations.

Plans for an RMA industry promotion-publicity campaign to emphasize the important part radio-electronic manufacturers have played in the war effort and to inform the public of what products to expect after the war were prepared at a meeting of the RMA Advertising Committee, March 14th, in Cincinnati.

The RMA project, involving a substantial expenditure for wide industry promotion purposes, will be presented for approval to the RMA Board of Directors at its New York meeting April 13th.

The opinion was expressed by Committee members that the public had not been sufficiently informed of the vital part the radio-

electronic companies had played in producing essential equipment for waging the war.

The Cincinnati meeting of the Advertising Committee was held at the Crosley Corporation Plant. Upon the invitation of S. D. Mohan, of the Crosley Corporation, a member of the Committee the visitors were taken on a tour of the Crosley plant

A special committee, with James H. Rasmussen of The Crosley Corporation as Chairman, has been named to consider the project for postwar promotion of export receivers. The Committee will meet next Thursday, March 23rd in New York to consider a list of subjects for possible standardization, as minimum standards, of export sets, in cooperation with representatives of the RMA Engineering Department.

Thirty RMA export managers and engineers held a meeting last month at the Roosevelt Hotel, New York City, for preliminary discussion of the receiving set export promotion project and possible inclusion of an official RMA "seal", upon establishment of the proposed minimum RMA standards for export sets and subject to future approval by the RMA Board of Directors.

X X X X X X X X

#### NETHERLANDS PATRIOTS SEIZE GERMAN CONFISCATED RADIOS

Netherlands patriots armed with revolvers raided on March 16th the municipal offices at Grosthuisen in occupied Holland, according to the German-controlled Netherlands radio, the Netherlands Information Bureau reports, and seized seventy-six radio receivers which had been previously confiscated from the local population by the Germans. After over-powering two guards who had been maintaining a day-and-night watch over the sets, the patriots carried off the receivers in a lorry, the radio report said.

Confiscation of the estimated 1,000,000 radio receiving sets in occupied Holland was ordered last May, but the German authorities experienced the greatest difficulty in carrying<sup>out</sup> the order, despite the unlimited fines and prison sentences up to five years imposed on those who failed to comply.

The deadline for turning in all radios, originally set for last June 2nd, was postponed to July 9th, and successively to later dates until a "final deadline" of October 20th was set. This, too, was again extended to October 22nd.

X X X X X X X X

To the NBC studios last week came a letter from a soldier in the Aleutians, according to Leonard Lyons, in connection with a Soldiers Vote broadcast. "Don't go all out for the Soldier's Vote", he suggested. "After all, there are still a few of us left who don't want to come back and find Bob Hope President."

X X X X X X X X

## CBS WINS 1944 PAN AMERICAN COLOMBISTA SCROLL

The 1944 Scroll of the Pan American Colombista Society has been awarded to the Columbia Broadcasting System for "activities in promoting the welfare of the peoples of the New World", according to an announcement from the Society's headquarters in Havana, Cuba.

The scroll will be presented on Pan American Day, April 14th, to William S. Paley, President of the Columbia Broadcasting System, and to Edmund A. Chester, Director of Latin American Relations for the network.

The Pan American Colombista Society, one of the foremost Latin American cultural organizations, was created to perpetuate the name and memory of Christopher Columbus, and to promote better inter-American understanding.

The award was granted in recognition of the contributions of CBS to hemispheric solidarity through its 99-station Network of the Americas (Cadena de las Americas). A complete program schedule comprising music, drama, news and special features is beamed daily in Spanish and Portuguese to all of the neighbor republics by short wave.

X X X X X X X X

## PERMITTED USES OF QUARTZ CRYSTALS

The War Production Board has announced that it had increased the number of permitted uses of quartz crystals. This action was taken by amending General Conservation Order M-146 as the result of an easier supply-demand situation.

Heretofore quartz crystals could be used only in the manufacture of radio oscillators and filters for war purposes and a few other military items. In addition to these uses, they may now be used for:

1. Manufacture of radio oscillators and filters for governmental activities directly connected with defense, public health, welfare, or security. This will permit the police, forestry services, and similar activities to get the quartz radio parts they need.
2. Manufacture of radio oscillators and filters for commercial broadcasting stations and other commercial communication systems.
3. Manufacture of optical or electrical parts for use in research or production instruments manufactured to fill orders rated AA-2X or better.

X X X X X X X X

"RADIO FORUM FOR THE ABUSED" SUGGESTED TO REP. DIES

Taking up the cudget in the fight between Representative Dies, of Texas, and the commentators, the Washington Post says:

"It is an undeniable fact that certain radio commentators have been tactless enough to criticize the distinguished Chairman of the House Committee on Un-American Activities. Some, indeed, have gone so far as to impugn his motives and patriotism - and those of other members of Congress as well. Never one to take disparagement lightly, Mr. Dies has countered by a threat to 'investigate this matter on the ground that it is distinctly un-American.' He has now issued a subpoena for the scripts of one offender, Walter Winchell, for a period of the past two years. He proposes to take each statement and to 'establish its truth or falsity'.

"We have no desire to appear subversive, but with all deference to the gentleman from Texas we feel skeptical of his ability to achieve this result. The dividing line between truth and falsity is often elusive. And in the realm of opinion, one man's predilections may be another man's abhorrence.

"It is edifying to learn from Mr. Dies that some radio commentators have 'become adept in taking advantage of the loopholes in the libel laws'. His indignation on this score is attributable, perhaps, to the fact that he has not always been so adept himself. On one occasion when he was careless enough to forsake his Congressional immunity and assail a Federal employee as subversive, he found it necessary to eat his words rather expensively. He has been more careful since - not so much in his language as in the locale of his oratory. The libel laws do not apply at all to remarks made upon the floor of the House.

"It is Mr. Dies' opinion that broadcasting companies ought 'to afford maligned persons an opportunity to answer false charges over the same facilities and to the same audience'. The idea, we confess, is an appealing one. We cannot help wondering if the Congressman would be in favor of an extension of this scheme to the House of which he is a member. We can, of course, discern one practical objection: the time of the House might be altogether consumed in hearing responses to the charges advanced by the Dies Committee."

X X X X X X X X

PHILCO CONTINUES TO INCREASE WARTIME PRODUCTION

Philco Corporation's output of radar and radio equipment for the Army and Navy is still continuing to increase, and in the first two months of 1944 was substantially ahead of the same period last year, it was reported by John Ballantyne, President, in announcing that the Company is borrowing an additional \$10,000,000 under the terms of its \$30,000,000 three-year V-loan to finance this increased production. The Company had previously drawn on this credit, which was arranged in January, 1943, to the extent of \$15,000,000, and the new borrowings will increase its use of the credit to \$25,000,000.

X X X X X X X X

## BRITISH PRESS RATE REFERENCE CLARIFIED - EDITOR PROTESTS

Chairman James L. Fly of the Federal Communications Commission last week restated what he had previously said about the British preferential press rate, to the House Committee investigating the FCC. This, however, did not prevent the World's Press News in London taking a rap at him.

Suggesting that he was attempting to advance "American commercial dominance under guise of 'a democratic philosophy for the free flow of international communications'", the newspaper trade journal upheld the contention of Reuters in a statement issued in New York through The Associated Press that the 2-cent Empire press rate, about which Mr. Fly complained before a House Committee on Feb. 19, was equally available to British and American agencies.

In his subsequent appearance before the House group, Mr. Fly said:

"My previous testimony in regard to the barriers in the way of the free flow of press communications from points in the British Empire to the United States as compared with press traffic between those British Empire points and England erroneously indicated that Reuters was given preferential rate treatment over American press associations for despatches between the same points. As a matter of fact, the low British Empire press rate of one British penny (or a little less than two United States cents) a word is available to correspondents of all nationalities between points in the British Empire.

"However, the Reuters correspondent can transmit his despatches from any point in the British Empire to his headquarters in London at the low British Empire rate. The American correspondent, on the other hand, must pay considerably higher rates for his despatches from the same points to his headquarters in the United States. Even when there are direct circuits to the United States from British Empire points, we have, in general, been unable to have rates established on these circuits comparable to the low British Empire rate.

"Indeed, the American correspondent in a British Empire point usually transmits his despatches to London for retransmission to New York because the combination of rates over these routes is lower than the rates direct to New York. In the same manner, American news for Australia, for example, can be transmitted at cheaper rates if it is sent to Canada for retransmission to Australia than if the news is transmitted directly from the United States to Australia. Thus, in general, the tendency is to force the bottleneaking and a second transmission through London, or in limited instances through Canada. Handicaps in time and in cost are thus imposed."

X X X X X X X X X X

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

Monthly unit shipments of resistors for military electronic equipment are 50 per cent higher than they were a year ago, War Production Board representatives told a recent meeting of the Fixed and Variable Resistors Industry Advisory Committee.

Forty-five million resistor units were shipped in February 1944 as compared with 30,000,000 units shipped in March, 1943. The shipment figures cover all the 27 standard classifications of fixed and variable resistors.

-----

Mutual network have added three more stations with the affiliation of WDLP, Panama City, Florida; KVRS, Rock Springs, Wyoming, and WKEU, Griffin, Georgia.

-----

Seventy top executives and key men from all departments of Zenith Radio Corporation joined in a welcoming dinner for Henry C. Bonfig at the Palmer House in Chicago last Tuesday.

Mr. Bonfig, who recently resigned his post as Vice President of RCA to become Vice President in Charge of the Household Radio Division of Zenith, was introduced to Zenith executives by J. J. Nance, Vice President and Director of Sales. He was welcomed to the company and promised full cooperation from all departments by Hugh Robertson, Zenith's Executive Vice President.

-----

Senator Tydings (D), Maryland, said he would discontinue his weekly radio talks during his campaign for re-election because "it would not be fair to my opponents." Mr. Tydings said that continuance of his "nonpartisan" talks would involve station WBAL in a political controversy and expose himself to charges of utilizing free radio time for political purposes.

-----

RMA and NEMA have established a Joint Tube Coordination Committee for cooperation in future standardization of industrial types of tubes. Dr. O. H. Caldwell is Chairman of the Joint Committee.

Registration and distribution of data on various industrial tubes, to avoid confusion in the radio and electrical industries, will be undertaken by the Joint Committee. RMA representatives are Roger Wise of Sylvania Electric Products, Inc., Emporium, Pennsylvania, and C. J. Burnside of Westinghouse, Baltimore.

-----

The Federal Communications Commission has been asked by the Stromberg-Carlson Co., of Rochester, N. Y., for a license to operate a television broadcasting station on a commercial basis as soon as the war ends. Dr. Ray M. Manson, General Manager, said the radio and telephone manufacturing firm planned to erect a new studio and transmitter adjacent to its present plant.

-----

Mutual network is not renewing its affiliation contract with Station KGHI, Little Rock, Arkansas, it has been announced by the network.

X X X X X X X X



# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

---

~~ALAYA 02~~

7

## INDEX TO ISSUE OF MARCH 24, 1944.

"FCC Bunglers" - Rep. Miller; "Sneak Punches" - Fly Retorts.....	1
Call Letters WCOB Assigned To New Hyannis Station.....	2
Winchell Sponsor Hit; Winchell And Dies Prepare For Debate.....	3
Haverlin MBS Station Relations Head; Wallen Controller.....	4
Blames Congress And Supreme Court For Petrillo.....	5
May Go Easy On Smaller Net Program Recording.....	5
Senate Studies Short-Wave Radio For Railroad Trains.....	6
Blue To Build Own Studios; Prepares For FM And Tele.....	6
Broadcast Action By The FCC.....	7
Favors Commentators Free Rein If Attacked Could Reply.....	8
FM Takes Lid Off Time Capacity, Says McClintock.....	9
Trade Notes.....	10

No. 1613

*L* *Ke*

"FCC BUNGLERS" - REP. MILLER; "SNEAK PUNCHES" - FLY RETORTS

It never rains but it pours. Almost at the same time the Senate voted to slash Federal Communications Commission funds by more than \$2,000,000 wiping out the Radio Intelligence Division, Representative Miller (R), of Missouri, at the House FCC investigation ripped into the Commission charging that FCC "bungling" intelligence had caused a U. S. task force to be trapped by the Japanese and that the White House had intimidated witnesses and thus had hushed up the matter.

In an angry reply, Chairman James L. Fly, who as a rule leans over backward in an apparent effort to be respectful when addressing a Representative or a Senator, completely forgot this attitude, said:

"In throwing sneak punches at the Commission in the form of unsupported innuendoes, Mr. Miller is carrying on the pattern of character assassination devised for him by the former counsel of the Committee.

"If Mr. Miller has any evidence that FCC men were responsible for any 'incident' as he hinted this morning, he should bring his case into the open. This charge in the form of a snide innuendo has been tossed at us at least five or six times during these hearings.

"I can say further that neither Admiral Hooper's secret testimony nor that of any other official sets forth facts to substantiate such an irresponsible charge. Miller knows that. We have had thirteen months of this sort of abuse from certain representatives of an investigative body presumably charged with some obligation to maintain something in the nature of a judicial attitude. Yet Miller continues to grab the headlines by planting the daily booby trap. Congressman Miller is clothed with something more than arbitrary power. He has the same quality of public trust that I, as a public official, am sworn to preserve.

"Both Miller and the press know that where we have got the charges into the open and been permitted to answer them with the overwhelming facts, the charges evaporated in thin air. But we are not playing for the headlines; Miller can have them. All we ask is something slightly resembling fairness and a judicial attitude."

Representative Miller had also charged that Rear Admiral Hooper could confirm the charges that FCC "bungling" had resulted in our warships being exposed to enemy fire and asked that Hooper be called to testify. He had previously charged that Admiral Hooper had been retired from the service as a result of pressure exerted by Mr. Fly and the White House.

3/24/44

Mr. Miller further asserted that Rear Admiral Redman, Chief of Naval Communications, had spoken of the Alaskan incident at a closed session of the Committee and that he had been silenced by an attempt which the higher-ups made to have him, too, retired. Mr. Miller said:

"Admiral Redman had testified before the staff of this Committee. He had given certain testimony regarding Pearl Harbor and regarding an accident that had occurred to the task force operating in Alaskan waters. After this testimony was given by Admiral Redman, a copy of his statement was requested by the White House. After the contents had been learned, Mr. Fly read, in the presence of Commissioner Craven, a letter presumably from the White House in which it was stated that certain things might happen to Commissioner Craven and others who testified in secret before the Committee investigating the FCC. A copy of this alleged letter or note from the White House was shown to Commissioner Craven."

Although friends have assured him that he could be re-appointed this threat is believed to be one of the reasons why Commissioner T. A. M. Craven is understood not to be seeking reappointment next June but will return to private practice, the feeling being that so far as the Administration is concerned he is a "marked man". Before serving on the Commission, Commander Craven was reported to be making \$30,000 a year as a consulting radio engineer.

There doesn't seem to be much likelihood of Admiral Hooper taking the witness stand as he is reported to be ill in a hospital in California.

However, Eugene Garey, recently resigned Counsel to the Committee investigating the FCC, supported the charge made by Representative Miller (R), of Missouri, that a false FCC tip sent a Navy task force on a fruitless mission to Alaskan waters. "Testimony by Navy and also by Army officers in private hearings a year ago substantiated what Mr. Miller said", Mr. Garey charged in New York. "But the officers were gagged."

X X X X X X X X X X

#### CALL LETTERS WCOB ASSIGNED TO NEW HYANNIS STATION

The Federal Communications Commission has granted the request to assignment of call letters WCOB to the new station of E. Anthony and Sons, Inc., at Hyannis, Mass., authorized.

E. Anthony and Sons are also the owners of Station WNBX at New Bedford, Mass. and publishers of the New Bedford Standard-Times both headed by Basil Brewer.

X X X X X X X X X X

## WINCHELL SPONSOR HIT; WINCHELL AND DIES PREPARE FOR DEBATE

As Representative Dies (D), of Texas, and Walter Winchell squared off for their verbal battle of the century next Sunday night over the Blue Network beginning at 9:15 EWT, Representative Hoffman (R) of Michigan, viciously attacked Andrew Jergens of Cincinnati, manufacturer of Jergens Lotion, Mr. Winchell's sponsor. Mr. Hoffman charged that Elfrieda Margaret Siddell, secretary of Mr. Jergens, had been interned as a German enemy alien. Also that Hedwig Engemann, a maid in the Jergens' home at Miami Beach was arrested in 1942 for complicity in the case involving the eight Nazi saboteurs, six of whom were later arrested. Furthermore, Representative Hoffman alleged that though Mr. Winchell was specializing on exposing enemy alien activities that the commentator failed to mention these cases.

Mr. Winchell, who was in Washington, said he had been the first to tell of the detainment of the maid.

"I heard about the matter when I came back from Brazil in January a year ago", Winchell said, "and called Jergens about it and told him I thought it proper that we should be the first to announce this. He told me to go ahead.

Representation Hoffman charged that Winchell's only mention of the case had been his congratulations to Mr. Jergens "for helping to apprehend an alien enemy". The Michigan representative said that both Jergens and Winchell should be summoned to appear before the Dies Committee on un-American Activities.

"Is not Andrew Jergens at present engaged in an effort to have one of the individuals I have referred to released from Federal or Army custody?" Representative Hoffman asked.

"One Elfrieda Margaret Siddell was Jergens' personal secretary, or an employee graduating to that position from an upstairs maid post in his home. As his secretary, she accompanied Jergens on various trips about the country and to his homes in Florida and California.

"In 1942 she was arrested by agents of the F.B.I. as a German enemy aine. Jergens is not a German, but of Danish descent.

"It was learned that she had hired as a maid in the Miami Beach home of Jergens one Hedwig Engemann, 34 years of age, formerly of New York City. \* \* \*

"Miss Engemann was arrested about the time of the capture of the eight Nazi saboteurs who landed here from a submarine in the Summer of 1942, and six of whom were afterward executed for sabotage.

"Miss Engemann was shown to have aided Edward John Kerling, one of the eight. He was executed and Miss Engemann pleaded guilty in a New York court to a charge of misprision of treason (concealment of the knowledge of the commission of treason).

3/24/44

"Have you heard Winchell saying anything about that? He is after these folks down town here, and I hold no brief for them. I do not say they are guilty or innocent; I do not know anything about that. But here is a woman who was convicted. She was employed by Winchell's sponsor. Why did he not mention it? Is he black-mailing Jergens? Is he exposing the Nazis? Is he telling about what they are doing, or is he just covering up? \* \* \*

"Jergens made strenuous efforts to prevent her detention, describing her at one time as 'the finest woman I have ever known.' He sent her clothing while she was confined in jail and at times called her over the long-distance phone.

"It has been charged that Jergens offered money to an individual in the Department of Justice, not to help exonerate Miss Siddell, but to have her held in a hotel suite during her hearing, instead of being held in jail.

"It is now reported that Jergens has started action to have Miss Siddell released from the internment camp."

In the course of the attack, Representative Hoffman declared:

"And let the Blue Network and Winchell quit changing his scripts. Not long ago, he referred to me over the radio as John Rankin's girl friend - a typical dirty Winchell method. In the transcript sent out of the broadcast, that statement was omitted. But the transcription of the spoken word shows that he uttered that vile and indecent slander."

X X X X X X X X X

HAVERLIN MBS STATION RELATIONS HEAD; WALLEN CONTROLLER

Carl Haverlin, widely known broadcasting and music executive, has been appointed the new Director of Station Relations for the Mutual Broadcasting System. Mr. Haverline, formerly Commercial Manager of Stations KFT and KECA, Los Angeles, leave his post as Vice-President of Broadcast Music, Inc., to join Mutual

He was born in Globe, Arizona, and is 43 years old.

J. E. Wallen joins the Mutual Broadcasting System in the capacity of Controller and Financial Director, March 27th. Mr. Wallen was formerly Controller of the Federal Telephone and Radio Corp., a subsidiary of International Telephone and Telegraph Co., from 1932 to 1942.

X X X X X X X X X

BLAMES CONGRESS AND SUPREME COURT FOR PETRILLO

There was plain speaking in a New York Times editorial captioned "To Halt Mr. Petrillo":

"According to Senator Clark of Idaho, Congress is 'thoroughly out of sympathy' with Mr. Petrillo and wants to curb his extraordinary and irresponsible private power to order people off the air and tell the American public what music it can and cannot hear, but it doesn't know how. Previous 'anti-Petrillo' bills have been ruled unconstitutional by the Department of Justice, and Senator Clark is looking for 'some legal way out'.

"Now the 'dilemma' in which Congress finds itself in this matter is purely of its own making. It exists because Congress refuses to recognize the natural consequences of its own acts. The powers exercised by Mr. Petrillo are powers conferred upon him by acts of Congress as interpreted by the Supreme Court. Congress has made it illegal for employers to discourage membership in a labor union, but has refused to make it illegal for unions to coerce workers into membership. Congress, according to the Supreme Court, has granted sweeping immunities to labor unions under the anti-trust acts, the anti-conspiracy acts, and even the anti-racketeering acts. These immunities are simply go-ahead signals to unions to commit acts that would be illegal or criminal if committed by anyone else.

"Under the powers conferred upon him by Congress, Mr. Petrillo can force practically every musician in the country into his union. He has the power to boycott any musician or the employer of any musician who refuses to join. Under this power of boycott, exercised by virtue of the special immunities granted by Congress, Mr. Petrillo can shut down any broadcasting station that refuses to conform to his demands. If Congress wishes to stop the private dictatorship of Mr. Petrillo it need merely repeal the sweeping legal immunities which make that dictatorship possible. It would raise no constitutional problem to provide that labor unions must also conform to laws that apply to everyone else."

X X X X X X X X

MAY GO EASY ON SMALLER NET PROGRAM RECORDING

It was indicated at a hearing earlier in the week that the proposed Federal Communications Commission rule requiring that transcriptions be made of network programs might be eased in connection with the smaller networks. The King-Trendle network, which has seven stations in Michigan, through its counsel Phillip Hennessy, opposed recordings such as proposed because of the present lack of equipment and manpower. Mr. Hennessy urged that the recording rule be postponed for the duration and that even then it be applied only to the larger networks.

X X X X X X X X

## SENATE STUDIES SHORT-WAVE RADIO FOR RAILROAD TRAINS

It is just possible Senator Wheeler (D), of Montana, Chairman of the Interstate Commerce Committee may introduce a bill in the near future requiring railroads to equip their trains with short-wave radio. With this in mind, Senator Wheeler recently wrote Chairman James L. Fly for his views on the subject.

Use of radio for flagging operations was recommended by Chairman Fly. He asserted that flags, lanterns, flares, fuses and torpedoes antedate the invention of modern means of communication.

"The failure of flagging operations to stop the northbound Tamiami Champion as it hurtled toward the wreckage of the southbound Champion was responsible for the loss of 72 lives, and other wrecks due to the failure of traditional flagging techniques are far from infrequent", Mr. Fly wrote.

The FCC Chairman said that the use of radio was feasible in operating block systems to control railroad traffic. He said that, although the Interstate Commerce Commission had recommended in 1933 that railroads be prohibited from operating passenger trains on tracks unprotected by block systems, 50,000 miles of passenger track are still unprotected.

Mr. Fly referred to an experimental block system on the Pennsylvania Railroad between Trenton and Phillipsburg, N. J., as "radio-controlled". An ICC spokesman said that the system - an experimental development - did not employ radio. Instead, he said voice communication between signal towers and trains in motion was carried by the rails on which the trains operate. The same system is being tried out in several large freight yards, he said.

Mr. Fly also recommended radio for head-end to rear-end communication on moving trains, referring again to the Tamiami Champion wreck as an example of communications failure. On that occasion, 40 minutes elapsed between the time the first train was wrecked and the second plowed into the wreckage of the first.

X X X X X X X X

BLUE TO BUILD OWN STUDIOS; PREPARES FOR FM AND TELE

The Blue Network Company is surveying sites and formulating plans for the construction of its own studios in New York, Chicago, Los Angeles and San Francisco. Also it is getting ready for FM and television.

Speaking Saturday before a meeting of 47 Blue Department heads and management executives from Washington, Chicago, Detroit and New York, Mark Woods, Blue Network President, said:

"Coincidental with the construction of our own studios, the Blue expects to own its own broadcasting stations in Washington,

Los Angeles, and a full time outlet in Chicago in addition to the stations we now own. Negotiations to that end are under way presently."

"Applications have been filed or are being prepared for FM stations in the key centers", Mr. Woods said, adding that the Blue expects that frequency modulation, permitting as it does more and better stations, "will give the Blue Network an opportunity to assume leadership in sound broadcasting. I firmly believe that FM is the coming business in sound broadcasting."

He warned, however, that no one in broadcasting can ignore television, and said that the Blue is now completing plans for a complete television system.

"While we own no television stations today", he said, "I am convinced that television will prove to be the greatest medium ever developed for entertainment and advertising. The Blue Network is planning to file for its own stations in New York, Washington, Chicago and Los Angeles. We are encouraging Blue affiliates to file, as soon as possible, for the construction of both FM and television transmitters."

X X X X X X X X

#### BROADCAST ACTION BY THE FCC

WJW, WJW, Inc., Cleveland, Ohio, granted license to cover construction permit which authorized installation of a new transmitter and directional antenna for day and night use, increase in power to 5 kilowatts, change in frequency to 850 kilocycles and move transmitter and studio from Akron to Cleveland; conditions. Also granted authority to determine operating power by direct measurement; KWK, St. Louis, Mo., granted consent to transfer of control of Thomas Patrick, Inc., licensee of station KWK, from Grace C. Convey to Robert T. Convey; WOWO, Westinghouse Radio Stations, Inc., Ft. Wayne, Ind., present license extended upon a temporary basis to May 31, 1944.

Applications Received: Edwin H. Armstrong, C. M. Jansky, Jr., and Stuart L. Bailey, d/b as FM Development Foundation, Olney, Md., construction permit for a new High Frequency (FM) Broadcast Station to be operated on 43,900 kc., with covering of 18,844 square miles; WGEX, General Electric Co., S. Schenectady, N.Y., license to cover construction permit which authorized construction of a new international broadcast station; Radio Corporation of America, area of Camden, N. J., license for reinstatement of experimental television relay broadcast station W3XAD, to be operated on 321,000-327,000 kc., power of 500 watts peak, A5 and A3 emission; also license for reinstatement of experimental television broadcast station W3XEP to be operated on Channel #5 (84,000-90,000 kilocycles), power of 50 KW peak, A5, A3 and Special Emission; WIBC, Indiana Broadcasting Corp., Indianapolis, Ind., license to cover Construction Permit which authorized increase in power and changes in directional antenna; also



authority to determine operating power by direct measurement of antenna power (1070 kc), and voluntary transfer of control of licensee corporation to Indianapolis News Publishing Company, Inc., (1000 shares common stock).

The Broadcasting Corporation of America, Riverside, Calif., construction permit for a new high frequency (FM) broadcast station to be operated on 43,500 kilocycles with coverage of 48,000 square miles, and construction permit for a new commercial television broadcast station to be operated on Channel #3 (66,000-72,000 kc.)

X X X X X X X X

FAVORS COMMENTATORS FREE REIN IF ATTACKED COULD REPLY

Expressing what pretty generally seems to be the opinion on Capitol Hill, Senator Murray (D), of Montana, is for giving a radio commentator the same freedom as an editor, provided anyone who believed he was unjustly attacked could reply. This was brought out in an interview with Senator Murray by Richard Eaton over the Atlantic Coast Network originating in WWDC, Washington, last Tuesday night. The following exchange took place:

Mr. Eaton: What about free speech for radio commentators? Do you believe that a radio commentator should not be allowed to express his opinion on the air as some people have recently advocated?

Senator Murray: I certainly do not, Mr. Eaton! A radio commentator should be allowed to express his opinion just as should the editorial writer on a newspaper or any private citizen. We should be thankful that we have the freedom of the air by which citizens may express their views and bring to light the truth.

Mr. Eaton: Would you say that radio often brings truth home in a way our newspapers do not?

Senator Murray: Frankly, Mr. Eaton, some of our newspapers in reporting the news leave much to be desired.

Mr. Eaton: Should Congressmen who have been attacked by radio commentators be given radio time to answer such attacks?

Senator Murray: Yes. And I would extend that right to anyone outside of Congress. Similarly, in common justice, any individual unjustly attacked on the floor of Congress should be given the right to answer any charges bearing upon his character or reputation. I believe that a radio commentator should have the right to attack any member of Congress or any public servant. And broadcasting companies should not censor the fair and truthful statements of their commentators.

Mr. Eaton: While we are still on the subject of radio, Senator Murray, organized labor has complained that it has not had a fair chance to express itself on the air. Would you care to comment on that?

Senator Murray: I believe that organized labor - or any group of the population - should be able to express itself on the air. If organized labor wishes to buy radio time, it should be given the opportunity.

Mr. Eaton: Senator, what do you think of the idea of broadcasting sessions of Congress? You know, it's done in New Zealand during certain hours of the day.

Senator Murray: It sounds like a wonderful idea. The more people who actively participate in Government, the closer we come to true Democracy."

X X X X X X X X X

FM TAKES LID OFF TIME CAPACITY, SAYS McCLINTOCK

Speaking before the American Marketing Association in New York, Miller McClintock, President of the Mutual Broadcasting System, emphasized the importance of FM and television in future radio advertising.

Mr. McClintock cited the general acceptance of FM by the radio industry, as an inevitable and universal improvement in radio broadcasting and indicated several elements which have a bearing upon the activities and planning of advertisers.

"First, Frequency Modulation takes the lid off radio time capacity now approaching a ceiling under AM. Instead of 1000 licensed stations, there can be an unlimited number; thus, radio will have an unlimited capacity to serve advertisers insofar as their economic needs justify. Competition will be sharpened and with it will come those assets in any medium which are valuable to its users;

"Second, Frequency Modulation in many instances will require lower capital cost and lower costs in certain operating elements. This affords some opportunity for the ploughing back of these savings into increased quality of broadcasting or in the reduction of the cost of broadcasting service.

"Third, Frequency Modulation is limited to primary area coverage, in principle, and, therefore, advertisers will find it necessary to use a larger number of local stations to cover their buying power. This will present the opportunity as well as the necessity to design radio advertising programs in such a manner as to give them maximum community impact."

The speaker expressed cheerful optimism about "the very near accessibility" of television to radio homes. "The technical difficulties surrounding television are by no means insuperable under a free competitive system. We may be assured that the American public and the advertisers will have television at the earliest possible time.

"Assuming a reasonable maintenance of our economic standards, it is apparent that ultimately television will be almost universal in use. The effective sets which are promised are already within a cost range of a sufficient mass of buying power to warrant the anticipation of early commercial success.

"Mass production will, undoubtedly, lower these costs to a scale which now would seem impossible."

X X X X X X X X

---  
::: TRADE NOTES :::  
---

David Sarnoff, President of the Radio Corporation of America, has been called to active duty as a Colonel in the Army Signal Corps, and Lieut. Gen. James G. Harbord, Retired, Chairman of the RCA, has for the time being taken over the management of the company.

"485", the first general house organ of the Columbia Broadcasting System headquarters in New York City, celebrates its first anniversary this month. The anniversary number, just issued was circulated among 1,500 of the CBS personnel, and very particularly to employees now in the service.

The U. S. Department of Commerce and the State Department are assisting the Radio Manufacturers' Association in opposing attempted trademarks of the words "RADAR" and "ELECTRONIC" by Latin American interests in both Argentina and Brazil. Local individuals and corporations had filed trademark applications covering the generic, common terms in both countries, and the support of the Bureau of Foreign and Domestic Commerce, Department of Commerce, as well as the State Department, was given to the RMA protests against such trademark registrations.

Aimed at "Lord Haw-Haw" and his kind Deputy Prime Minister, Clement R. Attlee told the House of Commons that British subjects assisting the enemy by broadcasting from enemy stations "will not be included in the category of war criminals, but will be charged with offenses against British law, and brought to trial in appropriate British courts."

Norman E. Jørgensen, Assistant to Chairman James L. Fly, will report to the Navy today as a Lieutenant (J.G.) in the Navy Bureau of Supply and Accounts. Mr. Jørgensen will report to the Naval Officers Training School at Babsons Institute, Babson Park, Mass.

George H. Allen, Assistant Director of Promotion and Research for WOR, has resigned his post at the station to become Manager and Secretary of the Board of Governors of the Cooperative Analysis of Broadcasting, Inc. Mr. Allen succeeds A. W. Lehman, who has been elected President of the C.A.B. (Crossley reports).

The percentage of total quarter hours sold in Blue Network optional time sales at night in March 1944 is 76.2, compared with 62 percent for the same month a year ago. The increase in the daytime optional time periods, with 45.2 percent of the total quarter hours sold in March this year, compared with 29.4 percent in 1943. The total percentage, night and day, for 1944 is 55.6, while the figure in 1943 was 43.2 percent.

Organization has been completed of the Piezoelectric Quartz Crystal Section of the Transmitter Division of the Radio Manufacturers' Association. The Chairman is George E. Wright of the Bliley Electric Company, Erie, Pa.

The statement on television by Niles Trammell, President of the National Broadcasting Company, to NBC affiliated stations is now available in printed form.

Wyllis Cooper, in charge of program development at NBC, addressed the Atlantic Coast Section of the Society of Motion Picture Engineers Wednesday, March 22nd, on "Television from the Standpoint of the Motion Picture Producer."

Stations KATE, Albert Lea; KWLM, Willmar; and KWNO, Winona, three Minnesota stations, have become affiliated with the Blue Network, and are known as the Dairyland Network; they have been added as basic supplementary stations, available only with WTCN, Minneapolis-St. Paul.

The libel suit of John Monroe, alleged lobbyist whose "Little Red House on R Street" was so much in the headlines, against Drew Pearson and the Washington Post for \$1,350,000 began in the Capital last week.

Monroe charges that Pearson libeled him in radio broadcasts and in his column, which was carried in the Post.

Monroe's wife, Mrs. Edith Monroe, declared that Pearson's articles had made their home "notorious" and forced her and her daughter to leave.

Stations KSO, KRNT, and their patriotic advertisers, gave more than one thousand hours of air time to the war effort last year. This fact was revealed by Ed Linehan, Program Director of the two Des Moines Cowles stations. The 1943 total is nearly twice that for 1942.

X X X X X X X X X X

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

~~LA & All~~

1944  
MARCH 28  
1944

## INDEX TO ISSUE OF MARCH 28, 1944

Rush To Get On Television Bandwagon Begins In Earnest. . . . .	1
Believed Radio Will Pay Heavily For Winchell Turmoil . . . . .	3
Too Much Politics Seen In FCC Investigation. . . . .	5
LaGuardia Praises Efficiency Of NBC Protection Service . . . . .	5
Post-War Competition May Force Railroads To Use Radio. . . . .	6
Radio Tilt OK With Willkie - Dewey "Busy"; GE Breaks Sets. . . . .	7
Probe Of Winchell Sponsor Causes Congressional Uproar. . . . .	8
BBC And Invasion Coverage. . . . .	9
Raymond G. Swing Gives Radio Prize To Clapper Memorial . . . . .	10
Hammond, Jr. Sees Peril In Nazi Radio Bombs. . . . .	10
CBS' "American School Of The Air" Consultants To Meet. . . . .	10
"Washington Broadcast" Book Now Said To Be 2-Man Job . . . . .	11

No. 1614

R

March 28, 1944.

## RUSH TO GET ON TELEVISION BANDWAGON BEGINS IN EARNEST

Because of the tremendous amount of publicity which the industry has released recently on television, the line for television station applications at the Federal Communications Commission is growing longer every day. The rush really appears to be on in earnest.

The latest check with the FCC shows that as of March 23rd the following have applied for commercial television station licenses:

Earle C. Anthony, Inc., Los Angeles, C 1, (Held CP under call KSEE), 96000-102000, Channel 6; Bamberger Broadcasting Service, Inc., New York City, Channel 6, Washington, D. C., Channel 4, Philadelphia, Channel 7, all 96000-102000 kc.; Broadcasting Corp. of America, Riverside, Cal., Channel 3, 66000-72000 kc.; Allen B. DuMont Laboratories, Inc., Washington, D. C., Channel 3; 66000-72,000 kc.: Havens & Martin, Inc., Richmond, Va., Channel 3; Hughes Productions, Division of Hughes Tool Co., Los Angeles, also San Mateo County, California., Channel 2; KLZ Broadcasting Co., Denver, Colorado, Channel 3; Don Lee Broadcasting System, San Francisco, Cal., Channel 1; Loyola University, New Orleans, La., not specified; Metropolitan Television, Inc., New York City, Channel 8;

60000-66000 kc.: NBC, Washington, D. C., NBC, Denver, Channel 2, Cleveland and Chicago, Channel 1, Los Angeles, Channel 3 and San Francisco, Channel 4; News Syndicate Co., Inc., New York City, Channel 1; Philco Radio & Television Corp., Washington, D. C., Channel 4; WCAU Broadcasting Co., Philadelphia, Pa., Channel 5.

78000-84000: WGN, Inc., Chicago, Ill., Channel 4; WKY Radiophone Co., Oklahoma City, Okla., Channel 1; Louis Wasmer, Spokane, Wash., Channel 1; Westinghouse Radio Stations, Inc., Boston, Channel 5, Philadelphia, Channel 7 and Pittsburgh, Channel 1.

The applications for experimental television licenses are:

	<u>Freq.</u> <u>(Kc)</u>	<u>Power</u>	
		<u>Visual</u>	<u>Aural</u>
Albuquerque Broadcasting Co., Albuquerque, N. Mex.	50000-56000 Channel 1	3 KW (4 KW peak)	3 KW
CBS (Held CP under call W9XCB)	78000-84000 Channel 4	1 KW	1 KW
Industrial Tool & Die Works, Inc. Minneapolis, Minn.	78000-84000 Channel 4	5 KW (5 KW peak)	3 KW
Intermountain Broadcasting Corp. Salt Lake City	50000-56000 Channel 1	100 w.	200 w.

	Freq. (Kc)	Power	
		Visual	Aural
Wm. B. Still, tr/as Jamaica Radio & Tele. Co. Jamaica, L. I.	66000-72000 Channel 3	250 w (1 KW peak)	250 w
Guz Zaharis Charleston, W. Va.	50000-56000 Channel 1	50 w. (200 w peak)	110 w
RCA Camden, N. J. (Reinstatement of W3XEP)	Channel 5		

Pending applications for experimental television relay stations include:

Albuquerque Broadcasting Co., Area of Albuquerque	282,000-294,000	25 W (peak)
The Journal Co. (Milwaukee Journal) Area of Milwaukee, Wis. (above had CP under call W9XCV)	200,000-202,000	25 W (output power not in excess of 6.5 watts)
Philco Radio & Tele. Corp. Area of New York City	204,000-216,000 Channels 11 and 12	15 w.
RCA Area of Camden, N. J. (reinstatement of W3XAD)	321,000-327,000	

The following commercial television stations are now on the air:

60000-66000 kc:	Balaban and Katz, Chicago, Ill., CBS, New York City	KBKB, Channel 2. WCBW Channel 2
50000-56000 kc:	Don Lee Broadcasting System Hollywood, Cal.	KTSL
66000-72000 kc:	General Electric Co. Schenectady, N. Y. T-New Scotland, N.Y. The Journal Co. (Milwaukee Journal) Milwaukee, Wis. Philco Radio & Tele. Corp. Philadelphia, Pa. Zenith Radio & Tele. Corp. Chicago, Ill.	WRGB Channel 3 WMJT Channel 3 WPTZ WTZR Channel 1
50000-56000 kc:	National Broadcasting Co., Inc. New York City	WNBT Channel 1

X X X X X X X X

"As compared with 1940, when I followed Wendell Willkie across the country to the West Coast and back, he shows tremendous improvement as a campaigner", Marquis Childs writes. "His radio delivery of a set speech, read from text, however, is still far from the perfection of the Old Maestro, F.D.R."

X X X X X X X X X X

BELIEVED RADIO WILL PAY HEAVILY FOR WINCHELL TURMOIL

It is the opinion of many that the broadcasting industry will have to pay heavily for the row Walter Winchell has kicked up in Congress. The climax seemed to have been reached in the Winchell-Dies radio debate Sunday night but in heat that was nothing to the almost free-for-all fight over him in the House yesterday (Monday). Representative Sabath (D), of Illinois, complained that the frequency of the attacks on Walter Winchell was actually hindering the House procedure.

All of which is a bad break for the broadcasting industry as seeing how well Mr. Dies came out Sunday and the tremendous amount of free publicity he received, Representatives and Senators more than ever will favor legislation making it obligatory to give equal time to anyone who believes he may have been unjustly attacked. If such a law is passed, it is bound to be abused in many instances and in the long run the networks and the broadcasters will be the losers.

All this practically on account of Walter Winchell. Just as the agitation on the Hill has been caused by a handful of Congressmen - four or five at the most, Dies (D), of Texas, Hoffman (R), of Michigan, Rankin (d), of Mississippi, and a few others most all of them fire-eaters - just so 90% of the troubles of the commentators and the networks has been caused by the swash-buckling tactics of Walter Winchell. As a result of the clash within this small group, radio is the "innocent bystander".

Winchell's "declaration of independence" Sunday night insofar as Congress was concerned, was like waving a red flag at a bull. He said:

"I will gladly appear before any open court or any open court or any constitutional authority, and I here and now freely waive all immunity. I demand only two rights, those guaranteed to every American citizen (1) that I have the right of cross-examination and (2) that the public be present.

"Far from retracting a single statement, I reiterate every-one of them. Far from apologizing for any action, I reaffirm that my conduct has been the product of my deliberate intention.

"In the meantime, if any Congressman or Senator has information or evidence that I am guilty of activities against the United States Government, let him run - not walk - to the nearest Federal Grand Jury or U. S. Attorney. If he fails to do so he is derelict in his duty as an officer of the United States. If such evidence ever existed it would have been offered against me long before this.

"As an American, my right to criticize the Government of the United States and the official acts of any of its servants, does not depend upon my sponsor, the radio network, and publisher, any member of Congress, the President of the United States, or for that matter, the United States Supreme Court. That right was given to me over 150 years ago. By the same men who gave them theirs."



It would be a departure to permit a witness to cross-examine members of a Congressional Committee as Mr. Winchell has demanded.

Representative Dies concluded his broadcast by saying:

"Mr. Winchell, you have had much to say about tolerance. What could be more intolerant than these un-American attacks. Such attacks are the chief characteristics of fascism and the very essence of intolerance. You, Mr. Winchell, seem to have forgotten that those who expect tolerance from others should practice tolerance themselves.

"This would be serious if Mr. Winchell were the only Charlie McCarthy of the Smear Bund. He is, however, only one of many. Who are they? Who is behind them? The American people would like to know and I promise you that Congress will soon find out."

If there ever was a time for Mr. Winchell to use tact, it was when he was being listened to by practically all the members of Congress and higher ups in Washington, and we believe Drew Pearson or any other of the Blue commentators would have had the good judgment to have treaded very lightly under similar circumstances.

However, as was the case with Secretary Ickes recently when he ran afoul of Senator Moor (R), of Oklahoma, in their Town Hall debate over the Arabian pipeline, Mr. Winchell was keyed up Sunday night and in a fighting and apparently arrogant mood. As was Senator Moore in knocking Mr. Ickes over the ropes, Mr. Dies hardened veteran of many rough and tumble debates on the floor of the House of Representatives, seemed to be as cool as a cucumber.

Having done so well for himself Sunday and feeling that he had beaten Mr. Winchell at the latter's own game over the radio, Representative Dies will now turn the tables by summoning Mr. Winchell to the Capitol for a grilling before the Dies Committee. If so, and Walter conducts himself in the same bull-in-the-China-shop manner that he did over the air, the exchange which took place then and which followed the day after in the House will probably be powder puff stuff compared to what Representative Dies, Hoffman, Rankin, et al will try to do to him if they can get him under oath on the witness stand. Censorship will be out of the window and the Capitol police had better be on their toes or somebody is liable to get punched in the nose.

One report was that Representative Dies, who is a pretty good showman himself, would hold off calling Winchell until the last witness for fear of him "stealing the show". In the meantime it was said to be the plan to summon Andrew Jergens, his sponsor, already under fire by Representative Hoffman, in his declared effort to find out "who is behind Winchell, who is putting up the money and why?"

X X X X X X X X

TOO MUCH POLITICS SEEN IN FCC INVESTIGATION

Critical of the FCC probe, the Washington Post editorializes:

"Hope for an impartial, fact-finding investigation of the Federal Communications Commission has been strengthened by the innng which the Lea Committee is now giving to FCC officials. But the inquiry is by no means out of the woods. Congressman Miller appears to have taken over the work of smearing the Commission where Congressman Cox and Eugene Garey, former counsel, left off. His recent charge that FCC bungling was responsible for an accident to a task force in Alaskan waters must be considered irresponsible and unwarranted until he brings forth more evidence than he has supplied to date. 'Snide innuendo' is what FCC Chairman Fly called it. Yesterday he specifically told the Lea Committee that there is no substance to the charge.

"The hearing is now thoroughly immersed in a political atmosphere. Since this is a general election year, it would be naive to suppose that it can be extricated from that atmosphere in the months between now and November. Members will be thinking more about discrediting or defending an Administration agency than about uncovering pertinent facts about an essential Government function. Were it not for the fact that several months have been spent producing biased evidence against the Commission, the public interest would doubtless be served by postponing the investigation until next year.

"We can readily understand, however, the Commission's desire to have its day in court to answer the charges leveled against it. In the circumstances that portion of the public which is more interested in good Government than in smearing or lauding a particular agency will be under heavy obligation to separate the wheat of information from the chaff of politics in the FCC inquiry.

X X X X X X X X X X

LAGUARDIA PRAISES EFFICIENCY OF NBC PROTECTION SERVICE

High praise for the courtesy and efficiency of the uniformed members of NBC's Protection Service was expressed recently by Mayor Fiorella LaGuardia in an unsolicited letter to Frank E. Mullen, NBC Vice-President and General Manager.

The Mayor wrote:

"For some time I have been visiting your studios each Saturday morning for my weekly broadcast and on each of these occasions I have had the pleasure of being greeted by the courteous and efficient uniformed members of your Proection Service.

"They have impressed me, and I am sure the public as well, as being a well-trained group of men reflecting the efficiency for which your great organization is so well know."

X X X X X X X X X X

## POST-WAR COMPETITION MAY FORCE RAILROADS TO USE RADIO

With experiments now being undertaken by the Pennsylvania Railroad on its Belvidere-Delaware Branch, the Kansas City Southern and other roads to install radio to supplement their block signal systems, and inquiries undertaken by Senator Wheeler (D), of Montana, Chairman of the Interstate Commerce Committee, and Senator Harley M. Kilgore (D), of West Virginia, with a view to legislation, the practicability of using radio-telephones for intertrain communication has become a very live topic.

Addressing a group of radio engineers in Newark, N. J., Dr. O. H. Caldwell, Editor of Electronic Industries, had this to say:

"Terrible tolls of human life taken when flagmen sent back have failed to stop oncoming express trains, could be avoided by having continuous radio communication between each train and the dispatcher's headquarters as well as other trains. Engineer and conductor could then keep in close personal touch with all nearby crews by short-wave radio telephone. Such radio communication would save lines and also ordinary train delays, compared with the present archaic practice of sending a brakeman with lantern or flag, half a mile back, and then waiting for his return.

"Every ship and every plane is in constant touch with the rest of the world by radio, - but every railroad train crew is utterly isolated while in motion. The passenger who boards a crack American flyer from New York or Chicago, enjoys every modern luxury, but communicationwise he is as isolated as if he were on camelback in the Sahara desert. He might easily enjoy telephone connection with the whole country and transact any necessary business enroute.

"Electronic signal systems for railroad operation are now being developed which will speed up train operation by performing half a dozen switching and signalling functions simultaneously, without the delays of present step-by-step operation.

"Surveys of the railroads' post-war plans indicate that as soon as the war is over, present heavy passenger equipment will be replaced all over the country by light-weight, streamlined trains, with running speeds of 100 miles per hour. The change will be made as quickly as car manufacturers can produce the new equipment. This will be the railroads' answer to automobile and truck competition. A reduction in long-distance rates to about one cent a mile is also proposed. Such a renovation of the rails calls for an entire renovation of the signal equipment through the country, a project of tremendous magnitude - but one which can be performed quickly and efficiently with new methods of electronic signalling now in sight.

"On freight trains radio communication not only between the locomotive and caboose, and also with the lonely brakemen patrolling the mid-train car tops, is now a simple possibility, especially with the modern walkie-talkies which will be available for civilian use, based on military experience.

"Even the dismal railroad waiting rooms in small towns might be made cheerful and inviting, for music and news could easily be transmitted over existing telegraph wires, followed by shipping and other public relations statements which railroad officials wish distributed to their customers along the line. All this could be done at minimum outlay, using present equipment, without disturbing present telegraph operation.

"Today one of the minor hardships of railroading is the recording of all freight-car numbers as the cars come into terminal yards. On cold nights, yard men must tramp up and down the windy tracks, flashing their lanterns on the car numbers and copying down the sixplace digits with chilled fingers. Yet it would be simple to install electric eyes on incoming tracks so that as the trains roll in, all car numbers would be automatically recorded and printed in the yardmaster's office."

X X X X X X X X X X

RADIO TILT OK WITH WILLKIE - DEWEY "BUSY"; GE BREAKS SETS

Drew Pearson, Blue Net commentator, said Sunday night that in response to a suggestion from him, Wendell Willkie and Governor Thomas Dewey engage in a radio debate comparable in a modern way to the Lincoln-Douglas encounter, that Mr. Willkie agreed to participate but that the Governor replied that he was "very busy".

In his newspaper column on the same day, Mr. Pearson wrote:

"If the Army wants to preserve morale on the labor front, one way not to do it is by a few more samples of what has been happening lately at the General Electric plant in Schenectady, N. Y.

"There for the last several days workers have been given hammers, chisels and sledge hammers, told to break up 700 radio transmitter and receiver sets. The radio sets, ordered by the Signal Corps, are now obsolete as far as the Army is concerned, but certainly could be useful for private use or to the hundreds of cities unable to equip their police cars with radio.

"Despite this, the sets are being systematically broken up, with no provision to salvage any working parts, such as wire, knobs, tubes or other vital equipment. Even if military secrets are involved, these different radio parts could be saved.

"Furthermore, the effect on worker morale is most depressing - to destroy the things they have created, and without explanation. It takes the heart out of them when it comes to speeding up production on anything else. They wonder whether it also will be broken."

X X X X X X X X

PROBE OF WINCHELL SPONSOR CAUSES CONGRESSIONAL UPROAR

Representative Hoffman (R), of Michigan, endeavoring to start a new bonfire under Walter Winchell by further embarrassing his sponsor, Andrew Jergens, of Jergens Lotion, Cincinnati, also started what nearly ended in a rough and tumble fight on the floor of the House yesterday (Monday) after the now famous Winchell-Dies broadcast.

Representative Hoffman introduced a resolution calling on the Department of Justice to give Congress the facts on alleged sedition charges against two women employees of Mr. Jergens.

The Congressman had previously charged that Jergens' personal secretary, Mrs. Elfrieda Margaret Siddell, has been interned as an enemy ainee, and that a maid in Jergens' household has been given a prison sentence for misprision of treason (withholding knowledge of treason). Although at least two Congressional Committees have sought full information on both cases from the Justice Department, it has been denied as contrary to the public interest.

Also Representative Hoffman introduced a bill which would amend the Navy Code to require the dismissal of Mr. Winchell who now holds a Reserve commission for using "disrespectful words to Congress."

"Let me say that the people of this country are entitled to know who is this man; who is this man who ordered Winchell out of active duty, out of uniform, deprived him of opportunity to receive the pay of an officer - told him he would be stabbed in the back?" Representative Hoffman declared. "Is it the President of the United States, by virtue of whose authority Winchell, without pay, without duty, and without uniform, is still carried on the rolls of that honorable body, the Navy, as a Reserve officer? Is it because of the President's backing?"

"I doubt very much whether the President of the United States know every man who is a member of the Reserve Corps", Representative Sabath (D), of Illinois, Administration defender, interjected.

"Oh, well, I think the President has heard of Winchell. Is it because of the President's backing that Winchell was told that some men must be sent across to be shot, but some must stay here to be stabbed in the back?" Mr. Hoffman retorted.

Representative Dies had declared on the radio Sunday night that Winchell "had been removed from active to inactive duty 'for reasons which cannot be told until after the war'. Here are his own words. 'When I demanded active duty for the fourth time, I was instructed to stay on the radio with the following words: "Some men must go over seas to be shot and some must stay over here to be stabbed in the back."' Now I ask - who told Walter Winchell that? He says he cannot tell until the war ends. But he admits he is under orders from some powerful person, from whom he is willing to take

orders, to stay on the radio. For what purpose? To sell beauty preparations as a part of the war effort. Of course not. He was ordered to stay on the radio to do what he is doing - to carry on the work of the Smear Bund to intimidate its opponents and to discredit the Congress. But who is this Smear Bund? Who is this great personage with so much power that he can reach into the Navy to keep Mr. Winchell on the air and off the sea for propoganda purposes; and who is so exalted that his name cannot be breathed until the war ends? Who are these other groups leagued with him in this strange, un-American enterprise of smearing men into silence? What are their objectives?"

X X X X X X X X X

#### BBC AND INVASION COVERAGE

Following the return of Lindsay Wellington from London, the British Broadcasting Corporation's New York office has issued the following statement about invasion coverage:

"The BBC has always worked in close collaboration with American broadcasters and is more than ever ready to do so when the final invasion of Europe breaks. To this end the BBC has decided that when the invasion begins, and for a period at least including the initial stages, all BBC broadcasts dealing with the invasion shall be available to radio station operators who want to, and are able to, pick them up and rebroadcast them. The London representatives of American Networks have reciprocated by agreeing to make all their invasion material available to the BBC for domestic broadcast in Britain if desired. As always in such cases, the BBC will give credits to the networks whose reports it uses.

"So far as actuality and front line reporting of the invasion is concerned, the BBC has many plans under way, some of which have been rehearsed under battle conditions. Obviously their final scope will be determined by military decisions and by the unpredictable course of events."

X X X X X X X X X

The Illinois State Republican Committee has bought time on four stations of the Blue Network for a series of programs during the period of the State primary election campaign.

Thirteen quarter-hour programs are scheduled for Stations WENR, Chicago; WROK, Rockford; WCBS, Springfield; and KXOK, St. Louis, between March 23rd and April 10th.

X X X X X X X X X

## RAYMOND G. SWING GIVES RADIO PRIZE TO CLAPPER MEMORIAL

Raymond Gram Swing, radio commentator, has turned over the \$1,000 duPont Radio Award for exceptional service, which he received recently, to the Raymond Clapper Memorial Award, founded to honor the memory of the Washington newspaperman who died recently in a dive-bomber crash during the invasion of the Marshall Islands.

The Clapper Award, announced by a group of Mr. Clapper's friends and colleagues, took the form of a gold medal to be given annually to the Washington newspaper writer whose journalistic contributions most closely approximate the outstanding reporting of Mr. Clapper. A plaque by a famous artists will hand in the National Press Club and the name of the winner will be added each year. As the fund grows a cash award will be added.

X X X X X X X X

## HAMMOND, JR. SEES PERIL IN NAZI RADIO BOMBS

John Hays Hammond, Jr., internationally known inventor and holder of patents on radio-controlled bombs similar to those being used by the Germans, was quoted recently as saying in Boston he believed the Nazis have only been practicing with the projectiles and that their full force would be felt later, the A.P. reports.

"My feeling is", he said, "that perfection of this device by Germany would imperil the British fleet. The fleet versus glider bombs could be the next phase of this war - it could be glider bombs against the combined Allied fleets.

"No shipping will be safe if the Germans perfect this type of warfare, excepting those ships which can stay out of reach."

(His prediction was described in London as "visionary and exaggerated out of all proportions", by one British expert.

X X X X X X X X

## CBS' "AMERICAN SCHOOL OF THE AIR" CONSULTANTS TO MEET

The National Board of Consultants of Columbia Broadcasting System's "American School of the Air" will hold its fourteenth annual meeting March 29th at network headquarters in New York City. The meeting will be devoted to planning the 1944-45 season.

Plans formulated will be forwarded to Educational Directors at CBS affiliated stations for comment. Presiding at the meeting will be Chairman of the Board, William C. Bagley, Professor Emeritus, Teachers College, Columbia University. Leading national educators will attend.

X X X X X X X X

"WASHINGTON BROADCAST" BOOK NOW SAID TO BE 2-MAN JOB

The Man at the Microphone who wrote the new book "Washington Broadcast", turns out to be two persons, according to Hope Ridings Miller in the Washington Post - Wythe Williams, noted author, foreign correspondent and radio commentator, and Frank L. Baer of Washington, former newspaper man, and now a playwright and publicist.

"Work on the book began last June in the National Press Club dining room. The two men met, began discussing possibilities of collaboration, then mapped out plans for the tome before the meal was finished", Miss Miller writes. "Shortly afterward, Baer went to Wythe Williams' farm in Easton, Pa., and the two got down to business in earnest.

"'It was a happy collaboration', Baer said, 'and on the whole an extremely interesting experience - even though we felt we were working on shifting sands.'

"The volume was finished in January and shipped off to the publisher. Last-minute changes had to be inserted, and a couple of chapters, one of which was on John L. Lewis, were dropped before the work was completed.

"Incidentally, local bookstores have been swamped with requests for 'Washington Broadcast', and most of the Capital's table talk has centered around it the past week.

"The authors have been highly amused at some of the criticisms heaped on their brain child. One writer mentioned particularly the chapter on Clare Boothe Luce as being down from the viewpoint 'of an adoring schoolboy'. The State Department chapter came in for some pointed barbs, and one news magazine blasted the style of the book in no uncertain terms. But it continues to sell and sell - a point which seems to prove among other things that every mention in print, no matter how unflattering, is good advertisement."

X X X X X X X X

Fire of undetermined origin Saturday caused damage of approximately \$40,000 to the plant of the Gruver Manufacturing Co., in Silver Spring, Md., and adjacent properties. Silver Spring is on the outskirts of Washington.

The company is engaged in building radio parts for the Government and occupies a series of cement block structures. The fire started in a vat of spraying fluid in the paint shop.

X X X X X X X X



# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

~~NATIONAL BROADCASTING CO. INC.  
370 LEXINGTON AVENUE  
NEW YORK 17, N. Y.~~

## INDEX TO ISSUE OF MARCH 31, 1944.

Mr. Fly Flies Off The Handle Again On Monopoly And NAB.....	1
Lonely Defender Sees Congress Persecuting Walter Winchell.....	3
Philco Seeks N.Y., Washington And British Tele Outlets.....	5
Dr. Taylor Honored By U.S. For Radar Development.....	6
Army Needs 20% More Dry Batteries.....	6
WLB Granting Petrillo Request Will Hear AFM Tuesday.....	7
Backs Down On FCC Probe Gag; Hearings Off Until April.....	7
Dr. Lovett Lands Job With Puerto Rico University.....	8
Small Stations Net \$14,536,000.....	8
Zenith's Unfilled Orders Continue To Exceed \$100,000,000.....	9
Trade Notes.....	10

No. 1615

March 31, 1944

MR. FLY FLIES OFF THE HANDLE AGAIN ON MONOPOLY AND NAB

Seemingly getting close to the bottom of the barrel on what are apparently his interminable appearances before the House Committee investigating the Federal Communications Commission, Chairman James L. Fly again began whacking away at his two favorite whipping boys, the major networks and the National Association of Broadcasters. Also the Chairman endeavored to enlighten the Committee on the phrase, "public interest, convenience and necessity", a concept which he said the broadcasters had found themselves baffled with but which standard, Mr. Fly declared, "had been an integral part of our law for about a century and a half".

Furthermore Mr. Fly declared the Commission had neither the authority nor the desire to dictate the kind of programs the public should have. He said the Supreme Court hadn't added a thing to the fundamental authority of the Commission but that the major networks had capitalized on the phrase "composition of traffic" to raise the hue and cry that the FCC was trying to choke off free speech.

Mr. Fly asserted that through the Supreme Court decision "the monopolistic shackles which RCA (through NBC) and CBS had imposed on the radio broadcast industry were finally broken." Rep. Miller (R), of Missouri, asked if he had once referred to the National Association of Broadcasters as an organization which was like a "dead mackerel in the moonlight because it both shines and stinks". Mr. Fly admitted this saying that the control of the networks over the broadcasters "stank at that time and still stinks".

"I do think, though it is not my business, that the broadcasters ought to have an association that is not dominated by the networks", Mr. Fly told the Committee, denying, however, that he had ever taken any "substantial" part in promoting the organization of any other such association.

He said it was "not true" as charged by Mark Etheridge, former NAB President at the St. Louis "mackerel in the moonlight" NAB meeting, that the study President Roosevelt had requested Mr. Etheridge to make of the radio industry had been with design rendered abortive by the release of an "anti-monopoly" report by the Commission and regulations issued thereunder "violently altering the structure of the American system of broadcasting."

While the regulations were promulgated, as stated, Mr. Fly insisted there was "no relation" between the date of the release of the report, on an investigation which had been started in 1938, and the survey Mr. Etheridge had been about to undertake, but then abandoned, announcing that it had been rendered ineffective.

In concluding his comment upon the phrase "public interest, convenience and necessity", the witness said:

"With the roots of the 'public interest' standard embedded so deep in Anglo-American law, why the recent outcry that this standard, as employed in the Communications Act, is too vague and too broad? The answer is, of course, clear. The Commission promulgated eight regulations directed at the big radio monopoly, and these regulations were upheld by the Supreme Court. That is why we now hear the powerful voice of these monopolists cry that 'public interest is too vague a standard' and that the FCC, under the Supreme Court's decision, 'has the power to determine what shall and what shall not be broadcast to the American people.'"

With regard to the Supreme Court decision, Mr. Fly said:

"Thus, in the network case the Supreme Court did nothing more than decide the issue before it -- the validity of the anti-monopoly regulations. The law with respect to the Commission's power, or rather lack of power, over radio programs was left just where it has always been. Under Section 326 of the Act the Commission is specifically denied the power to tell a radio station what it shall or shall not broadcast. The only power which the Commission does have is the power to review the over-all service of a station to determine whether it is operating in accordance with public interest, convenience and necessity. The Courts more consistently held that if the Commission finds that licensees have been operating their stations for private purposes only or to abuse people or various religious denominations or in any other manner inconsistent with the public interest, it has the power to refuse to issue renewals of license. It is significant that everyone who testified before the Senate Committee on Interstate Commerce on the White-Wheeler Bill has said that the Commission should have power to deny licenses in such situations. Certainly it cannot be said that this power has been abused by the Commission. The evidence before the Senate Committee clearly shows that the power has been very sparingly exercised.

"In short, the cry of the networks and the NAB has been for Congress to 'repeal the Supreme Court decision'. I have shown you that the decision has nothing to do with programs and therefore to overturn the Court's decision would have no effect so far as programs are concerned. It comes down to this. The only result that would follow from a repeal of the Supreme Court decision would be the restoration of the monopoly that the big networks formerly enjoyed. This monopoly must not be restored, particularly when we are on the threshold of television and frequency modulation which would make that monopoly far more powerful than it ever has been in the past."

X X X X X X X X

WABC has signed up for a circus campaign with Ringling Bros. and Barnum & Bailey Combined Shows, Inc., for the circus, on a Tuesday, Wednesday, Thursday and Friday schedule effective April 25.

X X X X X X X X

## LONELY DEFENDER SEES CONGRESS PERSECUTING WALTER WINCHELL

Editor's Note - Space doesn't permit reprinting but if readers are sufficiently interested, they will find the exchanges between Representative Dickstein, of New York, and Representative Hoffman, of Michigan, about Walter Winchell as reported by the Congressional Record of March 29 (Page 3316) very amusing. There are other extended references to the Winchell case in the same issue by Representative Horrman on p. 3311 and Representative Lynch of New York, page A1712.

-----

Although Walter Winchell is known to be President Roosevelt's No. 1 defender and though there are more than 200 Democrats in the House, all quick on the trigger in defending any friend of the President, only two that we know of have gone to the rescue of the rapid fire commentator. One was the old Administration wheelhorse, Representative A. J. Sabath, of Illinois, who did it apologetically, and the other was Representative Dickstein, of New York, who said:

"It grieves me very much that I have to take the floor and say what I have to say on this much discussed question of Winchell, Dies, Hoffman and Rankin. In my judgment, Winchell has become a symbol of persecution by the Congress of the United States. Congress has given this verbal battle so much publicity, time, and energy that the American people have begun to wonder whether we have forgotten about the war. Again and again during the last six months we had to listen to attacks upon Walter Winchell on the floor of this House. Why? Because he has criticized certain Members of Congress. He has not criticized the Congress of the United States as a political institution. I may not agree with everything he has to say, but I would let him say it since that is his privilege as a free citizen of a democracy.

"It was very surprising to me to hear my distinguished colleague, the gentleman from Michigan (Mr. Hoffman) just a little while ago make the 'charge' that J. Edgar Hoover was seen in a restaurant with Walter Winchell. Is it such a terrible thing to discover, that a public official is having dinner - or a chat - with a newspaperman? If it is, then many of us here are guilty of such 'misbehavior' - it seems we all like to talk to newspapermen. Now the gentleman from Michigan gives notice and threatens that because of that incident he is going to see to it that we withhold appropriations from the F.B.I. Because of his dislike of one man, the gentleman from Michigan threatens to hold up the appropriation used by an important Government agency in its work carried on for the protection of all the citizens of the United States and not for any individual person, whether it is J. Edgar Hoover, its able director, or any of the five or six thousand men who are under him. If that is not a misuse of congressional power to intimidate people, I do not know what to call it."

Here Representative Hoffman (R), of Michigan, broke in:

"The gentleman is absolutely wrong in saying that I suggested that appropriations should be withheld. I made no such statement. I said that when the Department of Justice came up here for appropriations we should ask Mr. Hoover where he stands, whether he is going along with Winchell in his attacks on Congress, on the loyalty of Members of Congress, whether he is going to continue to let Winchell use him and the Department for the benefit of his broadcasts. It is time the F.B.I. tells the public and the courts whether in its opinion it is true as charged by Winchell that there are saboteurs in Congress. That is what I said, and I stand on that."

"I have been here long enough to know that the Members on both sides of the aisle are Americans of outstanding ability", Representative Dickstein replied. "In trying to do one's job one necessarily steps on other people's toes and as people in public life we should expect attacks from our opponents. The record of a man in public life is a much better weapon than any speech he can make to defend himself against such attacks. If a man's record is such as to make a liar out of his accuser, why not just point that out and let the American people who have a lot of good common sense, decide the issues involved. We have been acting like a lot of prima donnas lately."

"Why, my dear friends, Congress now, has practically become a co-sponsor of - what is that lotion - Jergens' lotions - all the free publicity we have been giving this product must have boosted its sale quite a bit. We have made it so popular in the last few weeks - mentioning it repeatedly on the floor of the House that everybody should have heard about this product by now. We have given more publicity to Jergens' lotion than Jergens himself could possibly ask or pay for. Now, what is it all about? Let us take the facts, and I do not try to be facetious. I did not come here to create a fight. I am giving you the facts. I have sat on this floor for months, day in and day out and have heard 'Winchell', 'Lipschitz', and other names being flung around with all kinds of insinuations and innuendoes attached to them."

"Oh, no; I never said his name was Lipschitz", Mr. Hoffman said, but I will cite you the book where Winchell offered \$100,000, years ago, if anybody could prove his name was Lipschitz."

Discussion got around to the bill that Representative Hoffman introduced which would prevent a Naval officer from criticising Congress or the President. It was aimed at Mr. Winchell, who is a Naval officer on inactive status. Representative Hoffman believes the passage of this bill would cause Winchell to be discharged from the Navy.

"Since you are worried about the Navy officers' status as gentlemen", Mr. Dickstein said to Representative Hoffman, "and since one of your basic requirements for a gentleman is his refraining from using disrespectful words against the President and the Vice President and so forth, I must call your attention to the fact that many a Member's status as gentleman may be seriously challenged if we recall

the language they used while referring to the President and the Vice President. If certain conduct is expected from gentlemen in one branch of the Government, the same standards should be set up for all other branches of the Government. What right have we - "

"Listen", Mr. Hoffman broke in. "When I retaliated when the President said that we were perpetrating a fraud by passing the so-called soldiers' vote bill, and when he charged we were passing a bill for the greedy when we put through the tax bill - might be - might be - we are exchanging compliments with the White House - might be. Members of the majority used stronger language than did I. So did Members of the other body - members of the President's own party."

Representative Dies asked Winchell in a radio speech last Sunday night to name the "great personage with so much power that he can reach into the Navy to keep Mr. Winchell on the air and off the seas." Winchell told the St. Louis Star-Times in a copyrighted interview later that Admiral Arthur J. Hepburn told him to stay on the radio.

Representative Dies (D), of Texas, in an address in Chicago, said he had been informed that sponsors of radio programs, "such as the Winchell program", are permitted to deduct the costs of such programs from their income tax returns and asked the Internal Revenue collector what steps could be taken to halt the practice.

Mr. Dies said he had been told that such deductions "run into millions of dollars annually and that instead of this money going to the war effort, in some instances it is being used to spread disunity through attacks upon the legislative branch of our Government."

The letter was addressed to Internal Revenue Collector Joseph D. Nunan, Jr. In conclusion Mr. Dies asked what action is necessary to eliminate income tax deductions by sponsors of radio programs such as the Winchell broadcasts.

X X X X X X X X X

#### PHILCO SEEKS N.Y., WASHINGTON AND BRITISH TELE OUTLETS

Philco has applied for television station construction permits for New York City and Washington, D. C. The former would be operated on Channel #9 (180000-186000 kilocycles), and the Capital station would be operated on Channel #4 (78000-84000 kilocycles).

Philco Radio and Television Corporation of Great Britain has bought a factory from General Aircraft, Ltd., and control of the manufacturing organization involved, as a potential production plant for the post-war television setup. Philco officials declared their intention to put mass produced television sets on the market immediately after the war. The Radio Industry Council and the Government Council on Television in England have advanced a plan by which 85 per cent of British homes could be linked up via television within nine months of the end of the war and operated through 12 stations relaying a main BBC program, it was stated.

X X X X X X X X X X

## DR. A. HOYT HONORED BY U.S. FOR RADAR DEVELOPMENT

Dr. A. Hoyt Taylor, Chief Physicist of the Naval Research Laboratory, last Tuesday, as one of the inventors of radar, was awarded the new Medal for Merit in recognition of exceptionally meritorious conduct in the performance of outstanding services. Dr. Taylor and John C. Gerand, inventor of the Gerand rifle, were the first two to win this medal, which was awarded by President Roosevelt and presented by Secretary of State Hull, who is Chairman of the Medal Board.

Dr. Taylor was praised for having "labored tirelessly in a course of intensive research and experimentation which eventually resulted in the discovery and development of radar."

In this country the development began in 1922 when two scientists, Dr. Taylor and Leo C. Young, of the Naval Research Laboratory, discovered the basic principle of radar.

Dr. Taylor, born in Chicago, and now 65 years old has been connected with the Naval Research Laboratory at Bellevue, Anacostia, Md., a suburb of Washington, since its establishment and has been closely associated with the development of radio in the Navy since 1917. He first joined the Government service in November, 1917, with a commission as commander in the Naval Reserve, and he served five and a half years in the naval uniform as an engineer. Four years of this service was in the aviation corps as a consulting radio engineer.

X X X X X X X X

## ARMY NEEDS 20% MORE DRY BATTERIES

Members of the Flashlight Case and Battery Industry Advisory Committee have been told that a 20 per cent increase over present production of dry cell batteries for military purposes will be needed to meet 1944 military requirements, the War Production Board reported this week.

The industry expects to maintain production of batteries for civilians at the present level, IAC members said. Facilities not adaptable for military production are used for the manufacture of civilian batteries.

A representative of the Standards Division of the Office of Price Administration, praised the dry cell battery industry for its efforts to maintain quality of its products during the war. He also outlined the work done by the OPA Price and Standards Divisions in their efforts to relate price and quality of over-age military batteries which are now being sold, some in re-assembled form, for civilian use.

X X X X X X X X

## WLB GRANTING PETRILLO REQUEST WILL HEAR AFM TUESDAY

Granting the request of the Petrillo AFM group, the War Labor Board will hold a public hearing in Washington next Tuesday, April 4th. At this time the musicians will have an opportunity to present their objections to the recent report of the New York Panel. The Petrillo organization objected to the report stating that it was contrary to law and fact and beyond the powers and jurisdiction of the Board.

X X X X X X X X

## BACKS DOWN ON FCC PROBE GAG; HEARINGS OFF UNTIL APRIL

Evidently the House Committee threw a scare into Attorney General Biddle when the Administration resorted to its usual tactics of gagging a witness - in this case Charles R. Denny, General FCC Counsel.

After more than an hour of futile questioning concerning Mr. Denny's position with regard to the removal from the air of Stefano Luotto, Italian language broadcaster at Station WHOM, New York City, a motion to cite the witness for contempt and compel him to reply was made last Wednesday by Representative Miller (R), of Missouri.

The next day the Attorney General, evidently sensing the temper of the Committee, and the anti-FCC wave that now seems to be sweeping over the Capital, backed down and permitted Mr. Denny to answer the questions in executive session.

The first question was:

"In the light of available information, is there any reason from the Commission's standpoint, why Stefano Luotto should not be permitted to broadcast?"

"The answer is no, there is not", Mr. Denny said. "And while on this point, I cannot speak for the Commission, I will say as its counsel that at this time I would not recommend revocation of the license of a station for employing him."

The other question, was:

"Has he (Luotto), to your knowledge, done anything that would justify his exclusion?"

"Yes, there was justification for that action, when taken", Mr. Denny replied, explaining that questions previously raised as to Mr. Luotto's 'attachment' to the United States had since been resolved in his favor and that no reason now existed for his further exclusion from the air.

According to the present plan there will be no more hearings by the House FCC Investigating Committee until after the Congressional Recess - April 12th.

X X X X X X X X X X



## DR. LOVETT LANDS JOB WITH PUERTO RICO UNIVERSITY

Dr. Robert M. Lovett, former Secretary of the Virgin Islands, who along with Dr. Goodwin Watson and William Dodd, Jr., of the Federal Communications Commission, whose pay was cut off by Congress for alleged subversive affiliations, has joined the English Department of the University of Puerto Rico at San Juan. Dr. Lovett was a former Professor of English in the University of Chicago. He was the honor guest at a farewell reception at St. Thomas in the Virgin Islands, which, according to dispatches from there, attracted the largest crowd ever assembled in these islands for any similar event. He received a testimonial from twenty-nine civic organizations.

According to Drew Pearson, the inside story of how Dr. Lovett finally was separated from the Government pay-roll was this:

"Lovett, one of the most controversial figures in the Government, was voted out of his job by Congress after an adverse report by the Dies Committee because he belonged to certain liberal organizations.

"However, Ickes refused to fire Lovett - until the other day. He kept him on the job in the Virgin Islands in order to give Lovett a chance to make a test case before the Court of Claims or the U. S. Supreme Court as to whether or not Congress has a right to interfere with the President's appointments of executive officers.

"Last week the House Appropriations Committee was all set to raise another rumpus with Ickes when they met behind closed doors. In fact, one of the first questions asked of Ickes was whether Lovett was still on his payroll.

"If you had asked me that question at 9 o'clock', replied Secretary Ickes, with a twinkle in his eye, 'I would not have been able to tell you. But the first thing I did when I arrived at the office this morning was to look up Lovett's status. When I found he was still employed in the Virgin Islands, I immediately dictated a request for his resignation.' "

X X X X X X X X X

## SMALL STATIONS NET \$14,536,000

The nation's small broadcast stations are prospering, according to a survey just completed by the Federal Communications Commission on stations of 1 to 1½ K.W. There were 160 of these operating last year, some with reduced power at night, and 11 were non-commercial.

Returns from the 125 which filed financial reports with the Commission show 1943 "net time sales" of \$14,536,000. Same stations reported only \$11,897,000 in 1942, an increase of 22%. Only 14 of the 125 making statements showed reduced time sales. All of the others are up. Forty-four reported sales increases of between \$25,000 and \$128,631 for the year. Of these stations, 93 have network affiliations.

X X X X X X X X X

3/31/44

ZENITH'S UNFILLED ORDERS CONTINUE TO EXCEED \$100,000,000

The Zenith Radio Corporation reports an estimated consolidated operating profit for the first nine months ended January 31st, 1944, of its current fiscal year, amounting to \$5,112,138 after depreciation, Excise Taxes and reserves, including reserves for voluntary price reduction on war contracts and renegotiation, but before provision for Federal Income and Excess Profits Taxes.

Federal Income and Excess Profits Taxes on this profit are estimated at \$3,452,921.

Reserves which have been established for renegotiation are considered adequate by the management. Any adjustments necessary should not greatly affect the net result reported herewith in view of the existing high Excess Profits Taxes.

"The Company is continuing to produce large quantities of war material. All branches of the Armed Forces are very complimentary in their appraisal of the Company's performance on its contracts, particularly in regard to its outstanding record in producing all items on schedule", Commander E. F. McDonald, President of the company, reports.

"Unfilled orders continue to exceed one hundred million dollars.

"The Company has, in close cooperation with the Armed Forces, continuously pioneered the development and manufacture of vital radionic war apparatus. It has been and is the largest producer of frequency meters (used to check the radio frequencies of transmitting and receiving stations) and many items in the field of communication; has been a leader in the development and production of radar and has developed and lately perfected several vital and advanced types of secret apparatus for which it will be the prime source of supply.

"Because of the great benefit to the war effort, through placing large numbers of hard of hearing persons in war plants, the Company has been able to secure sufficient materials to substantially increase production of its new Radionic Hearing Aid. It will be some time, however, before the current backlog of orders is filled.

"The Company's subsidiary, Wincharger Corporation of Sioux City, Iowa, producer of wind-driven electrical equipment for farms and electrical dynamotors for military and aviation, has been shipping at a rate of 50% above the previous year. In view of the substantial backlog of orders on hand, it is expected this increased rate of shipping will continue."

X X X X X X X X X X

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

Though the Cincinnati Times-Star has its own station WKRC, it is dropping its column of radio gossip for the duration. This follows the lead of the Cincinnati Post affiliated with WCPO.

The Cincinnati Enquirer, which has no radio station connection still continues its radio page.

-----

The Columbia Broadcasting System has asked the FCC for the go ahead signal for a powerful new 50 KW wartime international broadcast station at Delano, Calif., to be operated on 6120, 6170, 9650, 11830, 15270, 17830, 21520 and 21570 kilocycles.

-----

The three notes of the famous NBC Chimes - the musical triad heard daily by countless millions of radio listeners are now sounding every fifteen minutes in the lobby of the NBC Building, Radio City. The actuating device, developed by NBC's Engineering Department, is operated by electronic means, which insure absolute pitch. Only the chimes sound on the quarter and half hour but they are followed on the hour by gong-like tones giving the exact time.

-----

The number of Blue Network employees has increased from 324 to 832, including 134 in the armed services, Edgar Kobak, Executive Vice-President, told the members of the Akron Rotary Club last Wednesday, in outlining the Blue's growth since it was set up as an independent network in January, 1942.

-----

Showing a marked upturn in year 'round sponsorship and a decline in seasonal cancellations, 119 of WOR's advertisers in 1943 remained on the air Summer and Winter although many of them were seasonal products. Of the 119 accounts, 77 of them used WOR for the entire 52 weeks of 1943.

-----

In Washington, Charles Michelson, the veteran publicity director for the Democratic National Committee, gave a dinner for his successor, Paul Porter, former CBS counsel in Washington. After all the guests assembled and the small-talk was over, Mr. Michelson presented Porter to them. The new publicity director stared at the veteran Michelson, who had guided the Democratic National Committee through three presidential campaigns, then, according to Leonard Lyons, "I feel", Porter confessed, "as if I had just walked onto the podium at Carnegie Hall, and Kriesler gave me his fiddle and said, 'Play.'"

-----

A suit for \$90,000 charging James C. Petrillo, as President of the American Federation of Musicians, with preventing Opera-on-Tours, Inc., from using transcribed music in its productions was filed in the New York Supreme Court this week.

It was learned the suit had been filed when the opera company sought a pretrial examination of Mr. Petrillo and Richard F. Walsh, President of the International Alliance of Theatrical Stage Employees, who also was named as a defendant.

Permitted uses of Manila fibre in the manufacture of certain types of essential papers include the production of electrolytic condenser paper for the manufacture of electrical condensers or capacitors where such paper is required, but such paper must not be heavier than 18 pounds per ream in sheets measuring 24 x 36", the War Production Board's Pulp Allocation Office explained yesterday.

Roy Harris' Sixth Symphony, specially commissioned by the Blue Network, will be performed for the first time Saturday, April 15th, during the regular broadcast of the Boston Symphony Orchestra, sponsored by Allis-Chalmers Mfg. Company. Harris has devoted the past year to the composition of the symphony, based on Lincoln's Gettysburg Address.

WCHS, Charleston Broadcasting Co., Charleston, W. Va., has asked the FCC to reinstate its application for construction permit to install new transmitter, changes in directional antenna for night use, change frequency from 580 kc to 640 kc, increase power from 5 KW to 50 KW, and move transmitter.

Neil Dalton, Assistant to the President of the Courier-Journal & Times, Louisville, Ky., on Thursday joined the Office of War Information as Assistant Chief of the News Bureau, Domestic Branch. Mr. Dalton served as Managing Editor of the Louisville newspapers after ten years as city editor. Dowsley Clark, former Managing Editor of the Minneapolis Tribune, is Chief of the News Bureau. Announcement also was made that Herbert C. Plummer, Assistant Chief of the OWI News Bureau's general news desk, has been made general news chief.

Incandescent and fluorescent lamp manufacturers in the immediate future may expect to continue to use tungsten and molybdenum at the present rate, War Production Board officials have told members of the Incandescent and Fluorescent Lamp Industry Advisory Committee, WPB reported today. Very little change in the production of these metals is anticipated at present.

Frank R. Deakins, whose career parallels the development and expansion of the radio industry, has been named President of RCA Victor Company, Ltd., of Canada, a wholly owned subsidiary of the Radio Corporation of America. Mr. Deakins rejoins the Canadian company in which he held the position of Executive Vice President from 1932 to 1934. He will direct the activities of more than 3,300 employees employed in the manufacture of radio and electronic equipment for the wartime needs of the Canadian government.

Mr. Deakins first became associated with the radio industry when he was with the General Electric Company. He rose to become the Sales Manager of the Radio Department. He joined RCA in 1930 as assistant to the President when RCA began to manufacture its own radio and electronic equipment.

He was made Manager of RCA's Engineering Products Division in 1931 and the next year joined RCA Victor, Ltd. of Canada as Executive Vice President. He returned to RCA Victor, Camden, in 1934 to become Manager of the Special Apparatus Division. Since the entry of the United States into the World War, Mr. Deakins has been Executive Assistant to the General Manager.

X X X X X X X X