

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

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October 7, 1941

BELL TELEPHONE BOOK TAKES FCC FOR A RIDE

Following a hearing at the Capitol where the Federal Communications Commission was on the grill for cracking down on the networks, a prominent Senator remarked to this writer that the Commission gave him "a pain in the neck". During the course of the conversation he passed from the radio situation to the A. T. & T. investigation.

"There isn't a telephone company in the world that gives finer service. I know because I use it frequently. I call my home state by telephone almost every night. A magnificent organization", the Senator said indignantly. "And yet that little bunch of pinheads down at the Communications Commission not being satisfied with continually harassing the telephone company have to spend a couple of million dollars investigating it."

About the time of this conversation, a high official, a former Commissioner, in fact, took occasion to express to me his opinion of some of his colleagues. Mentioning a certain FCC Commissioner who was very active in the A. T. & T. inquiry, he said:

"He is a dumb-bell. I thought when he first went on the Commission the man was smart, a crusader, who really had something on the ball, but he is just plain dumb."

This was all brought to mind by a book "The Bell Telephone System" written by Arthur W. Page, Vice-President of the American Telephone and Telegraph Company, just published by Harper & Brothers. Mr. Page never gets rough with the boys, but in a calm conservative manner, doesn't have the slightest hesitancy in saying exactly what he thinks about Government regulation. It is the only book we ever heard of, written by an officer of a large company, defending that company. The usual practice is to have some outsider do it, but Arthur Page takes off the false whiskers and does the job himself.

A former Vice-President of the famous old publishing house of Doubleday Page and Company, but who has been with the telephone company for the past fourteen years, Mr. Page is well qualified to write such a book as this. Furthermore, he is the son of former Ambassador to Great Britain Walter Hines Page and a brother of Frank C. Page of the International Telephone and Telegraph Company.

Of course Mr. Page discusses many other subjects for his book is virtually a history of the Bell Telephone System, but the chapters the broadcasting industry will turn to first, being in the same boat as the A. T. & T. insofar as government regulation is concerned, will be those on "Telling the Public", "Politics",

"The Investigation (A. T. & T.)", "State Regulation" and "Federal Regulation".

A Preface states "this book should serve a useful purpose in furnishing the critics of big business with the record of at least one tremendous organization in which a deep sense of obligation is shown to have been continuously manifested in its dealings with employees and the public".

Commenting upon the investigation that the FCC made of the A. T. & T., Mr. Page wrote:

"The chief counsel of the investigation started his hearings in a search for scandal, for he opened the investigation of a great national service with testimony on the use of telephone service by horse race bookies. At the end of this he suggested to Mr. Gifford that this was a skeleton in the closet.

"But the facts did not measure up to that stature.

"The newspaper reporters looked on the investigation as a search for scandal and, when scandal did not appear, rather neglected the hearings.

"The investigators produced thousands of pages of reports in which it is hard to find any comment indicating their belief that the Bell System ever did anything well or from a good motive. The Chairman of the Telephone Division of the Commission in asking Congress for more money to complete the investigation 'admitted' that the telephone company gave the finest service in the world - as if that were against his interest.

"The 'hearings' during the investigation were conducted without allowing the company to present its case on the matters brought up or to cross-examine the Commission's witnesses. The 'comments' on the investigators' reports and the 'Brief' on Commissioner Walker's Proposed Report which the company was later allowed to file with the Commission could not take the place of cross-examination and the presentation of company testimony at the hearings. The investigators could make any statements or deductions without challenge and their reports, although not officially adopted by the Commission, were printed at Government expense and sent by the Commission to state commissions all over the country. The investigating group, while of a caliber to discover financial juggling if it had been there, certainly had neither the engineering competence, management skill nor experience in telephone operations to give to a lay board like the Federal Communications Commission a balanced or judicious background for its policies. It is inconceivable that anyone would rely on the reports of the investigating group as an authority if he were going to risk his own money in large quantities.

"In its annual reports for 1936, 1937 and 1938, the American Telephone and Telegraph Company publicly registered its objections to the unfair methods of conducting the investigation, as it had also done to the Commission itself.

"This was a most unusual proceeding for a business that had long advocated and lived with regulation. But there were two compelling motives to register every possible objection to the methods of the investigation.

"Character is an asset of a business. Reputation affects the customers, the stockholders, and the employees. The method of the investigation, far from tending to improve service or economy, was calculated to create discord, destroy morale and frighten investors. The Bell System would have been derelict in its responsibilities had it not protested.

"In the second place, the people who make up the Bell System are citizens of the United States with standing in their various communities. They have children and friends like other people, and their reputations mean something to them. They have, therefore, every reason for deep seated personal resentment when an agency of the Government, which they help to support, sets out to attack their characters.

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"The members of the Commission who issued the final report, with the exception of the Chairman of the former Telephone Division of the Commission, had taken little part in the investigation. Some had been appointed after the investigation was really finished and had taken no part.

"Although the final report had to be built from the material of the investigators and could, therefore, hardly rise above its source and analyze the telephone problem from much of any point of view but the statistical, it did nevertheless have a very different tone from the conduct of the investigation. Some of the attitude of the investigators remained, as for instance putting in the word 'alleged' before the mention of services by the American Telephone and Telegraph Company, but on the whole the report isn't another chapter in the school for scandal."

Regarding the national advertising program of the Bell Telephone System on the radio, Mr. Page wrote:

"The investigators of the Federal Communications Commission, in commenting upon the advertising policies of the Bell System, quoted from a letter from an advertising agency to the American Telephone and Telegraph Company advising against radio advertising. The Federal Communications Commission's report to Congress recorded this in this way:

"The Bell System does comparatively little advertising by radio, despite the fact that it is one of the beneficiaries of radio broadcasting through the leasing of circuits for program transmission service. The reasons, as stated by one of its advertising agents, for the Bell System's failure to advertise more extensively over radio are twofold: first, such advertising would direct the public's attention to the amount of money being spent for advertising purposes, and second, the probable adverse effects upon the established goodwill of newspaper editors.

This is not of much importance except as a commentary on the methods of the investigation. The facts were that this letter was written in connection with a study of a possible radio program for the Bell System. The interest in radio continued after the receipt of the letter just as it had before and finally resulted

in a program recommended by the same agency that wrote the letter. If the investigator who ferreted out this isolated letter, which seemed to fit a thesis he had in his mind, had asked any one of several people, he could have found out in a few minutes that the letter did not represent the Company's view. We did not then have a general radio program for the simple reason that we hadn't found a program to suit us. The Bell System was trying to find such a program then and it kept on trying until it succeeded."

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THOMAS W. SYMONS, JR., NOTED WESTERN BROADCASTER DIES

Because he had so recently visited the Capital apparently in the best of health, news of the death of Thomas W. Symons, Jr., head of Stations KXL in Portland, Oregon, and KFPY, in Spokane, came as a shock in the East. Although thought by many to be a Westerner, Mr. Symons was born in Washington, D. C., April 22, 1889, the son of Col. T. W. Symons of the Army Engineers. Colonel Symons, as Chief of Engineers, had the distinction of laying out Potomac Park, now one of the Nation's beauty spots.

Mr. Symons, Jr. had attended the recent National Independent Broadcasters' Convention at Chicago. He later came to Washington, D. C., and then as fate would have it, went to Northampton, Mass. for a visit with his aged mother. Following this, he flew back to Portland. It was on last Wednesday while on his farm near Newberg, Ore., outside of Portland, that he suffered a stroke and died early Thursday morning.

Funeral services were held last Friday afternoon at the Newberg Chapel. He leaves his wife, Frances Rutter Symons; his daughter, Virginia Page Symons, and his son, Thomas W. Symons, 3d, now with the Royal Canadian Air Force in MacLeod, Alberta. He also is survived by his mother, Mrs. T. W. Symons, of Northampton, Mass.; a brother, Noel, attorney of Buffalo, and a sister, Mrs. Cortlandt Van Winkle, of Northampton.

A pioneer in both aviation and radio, Mr. Symons placed KFPY, Spokane, on the air in 1922. He established KGIR, Butte, in 1929, with E. B. Craney, and along with Mr. Craney purchased KXL, Portland, in 1937. His associate at KFPY is Arthur L. Bright, Vice President and General Manager.

During the first World War, Mr. Symons was a Flight Commander serving from 1917 to 1919 in the Air Service. He was a Captain in the 41st Division Air Service of the Washington National Guard at Spokane for several years, and headed the Symons-Russell Aviation Co., operating from Spokane in the early days of aviation.

Mr. Symons was graduated from Yale and Oxford Universities. He later studied law at George Washington University in Washington. Mr. Symons also had been a Director of the National Association of Broadcasters.

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FCC POWER TO BAR MULTIPLE OWNERSHIP CHALLENGED

It became very apparent at the hearing last Monday on the adoption of a proposed rule by the Federal Communications Commission prohibiting ownership of more than one broadcasting station serving the same area, that there was not so much objection to the regulation itself as there was that no proviso had been made that each case should be taken up separately and on its own merits. The Commission, in fact, was warned that it would overstep its authority in making such a rule. Moving along at a speed not in keeping with the temperature in Washington, which climbed into the nineties, the hearings were concluded in a single day. Whether or not the sharp comeback the stations made sealed the doom of the new regulation, could not be told definitely, but it did seem that counsel opposing it scored heavily all along the line.

"What is the reason in the mind of the Commission for the enactment of such a regulation?" John C. Kendall, of Portland, Ore., representing the Louis Wasmer stations, KHQ and KGA, argued. "What are the abuses that now exist requiring the adoption of such a rule? While the Commission up to the present time has not declared, in so many words, that prevention of monopoly is the fundamental reason, we submit that there could be no other logical basis or reason that might be assigned."

Stating that KHQ is the Spokane outlet for the Red Network, and KGA for the Blue, that KGA is likewise the outlet for the Mutual-Don Lee Network and that KFPY carries CBS programs, Mr. Kendall declared that no changes of monopoly had ever been made against either KHQ or KGA and that no monopoly could result as a climax of their operation. Mr. Kendall stated that the proposed rule attempting to prevent monopolistic control is an unlawful exercise of the power delegated to the Commission by Congress. He further asserted that the Act creating the Commission does not authorize or permit it to determine what constitutes a monopoly. Mr. Kendall said the actual investment in KGA exceeds \$240,000.

Representing the Buffalo Broadcasting Corporation, Former Representative Frank D. Scott denounced the rule as unnecessary and undesirable and said that the Commission already had the power to deny applications not in the public interest so why make another regulation unnecessarily.

"I don't think it is right for this Commission to correct the mistakes which it thinks Congress made when it drafted the Communications Act", Mr. Scott declared. "All the present multiple ownership stations in this country were made by the Commission or its predecessor. I don't know whether multiple owned stations are operating in the public interest, and I don't believe the Commission does. The Commission has these people to go ahead and invest their money and now they are going to try to rule them out of business."

No argument was made by Mabel Walker Willebrandt, former Assistant Attorney General, representing the stations of Ralph L. Atlass, WJJD and WIND, in Chicago, respecting the wisdom of the rule in cases where dual ownership results in monopoly. Mrs. Willebrandt pointed out, however, with all the stations in the Chicago area that WJJD and WIND did less than 10% of the business. If the Commission reaches conclusion that dual ownership rule should be adopted the rule should be so worded as not to prevent the dual ownership where actually there is no monopolistic result.

"WJJD and WIND together are but 2 of 18 stations serving the Chicago area", Mrs. Willebrandt told the Commission. "The other 16 stations are owned and operated by 13 separate and competitive groups. Thus there are 18 stations and 14 different owners. Each of five of the competing stations are 50 KW network stations covering a larger area and doing a great percentage of the business than WJJD and WIND combined. A sixth station has superior facilities. Two more stations have comparable facilities to WJJD, and an additional two have only slightly less desirable facilities.

"The rates of WJJD and WIND are less than, or comparable to those of other stations with like facilities in other markets, and are substantially the same or higher than those of competitive stations with like facilities in the same market. Entirely separate sales staffs are employed for each station, and the stations are as competitive with each other as are other stations in the market. Any economies effected through dual operation have been used in furthering program service. This in turn has enabled a larger volume of business, and of service to the public.

"Operations for the current year indicate that more than \$700,000 will be spent in the operation of WJJD and WIND during 1941. This is, we believe, a larger amount than is spent by any two comparable stations, operated by separate owners in a similar market. This aggressive and competitive operation has enabled us to become the chief source of competition to the network stations in Chicago."

The rule was opposed by the National Broadcasting Company, through its counsel, Duke M. Patrick, on the grounds that it would be against the public interest and beyond the authority of the Commission.

Mr. Patrick pointed out that NBC assumed ownership or operation of two stations in each of four cities only after it had secured the full consent of the radio commission, and that it invested several millions of dollars after obtaining such approval.

Further, Mr. Patrick argued, NBC always has operated these stations upon the highest standards, a fact attested to by the license renewals which have been given to each station by the present Commission and its predecessor at regular and frequent intervals. Each such renewal, it was pointed out, was predicated upon finding by the Commission that such re-licensing would be in the public interest, convenience, or necessity.

In the present instance, he asserted, there is no complaint or charge that these stations are not now being operated in the public interest, and any change such as envisaged in the FCC's proposed rules would inevitably result in damage to the service the listening public now receives, as well as to the company which acquired them and has operated them in good faith.

Mr. Patrick also argued that the Federal Communications Act of 1934 does not give the FCC power to issue such a rule.

He read a statement by Senator Dill, co-sponsor of the original Radio Act in 1927, that "The bill does not attempt to make the Commission the judge as to whether or not certain conditions constitute a monopoly - it leaves that to the Court."

"If the Commission is of the opinion that multiple ownership is a matter which should be dealt with, the way is open. It is to Congress that it should address its recommendation for additional authority", argued George O. Sutton, for WRAW and WEEU, Reading, Pa., WILM and WDEL, Wilmington, and WJAS and KQV, Pittsburgh.

"It must be concluded that the Commission's projected action is without the authority and, in fact, violates the mandate of Congress; and proposes to dispense with due process of the Act. Such action becomes even more oppressive when considered in light of the fact that the Commission has by its own action approved the very conditions, now existant. The assurances given by the creator at the time the progeny came into being should be no less now."

The assertion was made by Ben S. Fisher appearing in behalf of KOMO and KJR, Seattle, that these stations became prosperous and successful because of dual ownership.

"Are the stations making any money?" Chairman Fly inquired.

"No", Mr. Fisher replied. "KJR never made any money."

"How much is it losing?"

"About \$50,000 a year."

Whereupon Mr. Fisher remarked that when stations were not successful there was no clamour about dual ownership.

"Do you think we ought to hear from every case of dual ownership before arriving at a rule?" Commissioner Tam Craven inquired.

"Yes", Mr. Fisher replied.

Expressing the opinion that there was grave danger that the Commission had gone too far, Louis G. Caldwell, representing the Earle C. Anthony stations of Los Angeles KFI and KECA, said that if the Commission did not have a hearing for each case, it would lose its opportunity to do justice. He suggested there might be an excess of power exercised by the Commission.

Mr. Caldwell said the Earle C. Anthony stations had lost over \$900,000 in previous years and only started to make money recently. Only two years ago, he said, Mr. Anthony, who himself was present at the hearing, had spent \$400,000 to improve station facilities and \$50,000 more to improve the capital investment. Proof of lack of monopoly, Mr. Caldwell said, was the fact that there were 18 or 19 stations operating in the Los Angeles area, more than in New York or Chicago - cities several times its size. Mr. Caldwell said it would be impossible for Mr. Anthony to sell a station for anywhere near what he paid for it.

Each multiple owned station represents a different problem, Henry B. Walker said, in behalf of WGBF and WEOA, of Evansville, Indiana, and would object to being thrown in the basket with the others.

"There cannot be any standard laid down by which the Commission can equalize this situation", Mr. Walker continued. "The newspapers in Evansville are under one ownership. They will not print our programs so we print one of our own devoted to radio - 20,000 to 30,000 copies."

Mr. Walker expressed the opinion that FM stations will eventually drive the standard stations out of business.

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WOULD GRANT NEWSPAPERS LICENSES ON MERIT RECOMMENDED

The weary grind of the inquiry of the Federal Communications Commission into the question as to whether newspapers should own newspaper stations will be resumed Thursday morning, October 9th.

Two Harvard professors were the last witnesses heard. Zachariah Chaffee, Jr., Professor of Law at Harvard, told the Commission he did not advocate excluding newspapers from operating stations, but he suggested instead that each application be judged on its merits, with certain rules for the Commission's guidance.

In considering future applications for station licenses, Prof. Chaffee said, the Commission might find that in one community it would be better, from an economic point, to have a newspaper and radio station combined, rather than invite ruinous competition, while in another community the regulatory body might well require separation of the two means of public communication.

From the viewpoint of general welfare, he added, a flexible rule, allowing the Commission wide discretion, might be indicated. On the other hand, objections to such a plan could be raised, he explained.

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"It might be said", Prof. Chaffee added, "That newspapers opposing the administration would be in bad favor, and a communications commission could whip them into line with a flexible rule by refusing licenses."

C. J. Friedrich, Professor of Government at Harvard, warned against "monopoly in opinion", which he saw as a drift toward totalitarianism. He added:

"The average man in the street, in whom I have great confidence, will be best able to exercise his civic functions if he gets information from as many sources as possible."

But Professor Friedrich, who has made special research in the field of communications and conducts a seminar on the subject at the Harvard Graduate School, explained:

"I am no believer in the application of abstract social theories to facts."

Some towns, he said, he realized will support only one newspaper each and to try to force another paper on such a town would mean no newspapers at all.

While he did not express categorical opposition to all newspaper-owned radio stations, Professor Friedrich said the presumption should favor diversity of ownership and the Commission should put the burden on a newspaper applicant to prove he should own a radio station.

Newspapers, he added, have become "increasingly a production enterprise", and the man who starts a newspaper today must have capital, must be a businessman, in contradistinction to the early days of the republic when an editor started a paper to advocate certain political principles.

Radio, he said, has barred the crusading editor on the ground that households do not want their firesides invaded by violently controversial issues.

Presentation of news, he pointed out, is a matter of selection, since it is impossible to print or broadcast everything, and the more diversity there is in compiling this news, the better for the public.

"The public does not get what it wants", he insisted, "either from the press or the radio."

He blamed chain newspapers to an extent for the collapse of democracy in Europe.

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Well known to almost everyone in the industry, first as Secretary of the old Federal Radio Commission, and later as Managing Director of the National Association of Broadcasters, James W. Baldwin, has been appointed Civilian Assistant in the office of the Chief Signal Officer of the Army.

Direct radio telephone service connected this country and Hawaii today with the Matson liner LURLINE, giving it the first service of its kind on American ships on the Pacific Coast, a dispatch from San Francisco states. The LURLINE sailed from Los Angeles. Officials said installations have been completed on three of the other Matson liners.

For use by affiliated organizations, the Chamber of Commerce of the United States is about to issue a pamphlet "What About Radio?" It will give the relation between local broadcasting stations and local Chambers of Commerce.

Station WMUR, Manchester, N. H. has become a basic supplementary outlet for the NBC Blue Net. At the same time, Station WFEA, Manchester, became an NBC Red Network basic supplementary outlet.

Proceedings of Inter-American Week, now being held in Troy, October 5 to 11 with the purpose of promoting good will among the 21 American Republics are being broadcast to Latin America by WGEO and WGEA, General Electric short-wave stations in Schenectady. President Roosevelt has given his personal endorsement to the project, and Mrs. Roosevelt will be a prominent figure among those participating.

Lewis M. Clement, Director of Research and Engineering of the Crosley Corporation, has been elected a Vice-President. Mr. Clement will continue in charge of research and engineering.

Because of the valuable experience they would receive, the Federal Communications Commission granted the request of the Signal Corps to waive restrictions permitting nine members of the Army Amateur Radio System to operate portable radio equipment during the National Championship Endurance Run sponsored by the American Motorcycle Association.

Wendell L. Willkie attended the two-day annual reunion of his World War regiment, the 325th Field Artillery in Kokomo.

J. Frank Cantwell of Indianapolis, Western Kentucky District Judge Shackelford Miller, Jr., and Don Thornburgh, Columbia Broadcasting System Vice President in San Francisco met Mr. Willkie in Indianapolis and took him to Kokomomo in an automobile.

Seven new affiliates have been added to the network of the Mutual Broadcasting System, bringing the total number of outlets to 182. The stations are: WGBF, Evansville, Indiana; WEIM, Fitchburg, Mass.; WTRI, Sioux City, Ia.; KVFD, Fort Dodge, Ia.; WJMS, Ironwood, Mich.; WATW, Ashland, Wis.; and WBBB, Burlington, N. C.

The first Italian to leave Fascist Italy for fear of imprisonment because he listened to U.S. short-wave broadcasts, arrived in New York Sunday. Until two months ago the young man was one of the regular listeners to Natalia Danesi, Chief of the Italian Section of NBC's International Division. Although illegal, this practice of listening is still quite general throughout Italy, he stated.

One day friends suddenly burst in to tell him that he was to be arrested because he had been denounced to Italy's secret police as a "listener". Fortunately for him, he had made careful plans for escape long before, even including a visa for the U.S.

WOR's continuing Study of Radio Audiences in Greater New York, notable for its discarding of the telephone check system and its penetration into lower income groups, uncovered two new facts about radio listening this week, it was said.

1) News commentators and news programs are popular with all income groups; 2) 4% of typical New York families are "available to listen" between the hours of 2 A.M. and 6 A.M.

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DESPRES APPOINTED OPA RADIO AND BATTERY CHIEF

Appointed Chief of the Radio and Battery Division of the Durable Goods unit of the Office of Price Administration under Leon Henderson is Maurice S. Despres, President of the Dale Radio Company, Inc., of New York. He will start his administrative duties in Washington, D. C. immediately, having resigned last week on a leave of absence from his business interests which include Dale Radio Co., Inc., and the Despres, Dorfman Company, Eastern Division Manufacturers' representative of the Continental Radio and Television Company.

Mr. Despres is a veteran in the radio and battery industry which did an estimated consumer dollar volume in 1940 of \$400,000,000 according to Radio Today magazine. In 1922 he operated in a country-wide capacity as a radio parts and set manufacturing agent until 1929 and for the past 12 years has been at the helm of the Dale Radio Company, Inc., which serves metropolitan New York, Long Island, and part of New England in the distribution of Sylvania radio tubes, Admiral radio sets and phonographs, and related radio items.

Active in many radio industry organizations, Mr. Despres served the industry and the country in 1934 when he was a member of the Radio Wholesalers Code Authority under N. R. A. He is also a member of the New York Sales Executive Club and the American Business Congress.

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HEINL RADIO BUSINESS LETTER

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INITIAL U.S. RADIO SUBSIDIES SEEN LEADING TO OTHERS

Special grants to United States short-wave stations for good neighbor broadcasting by Nelson Rockefeller, Co-ordinator of Inter-American Affairs, are seen as a precedent for additional subsidies by our government not only for broadcasting to Latin-America but all over the world. For years our short-wave stations have been limping along under a tremendous financial handicap because at first they couldn't take advertising, and later when they were finally allowed to carry advertising, it didn't bring in nearly enough revenue.

In all foreign countries the international stations are either owned by the Government or heavily subsidized. Here in the United States they are owned by private companies who have been operating them at a great loss. Naturally, under those conditions, the companies have not had much incentive to invest large amounts of money in improving the service. Nevertheless, being good Americans, the U. S. broadcasters have been carrying on the work as patriotic Americans and all things considered, have done an excellent job. However, complaints have been received that Germany and Italy have been getting into South America better than we have or that our power has been sufficient to keep us from being knocked off the track by other nations.

Therefore, so that we may combat Germany's radio drive into the countries to the south of us, it is understood negotiations are now being carried on with the National Broadcasting Company and Columbia Broadcasting System which may result in each of them receiving approximately \$250,000 a year to expand their international broadcasting facilities. This would be \$500,000 plus \$200,000 already ear-marked by Mr. Rockefeller for the World-Wide Foundation to boost up the power of its station WRUL at Boston 100,000 watts.

Which sounds like fairly big money until one considers all the years the U.S. short-wave broadcasters have been operating in the red. And to give an idea what expansive business international broadcasting is, CBS has just spent \$400,000 enlarging its facilities and it will cost \$500,000 a year to operate their plant.

Other companies engaged in the work besides Columbia, NBC and World-Wide just mentioned, are General Electric, Westinghouse and Crosley. In addition to beaming their programs to South America, they also cover Europe. The General Electric station in San Francisco covers the Far East in many languages, including Chinese.

So the Latin-American broadcasts are only a part of the chore but there is a feeling in Washington if the Government establishes a precedent in subsidizing broadcasts to our Latin-American neighbors, that it will not be long before assistance will be offered to American stations for broadcasts to other parts of the world.

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LEWIS CBS V-P DRAFTED BY LA GUARDIA

The latest man to be brought to Washington by Mayor Fiorello LaGuardia, Director of the Office of Civilian Defense, is W. B. Lewis, Vice-President of the Columbia Broadcasting System, in New York, who has been granted leave to act as Liaison Officer between the broadcasting companies and Civilian Defense.

Mr. Lewis went to CBS in 1935 in a job he didn't apply for. At that time Mr. Lewis, 30, was a free lance writer of advertising copy. He read an article on CBS in Fortune Magazine, and decided it was the kind of an outfit he'd like to work for. So he wrote a letter to President William S. Paley.

Two months before CBS had inserted an ad in a newspaper for a man to take the job of commercial program director. Mr. Lewis hadn't seen the ad, but several hundred other men had. The applicants were weeded down to six, and CBS executives, impressed with Mr. Lewis' letter, added his name to the six. He got the job.

Mr. Lewis joined the CBS staff on July 13, 1935, as Commercial Program Director. He became Director of Broadcasts on January 5, 1936, and was elected Vice-President in Charge of Broadcasts in December of the same year, when he was 32.

Unusual program ideas fathered by Mr. Lewis include last Winter's Free Company series, the two Summer "Forecast" series, the Shakespeare series of 1937, the Columbia Workshop Festival. All CBS defense programs are under his supervision. So is the series of adult education programs, which won CBS the Peabody award this year. He brought Orson Welles to the air, in the first Mercury Theater of the Air series - which was sustaining. The who-dunnit "Adventures of Ellery Queen" went on the air under Mr. Lewis' supervision.

Mr. Lewis was born in Lakewood, Ohio. He studied journalism for two years at the University of Missouri, then joined the J. Walter Thompson Company as an apprentice. He graduated to copy writer, and then worked at Joseph Richards Company and Badger Browning and Hersey, Inc., before joining CBS.

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ARGUES DUAL OWNERSHIP SHOULD BE DECIDED ON MERITS

Opposing the adoption of a hard and fast rule by the Federal Communications Commission prohibiting ownership of more than one broadcasting station serving the same area, Mrs. Mabel Walker Willebrandt, for Assistant Attorney General told the Commission at the recent hearing that continued operation of stations under dual ownership should be determined upon the merits of the case involved as it affects the public interest.

Filed on the eve of the hearing was a statement by the Crosley Corp., operating WLW and WSAI, requesting the Commission to issue a statement "as to the premises upon which the proposed regulation is based". It did not file an appearance as such.

Explaining that the Crosley Corp. knew of no facts or reasons which have come into existence since it acquired WSAI which would in any way be a basis for the Commission reaching a conclusion other than that the two stations are operating in the public interest, the statement said that the Crosley Corp. takes the position that its operation of the stations is serving public interest. It also holds that the deletion of either station would not only not serve public interest, but would be contrary to it.

Mrs. Willebrandt who represented the stations of Ralph L. Atlass - WJJD and WIND, both in the Chicago area - began by explaining that the former is a part-time station sharing time with KSL, Salt Lake, and that WIND is a full time station.

"There are 18 stations in the Chicago area", Mrs. Willebrandt said. "Five of these stations are 50 KW, and six of them have facilities superior to WJJD or WIND. An additional two have facilities comparable to WJJD (WHIP and WGES) and two more (WAAF and WMBI) have facilities slightly less desirable than those of WJJD. All five of the 50 KW stations are network stations. Any one of the five should have more public influence in the market than WJJD and WIND combined. Each one of the four 50 KW channels should account for as much as from three to five times the combined business of WIND and WJJD. The facilities in the Chicago area are controlled by 14 different and competitive organizations."

Mrs. Willebrandt declared there is no monopoly and that WJJD and WIND account for less than 10% of the business.

"Our stations while under dual control maintain separate program staffs, and separate sales organizations. Payrolls during the past eight years have almost quadrupled. They are now over \$6,000 weekly and, as far as we know, greater than that of any other two stations with comparable facilities in a like market.

"WJJD and WIND together have been able to accord various educational groups a service that they apparently have been unable to get over the five 50 KW stations, or any of the 16 other stations in the Chicago area. For instance, the Chicago School Board has

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its classes tune in on such educational programs as they deem of merit. This includes programs presented by the Chicago School Board, as well as other selected programs. Eighty-one percent of all students listening in the class room listen to programs presented over WJJD and WIND. This is more than four times the number presented over the other 16 stations combined. Further, these were the only two stations to clear their schedules and give the School Board the Board's No. 1 and No. 2 selections of times determined by the Board as best suited to the school's use.

"WJJD originates more programs for Army and Navy direct from camps than all others this Summer.

"A separate program policy is maintained for each station. WJJD features a type of program that appeals to the many Chicagoans who have come to the city from the smaller towns and agricultural areas, as well as to those areas directly. Religious programs are also featured. WIND has a more metropolitan and cosmopolitan appeal.

"Program duplications are avoided to an extent not possible if the stations had no community of interest. News, for instance, is scheduled at different times on WJJD and WIND, and at times different than it is heard over other Chicago stations. This is done in order to make news always available to Chicagoans. Contrasted to this, there are times when as many as three of the 50 KW stations are presenting news at the same time.

"Five stations formerly carried base-ball at the same time. WIND dropped out and developed a different type of program in order that the listeners might have more variety.

"The outstanding educational service broadcast by WJJD last year led to the station being cited for the Peabody educational award.

"The community of interest in WJJD and WIND has resulted only in a better operation of both stations. The great number of superior facilities used by other stations in Chicago necessarily prevents any monopoly of listeners. The 16 other stations owned by 13 other operators provide ample competition."

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NBC INTERNATIONAL STATIONS SEEK 100 KW

WRCA and WNBI, short-wave outlets of the National Broadcasting Company, and important in defense communications, have applied for an increase in power from 50 to 100 kilowatts and to be allowed to operate on 9670 kc.

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BLOOD ON MOON AS FCC MULLS ANTI-NETWORK RULES VOTE

Apparently a warm session is ahead when the Federal Communications meets early in the week to decide whether it can reach a vote on a revision of the proposed new rules regulating chain broadcasting which the Commission and the industry have been fighting over for several months. According to one source of information, the latest pact is far from satisfactory. It was said that on the fact of it, the proposals upon which a vote is being sought are "a slight concession but that actually they would bring about a state of disorganization and chaos to the industry". They are supposed to be a compromise but when analyzed "are even more disastrous to the networks than before".

Furthermore, Chairman Fly was described as being on the warpath. "Apparently the dressing down Speaker Rayburn is supposed to have given Fly advising him to slow down hasn't done much good judging by the way he has been acting on these network regulations", it was said.

The new rules are said to postpone the time indefinitely subject to six months' notice when the NBC must dispose of the Blue network. Great doubt was by one observer as to whether anybody would want to buy it as things now stand.

"Under the plan as now worked out", it was asserted by William J. Wheatley in the Washington Star, "the chains are allowed to 'option' time for a period of 58 days in advance. It is proposed to divide the broadcast day into four 5-day segments, and in each of these segments a network may option three hours. But, it was added, if at the end of the 58 days the network has not bought the time, then it becomes open to any other network. The two other hours in each segment are open time and are available to any network.

"But those who have read the new rules say that the station is not required to sell this time to a network other than the one with which it regularly deals. In other words, it was explained, that if a station has sold all of its option time in each segment to one network, it can refuse to sell time to a competing network which might want an outlet on that particular station. The network with which it usually deals, or which has all of its optioned time, can buy the extra two hours in each segment, but the station licensee is precluded from contracting to hold it for a network, nor can he have any agreement of any kind to hold it, it was explained.

"The option time provision, however, is said to be a very strict one. When a chain options three hours in each segment and then buys the time for each period, it cannot option the two other hours in each segment, although it is free to buy the time in competition with other networks, the discretion being left entirely with the licensee."

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ASCAP IN TILT OVER FREE USE TO UNLICENSED USERS

The Board of Directors of the American Society of Composers Thursday in New York voted against approved the action of John G. Paine, General Manager, in releasing the musical score of Walt Disney's "Dumbo" for free use by unlicensed broadcasters. The Board's basis for this action was that the General Manager had acted outside the scope of his authority in granting such free use.

"ASCAP has repeatedly granted free license to religious, education and charitable institutions for use of the Society's music on non-commercial programs", an official explained. "The Society has also released its entire catalogue for use on programs sponsored by the Treasury Department as part of the National Defense program. The Board felt, however, that the granting of a free license for the use of music for commercial purposes would be contrary to the interests of its membership.

"Use of ASCAP music on football broadcasts for the coming week-end was granted by the Board. Similar action has been taken on the two previous weeks during final negotiations with the major networks."

According to the latest reports from New York, the networks are doing everying possible to secure approval of their affiliates of the deal which would restore ASCAP compositions to NBC and CBS stations at an early date. It was said that acceptances were coming in at a satisfactory rate and if this continued, ASCAP music might be back by the latter part of the month. However, judging from Thursday's action, the Composers are taking no chances.

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CLAIMS PRESSURE BY PAPER HURT STATION'S NEWS SERVICE

The investigation of the policy of granting newspapers licenses to operate radio stations, like the old six-day bicycle races, still grinds on. It was resumed Thursday and was still going strong at this writing Friday.

Rogan Jones, owner of an independent station KVCS at Bellingham, Wash., charged that the daily paper there, the Herald, brought such pressure on the press associations that he was left with only a skeleton news service for six weeks.

Mr. Jones, who also has a station in Wenatchee, Wash., said the Associated Press had been furnishing him a news report for that station, and a regional executive of Press Association, Inc., the radio service of the Associated Press, offered him a radio news wire at Bellingham.

Later, he said, he was told that the Board of Directors of the Associated Press had refused to give him service in Bellingham because of opposition by the local member, the Herald.

The United Press, the witness said, agreed to furnish a radio news wire, but when a proposed contract was sent to New York for confirmation, a reply came that the organization was not interested in furnishing the Bellingham station with news.

He then, he said, reopened negotiations with the International News Service, with a view of resuming its news report, but was told that it would cost 50 percent more than the old contract called for.

For six weeks, Mr. Jones said, "we were without any news service except a short-wave trans-radio report and our own reporters"

Eventually, he said, the United Press consented to give him a wire and this was installed, but it was costing him almost twice the original estimates. He was compelled to pay, he said, the same amount for a special radio news wire that the Bellingham Herald pays for a full leased wire report of the United Press.

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NBC EARNINGS PUT AT \$30,041,173 UP TO 1941

From organization of the National Broadcasting Company in 1926 until the end of last year, it earned \$30,041,173, of which \$22,550,000 was paid in dividends to the Radio Corporation of America and \$2,050,000 was used for radio research work, Col. Manton Davis, Vice-President and General Counsel of RCA, testified during the past week in New York at the continuation of hearings before Special Supreme Court Referee Abraham J. Halprin on the fairness of an offer of \$1,000,000 by the General Electric Company and the Westinghouse Electric and Manufacturing Company in settlement of an accounting suit by stockholders of RCA.

He denied that a cabinet factory in Camden, N. J., acquired by RCA as a result of a merger in 1929 with the Victor Talking Machine Company was a "white elephant" to RCA and declared that the suggestion for the merger came from Victor and that Victor's world-wide contacts were valuable to RCA.

The witness testified also that the electric companies through a subsidiary lent \$22,500,000 to RCA to retire Victor's preferred stock and \$9,500,000 to remodel the Victor plant at Camden, N.J., for radio and sound-film purposes. As of Dec. 31, 1928, he said, Victor common stock had a book value of \$47.69 a share, for which stockholders received in exchange \$5 cash and RCA stocks with a book value of \$26.43.

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10/10/41

for release Sunday October 12

ZENITH INCREASES FM POWER TO 50,000 WATTS

The pioneer frequency modulation radio broadcasting station in the Chicago area, W51C, owned and operated by the Zenith Radio Corporation inaugurates full time operation with a full 50,000 watts of power Sunday, October 12th, and brings high fidelity frequency modulation broadcasting to the entire greater Chicago area. The new service range of W51C will reach as far north as Racine, westerly to Rockford, easterly to South Bend, and as far south as Peoria and with its wattage increased from 5,000 to 50,000 watts will cover an area with an estimated 5,000,000 population.

In order to provide adequate transmission height for the increased power W51C was recently moved to the tower of the Field Building, in downtown Chicago, which provides facilities for a mast, with an elevation of 650 feet and a 70 mile radius.

Zenith's W51C has been on the air for over 18 months and will celebrate two years of continuous FM programming on February 8th. Currently, W51C, is on the air every day of the week from 8:30 A.M. until 1:00 A.M. next morning (Chicago Daylight Time. Programs consist of "only good music" with special concert and dinner and dance music periods. Chicago now has two FM stations operating - Station W59C, owned by the Chicago Tribune, having commenced FM transmissions on September 21st.

"Frequency modulation offers to the public the third great radio broadcasting service", Commander Eugene F. McDonald, Jr., President of Zenith said. "Its high fidelity of reproduction, when compared with the present best-known type of broadcasting, can best be expressed as the difference between a limited section of the piano keyboard as contrasted with the entire 86 notes. Present-day broadcasting delivers to the home frequencies up to approximately 5,000. Frequency modulation can deliver frequencies up to 15,000 - in other words, it gives a range of tone values that fully matches the capacity of the average ear to hear.

"I do not believe that in the near future this latest development of Maj. Edwin H. Armstrong's - frequency modulation - will entirely replace standard broadcasting. It will furnish an additional and long desired service which will be appreciated most by music lovers. Frequency modulation will undoubtedly have great value in National Defense, aviation and police service because of its ability to over-ride interference entirely apart from its ability to deliver high fidelity music."

The Chicago Police Department now is in the course of converting its radio receivers for "FM" reception.

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RADIO CENSORSHIP LAID TO NEW DEAL; PROBE ASKED

Representative Richard M. Simpson (R., Pa.) has called for a congressional inquiry into the "sudden and unexplained cancellation" of a broadcast arranged for Illinois Attorney General George F. Barrett, charging the Administration with "radio censorship", a United Press report states.

He said the Barrett broadcast, scheduled before the National Association of Attorneys General at Indianapolis September 30 was cancelled after a conference between U. S. Attorney General Francis Biddle and President Earl Warren of the N.A.A.G.

"This is not an isolated case of New Deal radio censorship", Representative Simpson said. "There have been many other instances recently which suggested growing radio censorship by the Administration - a most unwholesome and thoroughly unAmerican development. . .

"If our great broadcasting systems have been so intimidated by the Federal Communications Commission that a mere nod from the Attorney General of the U.S. can cancel a broadcast arranged weeks in advance, then we have arrived at Government censorship of the radio as complete as that which prevails in the dictator countries of Europe."

Representative Simpson said the National Broadcasting Company had granted time for the speech and that Mr. Barrett had submitted to NBC a week in advance a copy of the speech which was "a vigorous attack upon communism and fascism, and appealed for restoration and revitalization of American constitutional procedures in Washington".

He said Mr. Barrett eventually resigned from N.A.A.G. and delivered his speech over a local Indianapolis radio station, "but he had been muzzled and gagged on the nation-wide chain".

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CONGRESSMAN IS PRESIDENT OF NEW STATION

The Allegheny Broadcasting Corp., listing Representative Randolph, (D., W. Va.) as President, has applied to the Federal Communications Commission for authority to construct a new radio station at Elkins, W. Va. The station would operate on 1,240 kilocycles, 250 watts, unlimited time.

Mr. Randolph holds one share in the corporation, the application said. Other officers and their holdings: D. L. Maxwell, Elkins, Vice-President; H. C. Clark, Wheeling, Secretary; James L. Wilverding, Elkins, Treasurer and Business Manager; C. S. Hoffman, Wheeling.

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"Berlin Diary", William L. Shirer's best-selling book about the years he spent covering Central Europe for CBS, is to run in daily chapters in sixty-two newspapers in the United States and Canada, distributed by the United Feature Syndicate.

KFAR, The Midnight Sun Broadcasting Co., Fairbanks, Alaska, has applied for special service authorization to rebroadcast certain commercial radio programs now released on U.S. short-wave international broadcast stations from date of grant to expiration date of present license.

"Wise Men Look Twice" at the market inside and outside Boston and at WEEI, the CBS station asserts in a booklet which describes WEEI's setting, its coverage area, and finally, its lead in audience according to surveys of Boston's network stations.

O. O. Bottorff has been appointed president, and D. L. Cornetet Vice President of the NBC Civic Concert Service, Inc., (a wholly owned subsidiary of NBC) which sponsors Civic Music Associations in several hundred cities throughout the country. Through the office of Civic Concert Service, artists such as Flagstad, Rachmaninoff, Kreisler, Swarthout, John Charles Thomas, Melchior, and all of the major symphonies including such conductors as Koussevitzky, Rodzinski, Ormandy, Goossens, Golschman, Metropoulos, have appeared. Marks Levine has been appointed Managing Director of NBC's Concert Division.

James C. Petrillo, National President of the Musicians Union, cut off seven remote sustaining bands on WABC in New York last Thursday because of a disagreement between the Pittsburgh local of the Union and Station WJAS, CBS outlet in that city.

Zworykin, RCA television wizard, received the Rumford Medal of the American Academy of Arts and Sciences in Boston last Wednesday for "outstanding contributions to the subject of light". In his acceptance address, Dr. Zworykin told of the results achieved by the electron microscope in the fields of chemistry, metallurgy, and ceramics.

Pistol teams from all branches of the U. S. Armed Forces will compete for the "Alfred J. McCosker National Defense Trophy" in Event No. 3 at the 4th Annual All-Eastern States Championship Pistol and Revolver Matches at Port Washington, Long Island, October 25 and 26.

Marine radiobeacons in the United States, of which there were 141 in 1940, have increased during the year to a total of 146, this representing a normal increase, the Coast Guard reports.

FCC ACTION

Applications Received: WAGE, Sentinel Broadcasting Co., Syracuse, N. Y., construction permit to increase power from 1 to 5 kilowatts, changes in directional antenna night and install new transmitter (620 kc.); The McKeesport Broadcasting Co., Inc., McKeesport, Pa., construction permit for a new broadcast station to be operated on 960 kilocycles, 1 kilowatt and daytime hours; WLAV, Leonard A. Versluis, Grand Rapids, Mich., construction permit to change frequency from 1340 to 930 kilocycles, increase in power from 250 watts to 1 kilowatt, install new transmitter, and directional antenna for night use and move transmitter; WIBC, Indiana Broadcasting Corp., Indianapolis, Ind., construction permit to increase power from 1 kilowatt night, 5 kilowatts day to 5 kilowatts night, 10 kilowatts day, make changes in directional antenna for night use and changes in transmitting equipment (1070 kc.).

Also, WFBR, The Baltimore Radio Show, Inc., Baltimore, Md., construction permit to make changes in directional antenna (1300 kc.) and to increase power from 5 to 10 kilowatts, install new transmitter and make changes in directional antenna; WHBC, The Ohio Broadcasting Co., Canton, Ohio, construction permit to make changes in equipment, install directional antenna for night use, change frequency from 1230 to 1480 kilocycles, power from 250 watts to 1 kilowatt (facilities WGAR, contingent on WGAR going to another frequency); WSBT, The South Bend Tribune, South Bend, Ind., construction permit to increase power from 500 watts to 1 kilowatt and make changes in transmitting equipment and directional antenna (960 kc.); Percy C. Klein, Alexandria, Va., construction permit for a new broadcast station to be operated on 740 kilocycles, 1 kilowatt daytime.

Also W6XDL, Don Lee Broadcasting System, San Francisco, Calif., modification of construction permit for a new television broadcast station, requesting extension of commencement and completion dates to 1C-30-41 and 4-30-42, respectively.

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Advertisers and agency executives are making a full inspection tour this week of WABC's new transmitter on Columbia Island, in the Long Island Sound off New Rochelle, New York, as guests of the Columbia key station. Trips have been scheduled for every day this week.

The journey to New Rochelle is made in a specially chartered coach, and then WABC's guests embark for the island on a power launch. Before the launch ties up at the Columbia pier, it circles around the island to give the guests a full view of the new transmitter and antenna which go into operation October 18.

After they land, advertisers and agency men are taken on a tour of inspection around the island by J. L. Middlebrooks, CBS engineer in charge of construction of the transmitter. He describes the transmitter and answers questions about its construction and use. The visit is completed by an afternoon snack on the Columbia Island lawn.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

RECEIVED

OCT 15 1941

FRANK E. MULLER

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No. 1371

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October 14, 1941

ANOTHER NEW DEALER GETS FCC PLUM

Again proving the utter weakness and lack of influence of the National Association of Broadcasters and the communications industry in such matters, President Roosevelt has appointed another career office holder to the Federal Communications Commission as a Commissioner. It is Clifford J. Durr, 42 years old, New Deal lawyer, who though an Oxford scholar and undoubtedly a promising young lawyer, has had absolutely no experience in the communications field. Apparently two of the strongest points in favor of Mr. Durr - neither of which means a thing to the broadcasters - are that coming from Alabama, he has the strong political backing of Senators Bankhead and Hill of that State, and that he is a brother-in-law of Supreme Court Justice Hugo Black.

Imagine a labor appointment of commensurate importance being made without consulting the A. F. of L. or the C.I.O or both. It is doubtful if in its entire history the National Association of Broadcasters has had any influence or been a factor in the naming of a member of either the old Radio Commission or the present Communications Commission. Although the life of the industry has been in the hands of government from the very beginning, it has never yet had the courage or the strength to assert itself in the case of a White House appointment. Apparently anything the President desires to wish off on the broadcasting industry is taken without a murmur. Far from resenting this old Spanish custom, or in any way fighting back, there has usually been a foot-race around to the office of the new man by NAB and other industry leaders to see who could get there first to congratulate him.

Mr. Durr came to Washington eight years ago as a member of the legal staff of the Reconstruction Finance Corporation of which he is now Assistant General Counsel. He is also General Counsel of the Defense Plant Corporation, an RFC subsidiary.

A biographical sketch of Mr. Durr in "Who's Who in America", reads:

Durr, Clifford Judkins, lawyer; b. Montgomery, Ala., March 2, 1899; s. John Wesley and Lucy (Judkins) D; A.B., U. of Ala., 1919; B.A. in jurisprudence, Oxford Univ. (Queen's Coll.), England, 1922; m. Virginia Heard Foster, Apr. 5, 1926; children - Ann Patterson, Clifford Judkins (deceased), Lucy Judkins, Virginia Foster. Admitted Ala. bar 1923, Wis. bar, 1924; asso. with firm Rushton, Crenshaw & Rushton, Montgomery, Ala., 1922-23, Fawsett, Smart & Shea, Milwaukee, Wis., 1923-24; mem. firm Martin, Thompson, Turner & McWhorter, Birmingham, Ala., 1925-33; legal div., R.F.C., Washington, D. C. since 1933, asst. gen. counsel since 1936; dir. Commodity Credit Corp.,

1937-39. Served in 4th O.T.C., Camp Pike, Ark., Oct.-Dec. 1918; Mem. Phi Beta Kappa, Sigma Alpha Epsilon. Democrat; Presbyn. Club: Redstone (Birmingham, Ala.). Home: Seminary Hill, Alexandria, Va.

Mr. Durr, if confirmed by the Senate will succeed Frederick I. Thompson, also of Alabama, whose term expired last June.

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SAYS RADIO HAS WARTS; FLY OPERATING FOR CANCER

Discussing the drastic supplemental FCC report on chain broadcasting, an official commented, "The trouble is that maybe the industry is suffering from warts, but Fly wants to operate on it for cancer. The industry has made errors which it is undoubtedly ready to correct but for such things you can't put it on the operating table. It may die."

The minority report of Commissioners T. A. M. Craven and Norman S. Case, which contains plenty of paprika, follows, in part:

"We remain convinced that the majority of the Commission exceeds the power delegated to the Commission in the Communications Act. We are convinced that the aggregate effect of the proposed rules will not result in a broadcasting system more in the public interest than that of today. We fear that the nation's radio service may be seriously impaired at a time when efficient service is most needed. Furthermore, we believe that the effect of the rules is certain to result in deterioration of the present excellent public service programs now rendered to the nation by the radio industry.

"The effect of the regulations will be to change radically the business structure of the broadcast industry. The present is no time to force revolutionary reforms upon an industry which has served the public interest of the nation, particularly when such reforms bear no relation whatsoever to the national defense effort. The radio industry has cooperated wholeheartedly with the Government in this national emergency. The cumulative effect of the present basic national economic readjustments upon the radio industry cannot be determined with accuracy at this time. Therefore, it appears to us that to add to the instability of the radio industry by enforcing new Government regulations, which in themselves superimpose fundamental economic readjustments, is unwise. There is no evidence in this record which justifies such a sweeping change. Any improvements which may seem desirable in the operation of the existing broadcast structure can be obtained in an evolutionary manner by far less harsh measures than those proposed by the majority in the instant case.

We do not condone unreasonable restraints upon competition within the broadcasting industry of this country and, therefore, advocate that if any abuses of this nature exist they should be corrected forthwith either by voluntary action within the industry or

else by procedures undertaken by agencies of the Government having legal jurisdiction in the premises. Likewise, we subscribe to the doctrine of reasonable diversification in the control of the radio broadcasting channels. It is for this latter reason that we believe the ultimate separation of one of the two networks now operated by the National Broadcasting Company will be an improvement of benefit to the public.

"In this respect, however, we believe that the Government should not force private enterprise to dispose of its property on an unsound business basis when such enterprise has rendered good service to the public, and particularly when, as in this case, the Government itself has previously given its tacit approval and encouragement to the enterprise. Consequently, we welcome the fact that the majority has suspended the effective date of its original regulation to force the sale of one of the networks now operated by the National Broadcasting Company.

"Our present objection is centered on the modified regulation which permits options to be taken by a network on an affiliated station's time. In reality, however, an affiliate must be free to option identical time to all networks regardless of affiliation. Under such conditions it should be obvious that absurd complexities may easily arise in the ordinary conduct of business. It is true that another regulation permits a station to contract with a network for first call on a network's program offerings. If it be reasonable for an affiliate to contract for first call on a network's programs, it is obviously reasonable for the network to obtain first call on the affiliate station's time. However, the latter is specifically prohibited by the regulation. We believe that stations should be permitted to utilize the same option principles as is done in ordinary business.

"The time has come to create stability in the radio industry rather than instability. We believe that service to the public would be enhanced by extending the broadcast station license period to the legal limit of three years. Network companies should be permitted to contract for regular affiliates with which they can engage in business in accord with sound business principles. In this connection we believe that an improvement in the existing situation can be obtained if network affiliates are free at all times to exercise final judgment as to whether or not any program offered to them by the network will serve public interest in the community served by the station. We also believe that the affiliates should have equal power with the networks to terminate the affiliates' contract on due notice."

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The Southern Conference on Audio-Visual Education meets this year in Atlanta, Georgia, November 13 to 15. Educators and technicians will take part in demonstrations and group forums for the informal discussion of mutual problems. Already many outstanding speakers in the fields of radio and visual education have accepted invitations to participate.

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LATEST FCC BLITZ STARTS FREE FOR ALL FIGHT

It has been a long time since the animals have been so badly stirred up as they were this week by the terrific blitz waged by the Federal Communications Commission upon the major networks in the so-called modification of the chain broadcast regulations.

Those that the new rules got an immediate rise out of were William S. Paley, President of the Columbia Broadcasting System; Niles Trammell, President of the National Broadcasting Company; Senator Wallace H. White, of Maine; Congressman Jared Y. Sanders, Jr., of Louisiana; and Commissioners T. A. M. Craven and Norman S. Case. All were fighting mad and Mr. Fly, defending the latest rules, showed his teeth as never before in his warning to the chains to lay off any political high pressure stuff to prevent the rules going into effect November 15th.

Apparently a little cockier and even more sure of himself than usual, the Chairman gave the distinct impression that he felt certain of his ground, not only in the courts but on upstairs to the White House. One might have thought the way he cracked the whip at the FCC lashing back at his critics last Monday that he was the President himself. It was almost as good a performance as at St. Louis when he made a meal of Neville Miller.

The first detonation came when the Commission was hastily whipped together for a vote on Saturday - a day when ordinarily there is less work done in Washington than any place on the face of the earth. Also a strange day for the Commission never noted for working overtime to assemble.

At the meeting, the FCC voted 5 to 2 to suspend its promulgated rule requiring the National Broadcasting System to dispose of one of its networks, and modified to some degree other rules which the broadcasting industry had objected to strenuously.

The Commission suspended the rule applicable to NBC for an indefinite period, and further decided that if it was to be reinstated, at least six months' notice would be given to the company so that it could dispose of one network "without there being any form of legal compulsion". Provision also was made in the order for extension of the time for "orderly" disposition of the property.

The other rules modified are:

1. Extension of the licensing period from one to two years.
2. Modification of the rule limiting the duration of network affiliation contracts, extending the time from one to two years.
3. Where a station options time from networks, such options may not be exclusive and may not prevent or hinder the station from optioning or selling any or all of the time covered by the option to other network organizations.

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There was a quick comeback from Mr. Paley of CBS, that he would take the matter to Court. He also hurled at Mr. Fly a rather significant expression the latter frequently uses "Then we move in". Mr. Paley concluded with:

"I want to bring home to the public that the Commission is stretching its loosely defined authority far beyond any area of regulation it has ever attempted to invade before.

"Thus it is 'moving in' to render broadcasters more and more subservient to it. Soon the broadcasters will not be able to call their souls their own. Imagine a free press surviving under similar encroachment on newspapers and magazines, and you will have some idea of what is happening to radio under the cloak of an unjustified cry of monopoly."

"The new rules", Mr. Fly snapped back, "contain generous modifications not even discussed with Mr. Paley. The public ought to know, moreover, that the Columbia Broadcasting System has always refused and continues to refuse to submit to any form of regulations, regardless of the public interest reflected therein. The public ought to know also that no member of the Commission has ever questioned the propriety of the company's going to court on any issue concerning the Commission."

Mr. Paley, in reply to Mr. Fly's statement, said:

"Columbia's reputation is in our own keeping, not in Mr. Fly's, and we do not believe that demagogic charges that we defy lawful and proper regulation will fool a public that has known us all these years."

Niles Trammell, President of the NBC, "moved in" with the caustic assertion that the rules were "regulations by men and not by laws". He too spoke of going to Court.

Then Senator White came into the picture calling for a Congressional investigation into the matter.

Senator White said he was not concerned at the moment with whether the new amendments to the broadcasting regulations were desirable, but he doubted the Commission's power to issue them.

Early in the Summer the Senate Committee heard testimony under a resolution to investigate the FCC and its regulations, but the hearings have been in adjournment since, and no action has been taken. Senator White said he would ask Chairman Wheeler to reconvene the Committee to resume the investigation. The resolution set forth that the Commission's rules were "alleged to constitute an attempt upon the part of the Commission to exercise a supervisory control of the programs or the business management and of the policy to be employed by radio broadcast stations."

There was also discussion of bringing up the Sanders bill in the House in hopes of putting the brakes on the Commission and also that Speaker Rayburn might give Mr. Fly another "dressing down". If indeed there was a previous dressing down by Mr. Rayburn, there was no evidence of it in the Chairman's belligerent attitude Monday.

Asked at his press conference if anybody would go to Court besides Columbia, Mr. Fly said he would be surprised if anybody goes to Court. The Chairman told the correspondents that the nets could always come back to the Commission, and "if the operation is not successful, the doors are always open to them and he didn't see why anyone would want to go to Court." Mr. Fly said that most reactions to the report "have been right favorable. There has been considerable degree of optimism expressed by a number of responsible people in the industry and the Government."

The Chairman volunteered that he thought the present option provision is better for the industry as a whole than anything they had discussed. "Relaxation of the rule as to the Red and Blue networks was never pressed by any of the groups", he said. "Of course NBC has mentioned it but that was really no part of the discussion. Extension for license period was not a part of the option time during discussion. We have done the best job we can and we are prepared to see these rules work successfully. If they don't work successfully, then the networks will always know where to come."

Someone inquired if the nets didn't have to wait to see if the rules work out before they could come back to the Commission. Mr. Fly said: "It is about time the industry takes these rules and gives them an actual operation. After all the work that has been done and consideration that has been given them, it is about time they are settling down and starting on their course. I don't think there should be any further extensions of time, for example, on this business of readjusting the contract terms."

Again, the Chairman said he didn't want to say that there would not be, providing assurance was given that the extension was for purpose of orderly compliance with rules. "If anybody wants to litigate the rules, there never has been any objection to that", Mr. Fly concluded. "There always will be objection to the main form in which the activities of the networks have taken in terms of political pressure. That is one thing that we will have to stamp out in this industry. Democratic government cannot be run on any such basis."

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The University of North Carolina is the first institution of higher learning to provide a course for the training of radio technicians and engineers for national defense, according to a bulletin issued by the National Committee on Education by Radio. To help meet the growing need for radio experts a twelve-week course at the University's Engineering School, a class for graduate engineers, and off-campus instruction in principal cities of the State have been planned.

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ROCKEFELLER SELECTS AMATEUR FOR INTER-AMERICAN WORK

At the request of Nelson A. Rockefeller, Coordinator of Inter-American Affairs, the Federal Communications Commission has waived restrictions in regard to amateurs communicating with foreign countries to permit Earl F. Lucas, of amateur station W2JT, Faner Road, Midland Park, N. J., to cooperate with the Inter-American Escadrille in the handling of radio communications to and from approximately twenty-one amateur stations in Central and South America. There was a proviso that none of the messages transmitted should relate to any business transactions or be of a character that would be handled by commercial communications companies.

The Inter-American Escadrille, it was explained, was organized for the purpose of fostering friendship between peoples of the American Republics by the promotion of travel by airplane.

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AUTOMATIC RADIO TO WARN ON LOS ANGELES FLOODS

Within the next few days a 400,000-kilocycle transmitter, deriving power from a windmill and wholly automatic in operation, built on Flint Peak in the San Rafael Hills, between Pasadena and Eagle Rock, will go into service for sixteen radio stations in the system of the Los Angeles Flood Control District, according to the New York Times.

The installation is the first of its type, so far as is known, and will be used to relay and to expedite rainfall and run-off messages from county dams and reservoirs throughout the country. The system also will be used in forest-fire control and in certain phases of the National Defense program.

The new automatic equipment will be controlled at all times from the central station by tones actuated by the turning of a dial similar to those on ordinary telephones. No operator will be at the station on the peak.

Flint Peak was chosen for the transmitter because it is centrally located in the flood-control radio system.

The station will operate on an ultra-high frequency over a radio beam, thereby eliminating all possibility of interference no matter how much static or other electrical interference. Batteries charged by a two-blade windmill will furnish the electric current for the new station.

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NEWSPAPER HEARINGS RUN ANOTHER MONTH

The inquiry into newspaper ownership of radio stations was adjourned until next Thursday morning (October 16). Chairman Fly said the hearings would probably run another month, two days a week.

In answer to the charge that the United Press refused to serve with news, independently owned radio stations because local clients objected, Edwin M. Williams, Vice-President of the United Press admitted there were protests from newspapers in a number of instances, but he did not concede that this was a controlling factor in failure of the press association and radio stations to "get together".

Mr. Williams admitted there were such negotiations with the Tampa(Fla.) Station WBAE, owned by the Tampa Times, and they failed and the U.P. later signed a contract with WFLA, owned by the Tampa Tribune, a newspaper that already had the U.P. news report. Asked if the Tribune had not blocked the contract with the rival station, Mr. Williams said:

"I don't think they wanted to see another radio station owned by their competitor use the same service they were getting. And we didn't think it was fair to WBAE to ride in on the promotion given our service by the Tribune."

W. J. McCambridge, General Manager of Press Association, Inc., testified that the Associated Press Board of Directors had refused news service to radio station KVOS, Bellingham, Wash., because the station previously had pirated A. P. news and because of resulting litigation.

He appeared after Rogan Jones, President of companies which operate Station KVOS and Station KPQ, Wenatchee, Wash., had testified that KVOS was unable to obtain news from Press Association (a wholly-owned subsidiary of the Associated Press engaged in supplying news to radio stations), the United Press or the International News Service for a period of six weeks last Spring.

Mr. McCambridge said the factors which entered into the decision to refuse the service to KVOS were the litigation, still unsettled, carried on by the Associated Press and the Bellingham Herald against KVOS over a period of years at a cost of "thousands of dollars", and the belief of the A. P. Board of Directors that "it is not a healthy situation when a radio station is pirating the news report of the Associated Press."

Asked why Press Association was willing to supply news to KPQ when it was under the same control as KVOS, Mr. McCambridge replied that there had been "no complaint that the management at Wenatchee had stolen the news report."

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FCC ACTION

Applications Granted: Don Lee Broadcasting System, Los Angeles, Cal., granted extension of special temporary authority to operate frequency modulation station commercially on 44500 kilocycles, 1000 watts, special emission for FM, with transmitter located on top Mt. Lee, Los Angeles, for a period no later than Jan. 2, 1942; W6XYZ, Television Productions, Inc., Los Angeles, Cal., granted modification of construction permit authorizing extension of completion date to 4/15/42; WNBT, National Broadcasting Co., Inc., New York, N. Y., granted extension of special temporary authority to operate a specially constructed 1 kilowatt peak power, special emission laboratory model FM visual transmitter in conjunction with the main picture power amplifier of WNBT on Channel No. 1 in order to make comparison of FM and A5 emissions and to obtain engineering data for the period not later than November 15, 1941; W43B, The Yankee Network, Boston, Mass., granted extension of special temporary authority to operate frequency modulation station commercially on 44300 kilocycles, 50000 watts power, special emission for frequency modulation, using the transmitter of High Frequency Experimental Station W1XOJ at summit of Asnebumskit Hill, Paxton, Mass., for a period beginning October 26, 1941 to not later than December 24, 1941, without prejudice to the issues to be determined.

Applications Received: New Jersey Broadcasting Corp., Newark, N. J., construction permit for a new high frequency broadcast station to be operated on 47,900 kilocycles; amended: to change coverage to 5,580 square miles, population to 11,194,000 change type of transmitter, change frequency to 49,100 kilocycles; change transmitter from Jersey City to West Orange, N. J., and studio from New York, N. Y. to at or near Newark, N. J.; Philco Radio and Television Corp., Portable-Mobile, construction permit for a new television relay broadcast station to be operated on channel 13 and 14, 230,000-242,000 kilocycles, power 60 watts, Emission A5 (to be operated with Commercial television station WPTZ, Philadelphia, Pa.); Don Lee Broadcasting System, KHJ, Los Angeles, Calif., license to cover construction permit as modified for changes in equipment, install directional antenna for day and night use, increase power and move transmitter; also authority to determine operating power by direct method; Palo Alto Radio Station, Inc., Palo Alto, Calif., construction permit for a new international broadcast station to be operated on 6140, 9570, 11870, 15210, 17760, 21540 kilocycles, 100 kilowatts, Emission A3; share with WBOS on 6140, 9570, 11870, 15210, 21540; unlimited on 17760 kilocycles.

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 ::: TRADE NOTES :::
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Dr. John A. Lapp, labor counsel for the Rural Electrification Administration, has been appointed to arbitrate wage increase demands by 260 technicians employed in seven Columbia Broadcasting System stations. The workers are members of the Associated Broadcasting Technicians' Union. (A. F. L.).

"Parade," syndicated newspaper supplement published by Marshall Field, gave a two-page pictorial spread last Sunday to a visit of Lillian Kodok, "an average girl" to CBS television studio in New York.

A decision was handed down by Supreme Court Justice (N.Y.C.) Ernest E. L. Hammer in dealing with a claim of unfair competition made by Mutual Broadcasting System and Gillette Safety Razor Co., Inc., against Muzak Corporation in connection with the alleged re-broadcast by defendant over telephone wires of a radio report of the World Series, which plaintiffs averred was their exclusive privilege. The court upheld the plaintiffs and granted them a temporary injunction to restrain defendant from interfering with plaintiffs' exclusive rights to broadcast the games.

The National Broadcasting Company's short-wave service to Europe will be augmented by a new high-gain directional beam antenna, centering its beam on Paris, beginning October 15.

"The new antenna", said John W. Elwood, International Division Manager, "specially built to serve the British Isles and Central Europe, will produce optimum coverage. It has been especially designed for transmission during the time of day most favorable for European reception and frequencies will be adjusted accordingly."

Station KQW, San Francisco, beginning January 1, replaces Station KSFO as the CBS outlet in the San Francisco bay area. KQW now with 5,000 watts power began experimenting with voice transmission as long ago as 1909, and has been in operation as a full-time commercial radio station since 1925.

The programs on National Defense presented by the National Broadcasting Company January through July, 1941, have been listed in a booklet entitled "An Informed Nation is one of America's Best Defenses".

One hundred and twenty-five representatives of Mutual network stations gathered at Atlantic City last Friday to discuss plans for the handling of Coca Cola programs beginning Nov. 3rd, the largest account ever placed on the Mutual network for a single advertising product. The two-day convention heard talks by Price Gilbert, Jr., Vice-President in charge of advertising for the Coca Cola Company; James A. Farley, Chairman of the Board of the Coca Cola Export Corporation; Alfred J. McCosker, Chairman of the Board of Mutual Broadcasting System, and Fred Weber, General Manager of Mutual

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RCA LAB FINDS DEFENSE REPLACEMENT MATERIALS

As a result of the search necessitated by National Defense for alternate materials in radio sets, RCA Laboratories has developed more than forty replacement materials. One item alone has saved 148,000 pounds of aluminum in the plants of the RCA Manufacturing Co.

Twenty of the newly developed materials are being used in RCA's radio production, as the result of its broad, long-term program conservation. A dozen more alternates have been approved and scheduled for early use; many others are available for production as necessity arises, while the process of development continues promising additional alternates.

Early in the national preparedness program, when it appeared there would be a scarcity of materials, RCA Laboratories made a survey of the entire radio field. Radio equipment was dismantled and each component part studied with a view to replacing it with a more available alternate, when such replacement became necessary.

Aluminum was one of the first items, essential to the radio industry, affected by priorities control. G. W. Blessing, head of the Manufacturing Development Division, RCA Manufacturing Company, Camden, N. J., assigned his staff to solve the problem. In every RCA Victor radio set, an aluminum can was employed to protect intermediate transformer coils. Four millions of these cans had been used in 1940; therefore, if they could be replaced by using an alternate, a tremendous saving in aluminum would result.

Mr. Blessing and his associates suggested that a fabricated cardboard tube, coated with a moisture-resisting substance and a sheet of copper foil, be used instead of the aluminum can. This was done with marked success. The aluminum saved has amounted to seventy-four tons. Another important saving of aluminum by RCA was effected by using a plastic in the record changer control segment of radio-phonographs.

Plastics are under consideration to replace the metal housing that protects loudspeaker cones in radio receivers. They can also be used in making dial faces and a number of other parts in both radio and phonograph equipment. Their possible field of application is extremely wide. But even plastics are likely to meet curtailment, because defense needs have created a shortage in the supply of formaldehyde, required to manufacture the synthetic resin used as a base in some plastics. Only recently, the Office of Price Administration warned of a new classification prohibiting manufacture of phonographs, escutcheon plates and switch plates with phenolic materials. Thereupon, the job of finding an alternate for an alternate was started. The answer was a felted substance made from shredded wood, cardboard paper scraps, and sulphite pulp.

Nickel, another metal almost non-existent for civilian use as the result of priorities, created an additional problem in the making of phonograph records. A new secret method already is in use.

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No. 1372

U.S. RADIO CONTROLLER? IF SO, CAN YOU GUESS WHO?

Will the fact that so many are trying to get their fingers into the radio pie lead to the appointment of a Federal radio controller of defense programs? If so, who will the new radio dictator be?

The latest official to inject himself into the picture and a man who is evidently itching to get control of radio, is Mayor Fiorello LaGuardia, Director of the Office of Civilian Defense. The Mayor was really first heard from sometime ago when he appeared on an international broadcast with David Sarnoff in a demonstration of the new automatic radio alert signal for sounding air raid and other alarms, which device he predicted would perform a great service in warning citizens in wartime.

Mr. LaGuardia has apparently thought up even a better idea to get himself aboard with his new Government agency called the Office of Facts and Figures, "a small organization working within the Government in order not only to get more facts to the public but to correlate the unwieldy mass of disconnected and sometimes contradictory information which is now put out by various Government press departments." Whatever all that may mean, Mayor LaGuardia appointed W. B. Lewis, Vice-President of the Columbia Broadcasting System to head the Office of Facts' Radio Division. There was prompt denial of the report that LaGuardia proposed to take over coordinating and clearing all Government radio programs. It was generally believed that the astute New York City politician was up to something, but what?

Leaving out the established Government departments such as the Agricultural and Interior Departments, numerous other individuals and organizations were in the national radio picture long before Mr. LaGuardia. First and foremost of these was J. L. Fly, Chairman of the Federal Communications Commission, who is also head of the Defense Communications Board. This board is composed of Army, Navy, Coast Guard and other officials likewise committees representing the broadcasting companies, the radio communications companies, and so on. Also under Mr. Fly are the newly established short-wave listening posts now recording close to a million words of German broadcasts and propaganda a day. In fact its ears are tuning in on all parts of the world.

Then comes Col. William J. Donovan, Coordinator of Information, who is in charge of our radio counterpropaganda in European areas. Colonel Donovan is described to be waging by radio and other means a psychological war designed to check the Axis drives. It was reported that Donovan would virtually take over the U. S. short-wave stations and that he might even merge the NBC and CBS stations though allow them to operate with the same personnel.

Dominating the Latin-American efforts as is well known, is Nelson Rockefeller, Coordinator of Inter-American Affairs. Mr. Rockefeller has elaborate plans, including securing a half a million dollars as a starter as a subsidy to our U. S. short-wave stations which being operated by private companies are now run at a loss. Mr. Rockefeller has associated with him such men as M. H. Aylesworth, former President of the National Broadcasting Company, Don Francisco, President of Lord and Thomas, and John H. Payne, formerly of the U. S. Commerce Department.

Not much has been heard about Lowell Mellett lately. At first he seemed to be generally agreed upon as the man who was to coordinate the defense programs and handle propoganda and censorship, if any, but his denials have been so vigorous and convincing that he is no longer so conspicuously in the limelight. It is safe to say, however, that he is still the President's right hand publicity advisor, whether it is radio or the press.

Too many cooks spoil the broth and there appear to be far too many people squabbling over who shall have the radio. As it looks now, this seems to be the status of the various individuals - Chairman Fly and the Defense Communications Board will have the allocating, policing of the frequencies, and general supervision of the broadcasting stations; DCB will furnish the means of transmission. Col. Bill Donovan will continue to have the European propoganda under his direction. Mayor LaGuardia will have an important voice in domestic defense broadcasts, aided no doubt by his new radio-wise assistant Mrs. Franklin D. Roosevelt. Nelson Rockefeller will have Latin-America.

Will there be a single head eventually - a radio controller? Possibly there may have to be. Maybe there is one already without portfolio.

Who, you ask?

There is only one person. No matter who the individuals are charged with the task, the head of the radio works will not be Mayor LaGuardia, not James L. Fly, not Colonel Donovan, not Nelson Rockefeller, and not Lowell Mellett - but none other than President Franklin D. Roosevelt himself.

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School Recording Technique, a companion volume to the pamphlet, Sound Recording Equipment for Schools, has just been released by the Committee on Scientific Aids to Learning, 41 East 42nd Street, New York City. Written in non-technical language, this report is designed to aid the teacher who lacks technical training to master recording equipment.

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NEW INTERNATIONAL STATION FOR FAR EAST

A new international broadcast station to serve the Far East has been initiated through the cooperation of various broadcasters, the Defense Communications Board, the Coordinator of Information, and the Federal Communications Commission.

The latter has authorized The Associated Broadcasters, Inc., licensee of standard broadcast station KSFO, at San Francisco, to construct an international station there to broadcast to the Orient and Australia. For 16 to 20 hours a day news and entertainment will be sent in English, French, Dutch, Spanish, Portuguese, Japanese, and, possibly, Chinese, Thai, Russian and Korean. Frequencies of 6060, 9570, 11870, 15350, 17760 and 21610 kilocycles will be used. In some instances this will mean sharing time with other domestic international broadcast stations, such as Columbia's WCBX and WCRC, New York; Westinghouse station WBOS at Hull, Mass., and World Wide Broadcasting Corporation stations WRUL and WRUW, Scituate, Mass.

Though about a dozen international broadcast stations now operate in the United States, only one - KGEI, licensed to General Electric - is on the West Coast (near Belmont, Calif.). The other stations, being located in the eastern part of the country, cannot serve the Orient. Distance is too great and the path through the North Polar regions plays hob with transmission. Yet the desirability of broadcasting across the Pacific is self-evident in the light of international conditions. The Defense Communications Board urged additional facilities, and the Coordinator of Information has arranged for delivery of a 100-kilowatt transmitter from the General Electric Company to speed this new service.

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MODIFICATION OF DUAL OWNERSHIP RULE SEEN

It was said on good authority that there would be an easing up on the hard and fast rule recently proposed by the Federal Communications Commission prohibiting the ownership of more than one broadcasting station serving the same area.

"I feel sure there will be some modification of the dual ownership regulation", an FCC official said. "It will not be so drastic but the spirit of having to get rid of more than one station will be there."

This led to the impression that the case of each locality will be heard on its particular merit and that the sweeping order that all such stations should be tried on a single blanket charge would be amended to that effect.

The FCC has this matter under consideration following a hearing last week at which the representatives of a number of multiple ownership stations appeared, including the Wasmer Stations KHQ and KGA in Portland, Oregon; the Ralph Atlass stations in Chicago, WJJD and WIND; the NBC stations in New York, Chicago and Washington, WILM and WDEL, Wilmington; KOMO and KJR, Seattle; KFI and KECA, Earle C. Anthony in Los Angeles; and the Crosley stations WLW and WSAI in Cincinnati. The Commission expects to reach a decision on this at an early date.

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DURR APPOINTMENT UNDERSTOOD TO BE PURELY POLITICAL

There seems to be every reason to believe that the appointment of Clifford J. Durr, New Dealer and brother-in-law of Associate Supreme Court Justice Hugo Black, of Kuklux Klan fame was purely political. According to an usually reliable source, when the term of Commissioner Frederick I. Thompson, publisher of Mobile, Ala., expired last June, Senators John H. Bankhead and Lister Hill got the inside track with an assurance from President Roosevelt that when he filled the vacancy, he would appoint another Alabamian. Apparently that was all they wanted to know.

Just who proposed the name of Mr. Durr doesn't seem to be clear but one of his endorsers was Jesse Jones, Secretary of Commerce who knew Durr as Assistant General Counsel of the Reconstruction Finance Corporation. Apparently Senator Bankhead was more active in the matter than Lister Hill. It was said that Durr was not on Mr. Fly's preferred list but that when Fly heard of Durr's strong backing and that the President was considering him favorably, the FCC Chairman is reported to have nimbly hopped on the bandwagon.

Because of this friendship between Fly and Durr, it was said that the latter would very likely be found voting with the majority on the Commission, namely Fly, Walker, Wakefield and Payne, rather than with the usual minority Craven and Case. In other words, that the addition of Durr probably meant another vote for Fly.

Mr. Durr has been appointed for 7 years - his term ending in 1948 - and his salary is \$10,000 a year.

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Short wave radio, by bringing the different parts of the world closer together, offers the greatest means yet known to man to bring our people closer together, to break up the habits that bring on war and create a better understanding between the various races of the world, Arthur J. Green, of International Shortwave Radio at East Liverpool, Ohio, writes. "Nothing before was ever so potent as a war-preventing, peace-building hobby. By getting a better idea of how the others in this world of ours get along, we become more tolerant of their faults, more understanding to their habits. And by becoming more tolerant and more understanding we become better friends."

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SARNOFF AFTER F.D.R. LUNCHEON CONFIRMS COURT ACTION

In so many words telling James L. Fly, Chairman of the Federal Communications Commission where to get off, David Sarnoff, after luncheon last Wednesday with President Roosevelt, told the newspaper men as he was leaving the White House, "We are going to Court". This followed closely a similar announcement by William S. Paley, President of the Columbia Broadcasting System.

Both declarations were made in the face of an assertion by Chairman Fly that the networks would not go to Court. Mr. Fly warned the networks further against any political pressure being brought to bear. Mr. Paley countered by saying that the FCC Chairman tried to prevent these new rules from being tested in the courts and offered to bargain with the companies in order to prevent court action.

"Chairman Fly was willing", says Mr. Paley, "to make greater concessions than those unsubstantial ones just announced, provided the major networks would agree not to contest in the courts the jurisdiction of the Commission. Columbia, however, believed it owed a duty to itself and to the public to have its day in court, since it is sincerely convinced that if the Commission can exercise the powers it now seeks to exert, its grip on broadcasting will be so throttling that freedom of the air will be a thing of the past, just at a time when the minds and hearts of most Americans are so set on preserving essential liberties at home as well as abroad."

And so it was apparently more than a coincidence that Mr. Sarnoff, an old friend of the President should turn up for luncheon at the White House. According to one source of information, Mr. Sarnoff was with Mr. Roosevelt an hour and thirty-five minutes "an hour discussing national defense and twenty-five minutes discussing the work of the committee to prevent discrimination against the negro in government employment, of which committee the RCA head is a member. And having given all this time to national defense, Mr. Sarnoff devoted the last ten minutes to a vigorous discussion of self defense."

If that is true, the assumption is that Mr. Sarnoff gave Mr. Fly and the new network regulations "the works" and flatly told the President he proposed going to court.

"If Mr. Fly tried to settle the broadcasting controversy amicably within legal bounds - and there have been efforts to compromise it - there would be no objection from any quarter", David Lawrence, syndicate writer, had previously commented. "But when action of a Federal agency is based on a doctrine plainly in contradiction of a Supreme Court decision, it is not surprising that efforts should be made by such a Commission to prevent court tests.

"The Supreme Court has said that the Federal Communications Commission does not have the right to regulate the business of broadcasting. It has said that the Commission can issue licenses for wave lengths based on 'public interest and necessity". But at no time has

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the high court interpreted the phrase 'public interest, convenience or necessity' to mean the right to censor or pass judgment on program quality.

"Many otherwise sensible liberals have taken the reactionary position that because wavelengths are dispensed by the Government the right to issue licenses carries with it plenary power over the business of broadcasting and program content. But the Federal courts have held that the issuance of governmental privileges, as, for instance, in the matter of second-class mailing, does not give the Government control over the publishing business or the matter mailed unless obscene or immoral or fraudulent."

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WOULD HELP STATIONS WITH DEFENSE BUILDING NEEDS

Chairman James Lawrence Fly revealed that the FCC had been giving considerable thought in connection with broadcasting station construction and enlargement with respect to the recent building stop order by Donald Nelson, Executive Director of SPAB and that they were closely in touch with Mr. Nelson's office.

"No day passes that we don't discuss it", Mr. Fly said. "Of course we have a difficult problem there in trying to find some way in which these projects can move forward without any impediment with national defense operations. It isn't so easy. All of us want to do the best job we can but that doesn't mean that everybody will get all the materials he wants. Take, for example, a new station where there are already existing stations with adequate service, we are almost bound to have what for the present time is a definite impediment."

The Chairman said he knew that the whole defense organization will take as liberal an attitude as they can. Asked if the Chairman considered new stations necessarily essential to national defense, Mr. Fly said that was too broad a question. The questioner wanted to know what about applications for new stations, would the Commission consider or hear them. Mr. Fly said the Commission has not yet formed any plan to delay applications or delay grants but he shouldn't be surprised if they would not have to get around to that. Another inquirer wanted to know if the rule of the thumb would apply. Chairman Fly said, for example, take a station that would render service in an area where there is no primary service today, he thought that would be a very convincing case.

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V.-P LAUDS RADIO FOR LINKING TWO AMERICAS

At probably the finest concert ever presented at the Pan American Union in Washington, Vice-President Wallace last night (Thursday) declared that the "phenomenal progress which we have witnessed in our inter-American relations during the last decade is due not only to the efforts of the governments themselves but also to an awakened public interest in inter-American affairs; and in this the radio companies have played a most important part."

The Vice-President spoke at impressive ceremonies at which a scroll signed by the Ambassadors and Ministers of the 20 Latin-American countries was presented to Niles Trammell, President of the National Broadcasting Company by Dr. Manuel de Freyre y Santander, Ambassador of Peru and dean of the Diplomatic Corps in Washington.

The ceremony, which comprised the final program in the "Good Neighbors" series, included the concert by the NBC Symphony Orchestra with Albert Spalding, celebrated United States violinist, and Emma Otera, noted Cuban soprano, as soloists. The orchestra of 60 pieces was brought to the Capital by special train. Milton Cross was the announcer. J. de Jara Almonte, NBC master of ceremonials was likewise present.

Also broadcast was a poetic synthesis of the works of Archibald MacLeish, Librarian of Congress, and Walt Whitman.

Mr. MacLeish was in the audience. Others who were present included British Ambassador Halifax and Viscountess Halifax. Ambassadors and Ministers of 19 other countries, Supreme Court Justice and Mrs. Robert H. Jackson, Undersecretary of War and Mrs. Robert P. Patterson, Assistant Secretary of State and Mrs. A. A. Berle, Jr., Mrs. Frank Knox, wife of the Secretary of War, Arch Duke Otto of Austria, Hans Kindler, conductor of the National Symphony Orchestra, and a number of Senators and Representatives.

Following the concert Mr. Trammell gave a buffet supper to those participating and invited guests at the Mayflower Hotel.

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More than 38,000,000 people in this country today live within ample listening distance of at least one - and sometimes even six - FM broadcast stations operating on regular schedules for as long as 20 hours daily. The programs they may hear are from 60% to 100% exclusively FM.

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PITTSBURGH RADIO MUSICIANS' ROW AFFECTS OTHER CITIES

Every effort is being made to check the spread of a strike when James C. Petrillo, AFM President, taking action on a disagreement between the union and Station WJAS, CBS's Pittsburgh affiliate, ordered the Columbia Broadcasting System's New York and Chicago musicians on sustaining shows off the air Wednesday. The same order was to have gone into effect against NBC Thursday since the musicians on KQV its Pittsburgh outlet, walked out in sympathy but apparently was help up.

The Pittsburgh controversy began when, the union contends, Hugh J. Brennen, Manager of KJAS and KQV, refused to employ an eleven-man sustaining band for a minimum of forty-four weeks on KJAS. The station maintains a ten-man sustaining band.

The following announcement was read over the CBS network:

"Columbia is unable to present its Columbia Concert Orchestra program scheduled for this time because musicians employed by CBS in New York have been called out on strike.

"Columbia is informed that this strike has been called by Mr. James C. Petrillo, President of the American Federation of Musicians, because of a dispute between the local of the musicians' union in Pittsburgh and the Pittsburgh station which carries Columbia programs.

"The Pittsburgh station is neither owned nor operated by Columbia and Columbia has no control over the terms or conditions under which that station employs musicians.

"There is no dispute about the number of musicians employed by Columbia or about their wages or working conditions."

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RADIO IN FIRE EMERGENCY

Is this incident a glimpse into the future when, perhaps our present system of receiving telegraph alarms by bells will be as outmoded as the use of bell towers is today? Capt. George T. Garlington of Engine Company No. 66 asks, writing in WNYF magazine of the firemen in New York City.

One afternoon during construction of the new quarters of Engine 66, the dispatcher notified the housewatch by telephone that part of the house telegraph system was out of order. Investigation showed that a steamshovel, excavating for drain pipes, had crushed the cables of the temporary telegraph system causing a short circuit. Both the "Service taps Circuit" and the "Primary Circuit" were out of service. During the hour and a quarter required for the repairs the company radio, tuned in at 1630 kilocycles, received all alarms.

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::: TRADE NOTES :::
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Television in New York last Tuesday night presented its first weather forecaster - a talking and singing woolly lamb, created for television - over the National Broadcasting Company's Station WNBT, sponsored by Botany Wrinkle Proof Tie.

The transmitting equipment for the new Station WABC on Columbia Island in Long Island Sound was designed and manufactured to CBS specifications by the Federal Telegraph unit of International Telephone and Radio Manufacturing Corp., manufacturing subsidiary of the I. T. & T. The I. T. & T. engineers assisted also in the design of the antennae system which is unique.

The transmitting installation consists of: a 50,000 watt main transmitter and a 5,000 watt auxiliary transmitter equipped to go into service immediately should anything happen to the main transmitter, the power amplifying and modulating tubes and their power supply rectifiers, and the central control desk.

Broadcast Music, Inc. - Year to July 31: Net profit \$2,177, equal to 3 cents a share on 73,412 shares against \$1,300 or 2 cents, on 52,084 shares in period covering Oct. 14, 1939, to July 31, 1940. License fees for the year were \$2,230,458, including \$119,590 royalties and \$349,851 sales of sheet music, and compared with \$157,929 license fees for the preceding period. The report for the year ended on July 31 last includes BMI Canada, Ltd. Current assets on July 31, 1941, total \$369,974 and current liabilities were \$222,876, against \$230,556 and \$34,141, respectively, a year earlier.

Establishment of the Harper & Bros. Honor Award for Outstanding Radio Writing, based on the selections of Norman S. Weiser, Associate Editor of Radio Daily in his new book, "Writers Radio Theater of 1940-1941" has just been announced. Included in the initial awards are: "Plain Mr. President" and "Red Death" heard on the Cavalcade of America series, and "Mr. Ginsburg" by Arch Oboler on the Red Network. Blue network program selected was "Ben Hur" which was heard on the "Star-Spangled Theater" series.

A new radio defense invention which enables a radio pilot or observer to "listen in" simultaneously on a dozen wavelengths to detect the presence of enemy signals or friendly navigation buides, was recently described by Dr. Orestes H. Caldwell, Editor of Radio Today. Heretofore, explained the speaker, it has been necessary for a listener to tune in successively one station after the other, to get his bearings. But with this new system of "panoramic radio" of Dr. Marcel Wallace, a New Jersey inventor, the radio operator can glimpse simultaneously a whole band of wavelengths, and see what is going on all along the spectrum.

A survey of 92 department stores in cities ranging from less than 50,000 population to 1,000,000 or more persons shows the average department store spends 3.45 per cent of its gross income for newspaper advertising and .07 of a percent on radio advertising.

That is the report of John A. Garber, instructor in advertising in the University of Pittsburgh's research bureau for retail training, who has completed a study, "Survey of Broadcast Advertising" for the Bureau.

 Last Saturday Leo Heatley, former night city editor of the New York Post, and now CBS publicity man, outdid himself as a master of all trades. Heatley was a one-man publicity department that day, with the rest of the writing and clerical staff holidaying, when the FCC announced its new network regulations. In long phone conferences with William S. Paley, President, and other CBS executives, Heatley was given a statement of CBS reaction.

The clerical staff was away, and the statement had to be mimeographed and sent to newspapers and press associations without delay. Resourceful Heatley routed a watchman, had a stationery store-room opened and got some stencils, cut them, pressed an office boy into service and got enough copies of the statement mimeographed to meet his needs, with the result that CBS' comment hit the Sunday papers along with the FCC announcement.

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FCC ACTION

Applications Granted: The Journal Company (The Milwaukee Journal), Milwaukee, Wis., construction permit for new ST station to operate on 331,000 kilocycles (experimentally); power not in excess of 50 watts; special emission for FM; to communicate as an ST broadcast station to transmit programs to the transmitter of FM station W55M; W6XHT, Hughes Product Division of Hughes Tool Co., San Francisco, Cal., modification of construction permit to extend completion date of television broadcast station for a period of 3 months from Oct. 15, 1941; also modification of construction of construction permit for W6XHH, to extend completion date of television broadcast station for a period of 3 months from Oct. 15, 1941; J. E. Rodman, Fresno, Calif., construction permit for a new station to operate on 1340 kilocycles; 250 watts; unlimited time (facilities of KARM which has outstanding construction permit to use 1430 kilocycles); KVOO, modification of Special Service Authorization subject to same conditions contained in original grant, to operate unlimited time with 25 kilowatts night, 50 kilowatts day, using DA at night on 1170 kilocycles (Station licensed for 25 kilowatts; Simul. Day, S-WAPI-night; construction permit for 50 kilowatts unlimited, DA-N).

Applications Received: KHJ, Don Lee Broadcasting System, Los Angeles, Calif., construction permit to move present licensed auxiliary transmitter to site new main transmitter; WCOA, Pensacola Broadcasting Co., Pensacola, Fla., construction permit to change frequency from 1370 to 1030 kc., increase power from 500 w. night 1 kw day to 10 kw day and night, install new transmitter and directional antenna for night use and move transmitter.

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NEW WABC TRANSMITTER TO BE DEDICATED OCT. 18

The headliners of Columbia network's entertainment roster will welcome Station WABC's new 50,000-watt transmitter to CBS on Saturday, October 18. WABC broadcasts a "local" program from 10:00 to 10:15 P.M., EST midway in which engineers throw a switch transferring the program from the WABC transmitter in Wayne, N.J., to the new transmitter on man-made 150 feet square Columbia Island.

Six hundred feet of sea-wall was built around the island and the ground level was raised to 18 feet above the low water mark. The building was sheathed in copper and then grounded in Long Island Sound for the elimination of all outside interference. To assist airliners bound to and from LaGuardia Field, the height of the tower was kept to 410 feet above sea level.

The cost is more than \$600,000 and the result will be stronger, steadier signals throughout the New York metropolitan area and along the southern New England coast.

A special fleet was organized to ply back and forth between the mainland and the island during construction of the island and station; launches, scows, tugs, lighters and even rowboats. This fleet carried more than 32,000,000 pounds of construction material. Steel for the tower alone weighed 300 tons.

The new transmitter can be entirely cut off from the mainland for the duration of the longest recorded storm and yet give twenty-four hour a day service. Power would flow uninterruptedly, programs from WABC studios in New York would be fed in without stopping and the personnel would be well fed and well slept.

For bringing programs to the transmitter, there are two sub-sea transmission lines, each containing seven pairs of wires. They, too, are armored by layers of steel wire wrapping, and are designed to withstand the ravages of the sea.

If one of them should be cut by a ship's anchor or other accident, the other would be used. If both should fail through some unforeseen disaster, there is an emergency cable fixed to a drum that can be unreeled from a boat and hooked up to the shore terminal. If all these should fail, there is still an ultra-high frequency transmitting and receiving system linking the island and Columbia's studios in New York.

Fresh drinking water comes from a well sunk 960 feet through solid granite.

Choice of the location was made because it is in the exact center of the Metropolitan, Westchester and Long Island population area and completely surrounded by salt water, making for ideal broadcasting conditions.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D.C.

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

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NEWS SERVICE SALE DENIED TO SOME STATIONS, FCC TOLD

Counsel for the Federal Communications Commission in its inquiry into newspaper ownership of radio stations continued to center their efforts in endeavoring to establish the fact that there was discrimination by press associations against non-newspaper owned stations where there was a newspaper owned station in that area. An official of the FCC remarked that the inquiry was not going to good for the newspapers as it apparently had in the beginning. "It looks to me as if the FCC lawyers were trying desperately to smear the papers."

The hearings will be resumed next Thursday morning (October 23).

When Joseph V. Connolly, President of King Features, parent company of International News, testified, Marcus Cohn, FCC lawyer developed the fact that the International News had refused to sell its news reports to competing radio stations in cities where it serves client newspapers unless those papers agreed to it.

In one instance, Mr. Cohn alleged when INS signed a contract with the Savannah (Ga.) Morning News to furnish it a news report the agreement contained a clause providing the paper with "exclusive radio broadcasting rights of International News Service in the city", although the paper at that time did not have a radio station.

Mr. Connolly said this was a policy of his press association, because "the newspaper that buys rights to International News Service might also want to use them on the air for promotional purposes."

Mr. Cohn developed that in a number of cities in which I.N.S. had newspaper clients, independent radio stations either were refused the organization's news service or else obtained it only through special arrangements with the papers.

In the case of the Bloomington (Ill.) Pantagraph, correspondence showed, the paper notified I.N.S. that it was cancelling its contract for news service because the organization was about to supply a Bloomington radio station, WJBC, with a news report. The paper also demanded payment of the "asset value" of its contract under terms requiring such compensation from a competing paper or radio station if it was allowed to use the same service in the same territory.

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Later it was brought out, International News agreed to reduce the weekly rate to the Pantagraph from \$50 to \$19 for something over two months until its contract with the radio station could be canceled.

A supplement to the newspaper's contract covering this arrangement was signed.

The Pantagraph had written Mr. Connolly February 11, 1937, protesting that "following almost 10 years of pleasant association with I.N.S. we suddenly discover that I.N.S. has sold to another party the service for which it contracted to give us exclusive rights in Bloomington, Ill., and Normal, Ill., and certain adjacent territory."

Herbert Moore, President of Transradio, told of Transradio's fight for recognition as a news service. Transradio, he said, came into existence to serve radio, and also newspapers where they were denied press association facilities.

Radio reporters were denied admittance to the press galleries of Congress and of the various State Capitals and to other sources of news, he recalled. But eventually this situation was changed, and Congress, by joint resolution, gave all radio newsmen the rights of other news services.

Eventually, Mr. Moore pointed out, a suit charging conspiracy in restraint of trade and monopoly in an interstate commodity - news - was brought in the Federal Court for the Southern District of New York against various press associations. This was settled, he told the Commission, in consideration for payment of \$125,000 as indemnity and agreement to an "open door" policy thereafter, with Transradio accepted into full partnership in the news-gathering business.

Recalled to the stand, Mr. Connolly said that newspapers no longer insisted on exclusive contracts and did not object to having a radio news report from the same press association sold to a local independent radio station.

Asked by Judge Thomas D. Thatcher, counsel for the Newspaper-Radio Committee, if certain radio stations not connected with newspapers did not have exclusive contracts in their localities to receive an International News Service report, Mr. Connolly said there were four.

Mr. Connolly said that about one-third of the receipts of INS from the sale of news comes from radio stations. W. J. McCambridge, General Manager of Press Association, a subsidiary of the Associated Press, had previously identified a list of PA radio subscribers, covering 123 stations, Don Lee and MBS, as the list stood last June.

Edwin Moss Williams, Vice-President of the United Press, when on the witness stand earlier, testified that the U.P. began selling its news reports to radio stations in 1935. It now derives about one-third of its total revenues from radio and two-thirds from newspapers, he said. According to his testimony, the U.P. serves 530 radio stations.

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CBS AND NBC WALKOUT ENDS

The musician walkouts ordered by James C. Petrillo, of the American Federation of Musicians on National Broadcasting Company and Columbia Broadcasting System in New York, and several other cities ended last Saturday night as abruptly as it began.

It was said that negotiations were under way in Pittsburgh where the trouble started and it was believed the whole thing would be ironed out within the next few days.

The Pittsburgh disagreement started when the union demanded that Station KJAS, Columbia outlet in that city, hire an eleven-man sustaining band for fifty weeks instead of ten men for forty-four weeks. Musicians of Station KQV, an NBC Blue affiliate, walked out in sympathy when the demand was refused.

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CLAIMS ONLY 6.4% OF LISTENERS CAN TELL STATION

In a presentation of an intensive seven-day survey of radio listenership in the Chicago area, C. E. McKittrick, Manager of the eastern advertising office of the Chicago Tribune, told the Advertising Club of Boston that the investigation disclosed that only 6.4% of the listeners can identify the station, program, product or sponsor.

Mr. McKittrick said that the survey has already resulted in an additional advertising volume of \$500,000 for his paper and has assisted manufacturers to coordinate more efficiently their newspaper and radio newspaper advertising. He emphasized that the analysis was not intended to criticize radio advertising, as such, but to point out its strong and weak spots. Long ago, he said, the Tribune recognized radio as a permanent competitor - and, in fact, operates a radio station of its own - WGN.

During the week, specially selected telephone operators called a total of 45,423 phone subscribers to determine how many householders were listening to radio, and what they could identify.

The tabulation showed that out of the 38,056 effective calls, and taking into consideration all the sponsored shows encompassed by the survey, only 6.4% could identify the station, program, product or sponsor; 5.51% identified the program, product or sponsor; and 3.38% could identify product or sponsor.

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NEW WABC TRANSMITTER GETS OFF TO FINE START

Mayor LaGuardia was the principal speaker at the dedication of the new WABC 50,000 k.w. transmitter located on its own little man-made island (hereafter to be known as "Columbia Island") in Long Island Sound last Saturday night. If the way the new station came through to Washington, D. C. was any criterion, The Columbia Broadcasting System has made no mistake in its new location or in planting the transmitter on a salt water base. The reception in the Capital was splendid. There was an all star program.

Mayor LaGuardia spoke as follows:

"We are all living in a world in which a free, untrammelled radio plays a most important part. Public opinion is mirrored and expressed by radio. Vital news that affects the lives of millions of the world's citizens is flashed to listeners almost at the instant it happens. The world's greatest entertainers stand at your radio door every day. In times of catastrophe it is radio that leads the rescue work. And in our own national defense, radio is playing a noteworthy part.

"I have been informed by the engineers who designed this new WABC that it will be able to continue transmission in the public service even if all regular power and communications lines are destroyed. This achievement is, in itself, a great step forward in national defense - in the defense of democracy - a democracy which gives us free speech and religious and racial freedom - a democracy worth defending."

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CONGRESSMAN CONNERY, FCC FOE, DIES

A critic of the Federal Communications Commission and of the major networks, and large radio companies which he alleged to be in monopolistic control, passed in the death of Representative Lawrence J. Connery, of Massachusetts, 46 years old, in Washington last Sunday. Mr. Connery carried on the bitter fight which had been waged against radio by his predecessor and brother, the late William P. Connery, of Massachusetts.

Representative Lawrence Connery was buried in Lynn today (Tuesday, October 21).

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PAUL GALVIN ELECTED PRESIDENT OF RMA

Paul V. Galvin, of Chicago, is the new President of the Radio Manufacturers' Association. The Association's Board of Directors at New York recently unanimously chose Mr. Galvin to succeed former President J. S. Knowlson, who resigned to become Deputy Director of the OPM Priorities Division.

Mr. Galvin has been active in industry affairs for more than a decade. For several years he has been Chairman of the RMA Set Division, and during the last year also the Chairman of its important Priorities Committee. He is President of the Galvin Manufacturing Corporation of Chicago.

New RMA Chairmen of the Set Division and Priorities Committee will be appointed by President Galvin in the near future. Priorities and allocation problems were major subjects before the Board of Directors' meeting in New York, and there was a meeting on the preceding day of the Priorities Committee. Immediate and also future 1942 industry production problems were considered.

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EARLY RETURN OF ASCAP MUSIC TO MAJOR NETWORKS PREDICTED

That the major networks would sign the new contracts this week and that the objections of the Independent Broadcasters had been met, was made known in New York last Friday by the American Society of Composers in the following statement:

"ASCAP officials Friday cleared the final hurdle in negotiations aimed at bringing the Society's music back on the air over the major radio networks.

"Following an all-day session between ASCAP and members of the Copyright Committee of the Independent Broadcasters, it was announced that a complete agreement had been reached covering all differences presented by the Independent Broadcasters.

"A letter confirming this agreement was mailed to all broadcasting stations setting forth the details of the agreement and clearing the way for immediate acceptance of the ASCAP terms by all broadcasters. The letter was signed by Ed Craney, Stanley Hubbard, Hoyt Wooten, Gene Pulliam, Hulbert Taft and John Gillen, members of the Copyright Committee of the Independent Broadcasters, Inc., and by William J. Scripps, Acting Secretary, John Sheppard III, of Boston, and Walter J. Damm, of Milwaukee, also attended the conference with ASCAP officials.

"Those who attended the meeting expressed the opinion that the new network contracts would be signed early in the week."

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OPM LISTS RADIOS NON-ESSENTIAL IN COPPER EDICT

Radios were listed among the non-essentials in the curtailment of 40 percent in the use of copper for specific civilian articles ordered by the Division of Priorities of the Office of Production Management. Also by the order a curbe of 30 percent is fixed on civilian items not included in the list and the use of the metal in construction is prohibited after November 1, except for wiring.

The order does not apply to Army, Navy, lease-lend and Government agency contracts, although even in those fields officials are experimenting in the hope of finding substitutes for brass and copper.

Other exceptions allow copper for use in products covered by underwriter or other safety regulation in effect on October 1; as a conductor of electricity; in chemical plants where corrosive action makes other materials impractical; in research laboratories if wood, glass or enamel substitutes will not serve; in condenser or heating exchange tubes and tube sheets; in steam generating plants and oil refineries and in hydro-electric plants.

The copper order followed closely OPM clamping a six months' ban on the aluminum operations of the Central Pattern & Foundry Company of Chicago until next March.

Donald M. Nelson, Priorities Director, issued an order suspending all aluminum work of the Central Pattery and Foundry Company until March 31, 1942, except for completion of defense orders on its books as of October 1. Mr. Nelson said the firm's aluminum business averaged about \$1,500,000 a year.

The order, first such action undertaken by OPM, charged the firm with shipping 41,449 pounds of aluminum in July to six separate companies. The shipments were said to have included material for juke boxes, slot machines, coin operated machines, cameras and vacuum cleaners.

Shipments on which the order was based were listed as made to the Farnsworth Telephone and Radio Company, Marion, Ind.; O. D. Jennings Company, Chicago; Mills Novelty Company, Chicago; Haywood Wakefield Company, Gardner, Mass.; Eastman Kodak Company, Rochester, N. Y., and the Filtext Corporation, Jackson, Mich.

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DOCTOR USING FM IN OPERATION DRAWS WIDE ATTENTION

Much comment was occasioned by the use of frequency modulation music last week in an experiment to ease the pains of child-birth in Chicago last week. News of the unprecedented application of FM was carried by the Associated Press and featured in many newspapers.

While a radio played frequency-modulated music to her, Mrs. Pauline Siegal was delivered of a five-pound son, by Caesarian section, in Henrotin Hospital", a dispatch to the New York Times reported. "Only a local anesthetic was used and the mother, evidently free from pain, hummed the airs of Tchaikovsky's Concerto in B flat minor, while the physicians performed the operation.

"The unusual procedure was adopted under the direction of Dr. Edward L. Cornell as an experiment in the use of high fidelity music as a partial hypnotic. Frequency-modulation, permitting the reproduction of otherwise less audible high notes, is considered more insistent than ordinary radio broadcasting. It was intended to act as a distraction to the patient.

"Tiny plugs inserted in Mrs. Siegal's ears eliminated the sounds of the operating room, permitting her to hear only the Tchaikovsky concerto and songs broadcast from Station W51C, of the Zenith Radio Corporation.

"The radio program was relayed to the hospital through a portable receiver. The music, with the exception of the concerto, which Mrs. Siegal requested, was selected by Dr. Leonard Keeler, psychologist and inventor of 'a lie detector', and other electrical devices. Dr. Keeler acted as radio technician in the operating room, placing the ear-plugs and regulating the volume.

"As a result of the apparent success of the experiment. Dr. Cornell said that further tests of the quality of frequency-modulated music would be made and if similar results were obtained a phonograph employing high-fidelity recordings probably would be installed in the hospital for use during local anaesthesia operations.

"The operation by Dr. Cornell took fourteen minutes. Ten minutes later Mrs. Siegal drank a glass of orange juice and ate a breakfast of hot cereal, eggs and toast.

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"Curacaosche Radio Vereeniging" - a band of business men in Willemstad, Curacao, Dutch West Indies, and workers and executives in the Dutch Shell Oil Refinery - is installing new equipment to convert its little hundred-watter into a three-kilowatt transmitter. Priorities on radio equipment, granted by the United States, have speeded the construction, the A.P. reports. "With this new station we are going after those Nazi propogandists, not only in Europe, but in Latin America as well", declared Arnold Kreps, President of the organization.

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SARNOFF PAYS TRIBUTE TO GANO DUNN

Describing him as the first person of importance who took any interest at all in what was to become of him personally, David Sarnoff gratefully referred to Gano Dunn, head of the J. G. White Engineering Corporation, and a Director of the Radio Corporation, President Roosevelt's latest technical advisor. In an article "Engineer No. 1" about Mr. Dunn, in the October 11th issue of the Saturday Evening Post, Raymond Moley writes:

"Dunn's relationship with Sarnoff is more or less characteristic. Sarnoff, a young radio operator, had, by 1913, become chief inspector of the Marconi Wireless Telegraph Company of America, or, as it came to be known, the American Marconi Company. One of his duties was to serve as a contact man for his company in connection with the big job of erecting the first transatlantic radio towers, which his company had given to Dunn's engineering firm. Sarnoff, at twenty-two, thus found himself dealing with Dunn, a man already at the top of his profession. 'He was the Pope of my realm', says Sarnoff. 'He first taught me to see the engineer as an organizer. He showed me how important it was for the technician to understand the applications and implications of what he knew. And, without patronizing me, he gave me advice about my career.'

"Dunn, in 1913, pulled a young unknown named Edwin H. Armstrong out of the figurative hat for Frederick M. Sammis, the chief engineer of the American Marconi Company. Dunn told Sammis that he'd do well to look into the work Armstrong was doing in one of the laboratories at Columbia University. Armstrong, later the inventor of the superheterodyne and frequency modulation, turned out to be working on the regenerative circuit, or 'feed-back'. His work was to revolutionize the radio industry.

"Armstrong was sitting in his laboratory when Dunn, tall, handsome and clad in the frock coat and high hat of that period, asked permission to enter. He had heard, he said, that Armstrong had a device capable of amplifying wireless signals so greatly that he was receiving signals from Europe with it. Would Armstrong show him the device and explain how it worked? Armstrong offered to build him a feed-back.

"'If you don't mind', Dunn said, 'I'd prefer to build it at home myself. Then I can really fix the principle of the thing in my mind.'

"So he and Dunn set about collecting the materials Dunn would need to make a feed-back at home. When they came to the fiber tubing around which the coils were to be wound, they found none of the required length available. Dunn fell to and cut some. 'And I will never forget the pictur', Armstrong says. 'Dunn, who was somebody in the engineering world, I can tell you, 'sawed away at that fiber tubing with his frock-coat tails flying.'"

RELAY LEAGUE HEAD NAMED TO CIVILIAN DEFENSE GROUP

George W. Bailey, President of the American Radio Relay League, has been appointed to Defense Communications Board's Committee on liaison matters for civilian defense. Mr. Bailey is a member also of DCB Committee on amateur radio, and Committee on priorities.

Mr. Bailey has been in government service for nearly a year as Chairman of the Office of Scientific Personnel. In this capacity he has located a large number of amateurs to accept commissions either in the Navy or in the Army for the newly-formed radiolocator units. Himself an active licensed amateur, he has operated under the call letters WVKH for nearly twenty years.

According to K. B. Warner, Managing Secretary of the League and expert adviser to the amateur radio committee of DCB, the Liaison Committee will make plans for supplementary and emergency communications facilities to keep local units of the Office for Civilian Defense in contact regardless of what situation might arise. In this connection, Mr. Warner said, amateur radio operators will be relied on as the last method of communication after all other wire and radio circuits have been put out of commission, meanwhile furnishing supplementary contacts between centers of heavy message traffic.

Other members of the newly-appointed committee are Lieutenant-Colonel William S. Rumbough, Signal Corps, Chairman; E. M. Webster, Assistant Chief Engineer of the Federal Communications Commission; Capt. Donald S. Leonard of the Michigan State Police; and Herbert A. Friede, in charge of communications for the District of Columbia Fire Department.

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VOTE EX-PRESIDENT HOOVER EXPERT RADIO MAN

The appearance of former President Herbert Hoover in the studios of WOR last Sunday night to speak for the feeding of the populations of the small democracies attracted an unusual amount of interest on the part of engineers and production men, according to a WOR press release, which went on:

"Even more interested were the engineers and production men in Mr. Hoover's broadcasting set-up, which consists of a special portable rack that is set on top of a desk - and a lamp. The lamp and rack are carried in a little bag by Mr. Hoover's staff. His notes for his speech are printed on cards in large type for convenient reading. And if you don't think Mr. Hoover has mastered an individual radio technique, you don't know a kilocycle from a kilowatt. He knows just how far he should stand from the microphone to make his voice effective, and his breathing between phrases sound controlled.

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"Only point Mr. Hoover hasn't mastered, the WOR engineers report, is what to do with his hand - the hand that usually jingles coins in his pocket whenever he stands up to speak. Last night he removed the coins to his vest pocket, spent the rest of the broadcast nervously toying with his coat pocket as he spoke."

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::: TRADE NOTES :::
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Although Secretary Knox said they probably would not be needed for some time, it was revealed that Navy censors are now being trained in New York City.

The Senior High School Radio Committee, of Washington, D. C., meeting for the first time this season to consider plans for its projected broadcast series, voted to direct the new student-participation programs "primarily" to school children and during school hours.

The presentations, sponsored by The Washington Star and the Radio Committee with the cooperation of the National Broadcasting Co., will be the third separate radio series representing all grades of the District schools and scheduled to get under way early this Fall.

J. R. Poppele, Chief Engineer for WOR, has been appointed by Newark Public Affairs Director John A. Brady to serve as consultant on a plan to install two-way radio in the four City Hospital ambulances of Newark.

W6XHY, Hughes Tool Co., Hollywood, Cal., has been granted special temporary authority to operate a composite 5-watt mobile talkback transmitter while making field strength measurements in connection with construction permits of W6XHT and W6XNH.

The contents of the Bell Laboratories Record for October are: Automatic Circuit for Determining Load Characteristics, D. Robertson; Test for Corrosion of Painted Iron, R. B. Gibney; D-C Substitution Method of Measuring High-Frequency Attenuation, H. B. Noyes; Decentralized Filters for Central-Office Battery Supply, L. J. Purgett; "Thru" Selector for Dial Toll Calls, R. J. Hopf; Torque on Silicon Iron Crystal in a Magnetic Field; Cross-bar Central B Board, W. B. Strickler.

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10/21/41

McKAY IS NEW NBC PRESS HEAD

John McKay, public relations and special events director for radio station WFIL, Philadelphia, is the new Manager of the Press Division of the National Broadcasting Company. Earl Mullin will continue as Assistant Manager.

A graduate of the University of California, Mr. McKay was on the staff of the San Francisco Bulletin for ten years, four of them as political editor and feature writer. For the last eight years he has been engaged in publicity and public relations work for various companies and organizations. In addition, Mr. McKay is a law school graduate and for seven years has taught contracts and corporation law in in law college.

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NEW CBS LATIN-AMERICAN NET READY BY JAN. 1

The last knots are being tied in the web that soon is to bind by radio the nations of the Western Hemisphere. Construction has already passed the 85 percent mark on the two 50,000-watt transmitters the Columbia Broadcasting System is building for its new Latin American network, it is announced by Edmund A. Chester, CBS Director of Shortwave Broadcasting and Latin American relations.

This means Mr. Chester adds, that the radio chain linking the 20 neighbor republics can be in "full swing at the outset of 1942".

Affiliation contracts have been successfully negotiated with 72 stations to date, he announces. It is understood that deals with additional stations below the United States border are now under way.

When the project was originally announced last December by William S. Paley, CBS President, on his return from an aerial survey of Latin America, the new network's opening was slated for this Fall.

National defense priorities for military purposes resulted in unavoidable delay on delivery of essential equipment for the transmitters, however, Mr. Chester explained.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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RECEIVED
OCT 27 1941
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HANSON AGAIN ARGUES FCC WITHOUT PRESS PROBE POWER

Hammering away at his contention that the Federal Communications Commission has no power to consider or to adopt a policy by which newspapers may be differentiated for the purpose of assignment of radio facilities or from disqualification from engaging in broadcasting, Elisha Hanson, counsel for James G. Stahlman, publisher of the Nashville Banner, in his appeal to the U. S. Court of Appeals for the District of Columbia, states that therefore the Commission has no power to initiate an investigation to consider the adoption of such a policy.

The summary of Mr. Hanson's argument is that:

"Order No. 79 (The FCC order for the inquiry into newspaper ownership of radio stations) asserts such power. Its validity must be determined solely by its terms and the Order shows on its face that it exceeds the express or implied powers conferred upon the Commission by Congress under the Act.

"The discretion of the Commission is limited. In each case it is under a duty to pass upon a particular application or conflicting applications for the same facilities as measured by the statutory standard of 'public interest, convenience or necessity'.

"The Commission cannot add standards at variance with that standard nor can it increase the limitations upon the holding and transfer of licenses as they are set forth in Sections 310 and 311 of the Act.

"The broadcasting field is open to everyone, provided there be an available frequency without interference to others and the applicant can show competency, adequacy of equipment and financial ability.

"Order No. 79 oversteps these limits. It singles out as a special class for discriminatory treatment the applications of persons associated with newspapers.

"This would constitute an injurious discrimination in violation of the Fifth Amendment to the Constitution of the United States. Such a discriminatory policy would also be in conflict with the nondiscriminatory policy written by Congress into the Act.

"Under the Sanders decision affiliation with a newspaper cannot be made a separate and independent element - an inoperative fact - in passing upon applications. The test is not the mere fact of joint control of newspapers and radio stations, or whether there

is competition or monopoly, but what will best serve the interest of the public. No provision of the Act or rule of law prohibits broadcasting by the owner of a newspaper.

"Order No. 79 is not an assertion of authority to weigh joint control of a newspaper and radio station merely as one circumstance governing particular applications in relation to the considerations enumerated by the Supreme Court. On the contrary the said Order places applicants in the newspaper field in a separate category for preference or incapacitation. This is in substitution rather than in fulfillment of the policy clearly expressed by Congress.

"How far Congress could legislate on the matters hereinabove mentioned is not before this Court in this proceeding grounded on Order No. 79. The Commission cannot usurp the legislative function of making a choice between a policy of favoring integration of newspapers and radio stations and a policy of compelling divorce-ment of the two forms of enterprise.

"Since Order No. 79 exceeds the Commission's powers it is without warrant of law and the subpoena issued and served upon appellant pursuant thereto is a nullity.

"The Commission can derive no aid from the broad terms of Section 403 because Order No. 79 goes beyond the Act itself. The Sanders and Tri-State Broadcasting Corporation cases remove Order No. 79 from the bounds of any matter within the authority of the Commission or any question which may arise under the Act and in relation to its enforcement.

"The investigation was not ordered by the Commission for the purpose of making recommendations to Congress for additional legislation as provided in Section 4(k) of the Act. The face of the Order shows that its sole purpose is to conduct an inquiry to lay the basis for the adoption of a policy to be issued by and to be applied by the Commission for its own guidance.

"Even if Section 4(k) is deemed to be involved herein the Commission can only demand information relevant to a power conferred upon it by Congress. The Commission's powers of investigation by testimonial compulsion are not as broad as the regulatory powers of Congress itself in the field of communications. By falling outside the Act Order No. 79 necessarily falls outside Section 4(k).

"In any event the investigation initiated by Order No. 79 is a general fact-finding inquiry which exceeds the powers of the Commission.

"The cases of Harriman v. Interstate Commerce Commission, 211 U.S. 407 (1908) and Federal Trade Commission v. American Tobacco Company, 264 U.S. 298 (1924) support the conclusion that no matter how broad the terms of the investigatory provisions of the statute may be, an investigation by an administrative agency either on its own motion or pursuant to Congressional resolution must be ancillary

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to a lawful purpose embraced by the powers granted in the statute.

"In reaching for the power claimed by Order No. 79, the Commission, the creature of Congress, seeks to become greater than its creator contemplated."

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PROPOSED DENIAL OF RADIO BURGLAR ALARM APPLICATIONS

Applications by the No-Bel Radio Burglar Alarm of San Francisco to construct two experimental radio stations at that city and Oakland, Calif., to experiment with a radio burglar alarm, have brought proposed denial by the Federal Communications Commission. The applicant sought to use the frequencies 1658 and 2466, with power of 50 watts, for this purpose.

In its proposed findings, the Commission concludes:

"1. The applicant has not shown itself technically and financially qualified to conduct an experimental program which could be expected to contribute to the progress of the radio art or to accomplish the objectives set forth.

"2. Since the applications involve the use of the frequencies assigned to police radio systems located in the proposed area of operation, mutual objectionable interference would be expected to result at times of simultaneous operation.

"3. Since the proposed operation could not be conducted as outlined without the full assent and cooperation of the police departments which would be affected thereby, and there is no indication that these requisites have been obtained or are obtainable, from responsible officials, the Commission is unable to find that applicant has made a sufficient showing as to the adequacy of facilities for conducting the proposed program of experimentation.

"4. Service of the character herein proposed is available through existing wire facilities, and there is no showing that the proposed radio alarm system will produce any substantial advantage over such facilities.

"5. Public interest, convenience or necessity will not be served by the granting of these applications."

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OPM RADIO INDUSTRY COMMITTEE AUTHORIZED

Establishment of a Radio Industry Defense Advisory Committee has been authorized by the Office of Production Management and the Department of Justice, the Radio Manufacturers' Association reports.

OPM will hold an industry conference in Washington, to receive nominations and organize the industry committee, on Thursday, October 30. Invitations have been sent, according to the information from OPM to RMA, to a large selected list of radio companies, representative of all radio manufacturing groups, including sets, tubes, parts and accessories, transmitting and other radio apparatus. The organization of the industry committee on October 30th is being arranged by Sidney J. Weinberg, Chief of the OPM Bureau of Clearance of Defense Industry Advisory Committees. The government presiding officer who has been appointed is Jesse L. Maury, Chief of the Electrical Products and Consumers' Durable Goods Branch of the OPM Commodity Section who will act as Chairman of the Industry Committee.

The Radio Industry Committee is the nineteenth established by OPM for major industries and is purely advisory. The automobile, electrical, rubber, shoe, hosiery, paper and other industry defense Advisory Committees already have been organized, all with many sub-committees, or panels, such as the "Refrigerator Panel" of the Electrical Industry. Attendance and participation in the OPM radio industry conference on October 30th will be restricted to the radio companies sent invitations, and this OPM list has not been announced.

Production and allocation problems, both for defense and civilian purposes, together with conservation, simplification and efficient utilization of industry facilities, are among problems designated by Attorney General Biddle for consideration of the Radio Industry Committee.

A meeting of the RMA Priorities Committee will be held in Washington on October 29th, prior to the industry meeting called by OPM. The Priorities Committee will be continued for action on immediate industry problems and also liaison with and assistance to the OPM industry committee.

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Export procedure and applications for export licenses are now being handled by the Economic Defense Board, and export license applications, other than for munitions, should be submitted to the Chief, Office of Export Control, Economic Defense Board, Washington. This agency now handles all export matters except those of the Army and Navy Munitions Board.

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PROGRAM COSTS UP 24%

At the start of the broadcast season of 1940-41, Variety estimates on program costs (talent, music, arrangements, royalties, etc.) as distinct from time expenditures reveal that Sunday night on the three coast-to-coast webs, NBC, CBS and Mutual, represents a \$137,000 "Free show" to the Nation. This total outlay for performances greatly exceeds that of any other night of the week.

Inclusive of daytimers the aggregate cost of commercial network entertainment has reached a new high of \$671,000 a week for programs, as such. This figure when compared to the expenditures prevailing at the height of the 1940-41 season represents a boast of 24%. Aside from the increase in the total number of network shows the relatively big margin may be attributed to the replacement of the inexpensive quiz-audience participation show by considerably more expensive variety and dramatic programs.

The estimated cost of some of the leading network programs for 1941-42 (production expenses, inclusive of actors, musicians, writers, directors, royalties, prizes, etc.) are:

Fred Allen, \$13,000-14,000; "Amos 'n' Andy", \$7,500; Jack Benny, \$18,500; Edgar Bergen, \$11,000-12,000; Ben Bernie, \$7,500; "Big Town", \$8,500; Major Bowes, \$16,000; Burns and Allen, \$7,500; Bob Burns, \$6,000; Eddie Cantor, \$11,000; "Cavalcade of America", \$5,500; "Spotlight Bands", \$10,000; Ford Concerts, \$11,000; Gillette Boxing Bouts, \$175,000; Helen Hayes, \$7,500; "Hollywood Premiere", \$5,000; Bob Hope, \$10,500; "Information Please", \$8,500;

Also, "Kraft Music Hall", \$11,000-12,000; Kay Kyser, \$7,000; "Lux Radio Theatre", \$8,500-11,000; "Maxwell House Coffee Time", \$9,500; "Fibber McGee", \$7,500; Metropolitan Opera - Lump sum of \$250,000 paid for season of 16 broadcasts; "Millions for Defense", \$4,500-5,000; "Pause That Refreshes", \$6,000-7,000; Al Pearce, \$8,500; "Prudential Family Hour", \$8,500; "Screen Guild Theatre", \$13,500; Red Skelton, \$5,500; "Silver Theatre", \$6,000; Kate Smith Hour, \$10,000; Phil Spitalny, \$5,500; "Telephone Hour", \$7,500-8,000; "Three-Ring Time" (Milton Berle-Chas. Laughton), \$7,000; "Time to Smile", \$11,000; Rudy Vallee, \$9,500-10,000; Fred Waring, \$12,000; Orson Welles, \$8,000; and Walter Winchell, \$5,000.

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Ten awards of \$15 each have been presented by the Columbia Broadcasting System to elementary and secondary school teachers who reported interesting and valuable ways in which the "School of the Air of the Americas" has been used in classrooms. The contest was arranged with the cooperation of the Department of Classroom Teachers of the National Education Association.

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RADIO MANUFACTURERS RESCIND FOREIGN COMPETITION ACTION

A bulletin of the Radio Manufacturers' Association dated September 19, 1941, contained a Report on Foreign Competition made by an RMA special Committee, dated September 17, 1941, with a notation thereon that the report had been unanimously approved by the Radio Manufacturers' Association's Executive Committee on September 18, 1941, and a further reference was made to this subject in the bulletin of September 25th.

At a meeting of the Association's Executive Committee, held on October 15, 1941, at which all members present voted in the affirmative except two present and not voting, a resolution was passed rescinding all previous approval action on this report. This act of rescission was approved by the Board of Directors of the Association at a subsequent meeting on the same day, with instructions not to carry out the recommendations or proceed with the subject matter.

The Foreign Competition report urged the Government to clamp down on "the practice of supplying foreign competitors with materials to compete with and destroy the business of bona fide American manufacturers". The action was supposed to have been directed against the Philips Company of The Netherlands, which, having been forced to leave that country, has established itself in Latin-America and is having some of its sets built in the United States.

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A C O R R E C T I O N

We are indebted to an official of the General Electric Company for the following:

"I feel sure you won't mind a comment on one of the items that appeared in your September 23 issue. On page 9 you state that Station WRUL 'now is the strongest shortwave unit in the Western Hemisphere'. This we believe to be contrary to fact. I am told that WRUL is now operating at 50,000 watts, while WGEO here in Schenectady is operating at 100,000 watts. If you will check the F. C. C. records, I believe you will find that WRUL has never been licensed to operate at more than 50,000 watts.

"I am writing this, not to suggest a correction, but merely in the interests of greater accuracy in the future."

Correct!

FCC says "No. WRUL has never been licensed to operate on more than 50,000 watts."

R. D. H.

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FCC REVISED RULES ASSURE FAIR COMPETITION, SAYS MBS

Analyzing the Federal Communications Commission's recent revision of its chain broadcasting regulations, a second "White Paper" prepared by the Mutual Broadcasting System contends that the Commission's order as modified October 11, 1941, has for the first time inaugurated an era of fair and equal competition so that in the future the success of a network will depend not on artificial restraints and unreasonable control over station independence but on its ability to furnish superior service to its affiliate stations, to the public, and to the advertiser.

Mutual's Second White Paper is signed by Fred Weber, General Manager, W. E. Macfarlane, President, and Alfred J. McCosker, Chairman.

"Never again will the public awake to find that a successful and popular program which it has been receiving regularly for weeks or months has suddenly disappeared from the radio dials in the community because another network, exercising arbitrary privileges under a contract, has decreed that the affiliate station must carry another and later program for which it has arranged", the "White Paper" continues. "No longer will there be contraction of additional network service because stations have been forced to cancel programs thus causing the termination of permanent lines providing additional choice of sustaining and commercial programs to those important communities with less than four stations.

"Henceforth an advertiser will be free to make his decision wholly on the merit of the facilities. No longer will it be possible for a network to go to the advertiser and state that the advertiser's purchase of another network at the same identical hour would result in the withdrawal of his program from the air in many important 3-station cities. No more will a network and an advertiser, who, for example, have in good faith entered into an arrangement for a nightly half-hour program and have secured acceptance of the program by the network's affiliates, be subjected to the indignity and the economic loss resulting from having the continuity of the program interrupted one, two, or more nights a week or of having the program completely forced off the air in important 3-station cities, by the action of another network acting under existing option-time contracts and, by threats of litigation or loss of network affiliation, compelling the stations in such cities to accept another advertiser's program (secured, perhaps, by rate concessions and designed largely, if not entirely, to injure the first network and the advertiser who has elected to do business with it).

"The dire prophecies of some of the industry's self-constituted spokesmen are without basis in fact and will never materialize. The Commission's action will tend to promote and not to injure a truly American system of broadcasting. There will be no chaos, no disruption of operations, no deterioration in service, no impairment in cooperation by broadcasters in national defense, no paralysis of freedom of the air, and no danger of government

operation. There will be every incentive toward improvement in service through healthy competition and its encouragement of incentive, ingenuity and resourcefulness in accordance with the American traditions. * * * * *

"No one, including Mutual, would go so far as to assert that the revised regulations are without possible defect or that further amendments may not prove necessary in the light of practical experience, although it is doubtful that any major change will be required. * * * *

"If such contingencies should arise, Mutual will again take steps to bring the need for further amendments to the attention of the Commission."

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SEE NEW IB ORGANIZATION AS FURTHER JAB AT NAB

In one quarter the recent organization of Independent Broadcasters, Inc., at Chicago was regarded as just another evidence of dissatisfaction on the part of stations with the National Association of Broadcasters.

"The National Association of Independent Broadcasters was organized because certain broadcasters felt that the National Association of Broadcasters wasn't doing the job and because they believed that NAB was dominated too much by the networks", a broadcaster commented. "I think you will find that the NIB will be a sort of holding company for Independent Broadcasters, Inc. It is about the same crowd that attended the NIB convention, addressed and encouraged by Chairman Fly at Chicago. IB, Inc., or the "Major Markets Group", as they originally called themselves, has been organized to represent certain commercial interests of the independents which a national association couldn't very well do, such as copyright and ASCAP matters, opposition to super-power, labor unions, and so on. It is really a trade association.

"The NIB can only speak in general and on non-controversial matters for its members, that is to say, presentations to the FCC for the group as a whole, appearances before Congress, and other more or less non-commercial matters upon which the entire group is in accord. It was the original intention that NAB should develop in this manner, but it didn't do so."

Eugene Pulliam of WIRE, Indianapolis, was Chairman and organizer of IB, Inc. at Chicago. Organizational and membership committee chosen was headed by Walter Damm of WTMJ, Milwaukee, and included Henry Slavik, Ronald Woodyard, William O'Neill, Campbell Arnoux; Copyright Committee which met with ASCAP leaders in New York was comprised of Hoyt Wooten, John Gillin, Stanley Hubbard, Ed Craney and Hulbert Taft. On the Super-Power Committee are John Shepard, III, John Kennedy, William Scripps, Ed Craney and Luther Hill.

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It was reported that those assembled in Chicago to organize IB, Inc. represented upwards of 60 stations. There are to be 12 Directors. Stations allied with networks will have equal voting power so that no one network will be able to dominate the organization.

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ACTION OF THE FEDERAL COMMUNICATIONS COMMISSION

Applications Granted: Modification of license to increase power to 500 watts daytime granted to KVAN, Vancouver Radio Corp., Vancouver, Wash.; now operates on 910 kilocycles, 250 watts daytime only; WRGB, General Electric Co., Schenectady, N. Y., granted construction permit in accordance with provisions of forfeited permit, for television broadcast station with completion date as Dec. 31; W8XAL, The Crosley Corp., Mason, Ohio, granted extension of special experimental authority to international broadcast station W8XAL to operate on 6080 kilocycles, 1 kilowatt night and day; share with WLWO using emission AO and A1, for the period November 1, 1941, to November 1, 1942; WBYN, Brooklyn, Inc., Brooklyn, N. Y., construction permit in part, to install new transmitter (transmitter formerly used by WVFW), increase power from 500 watts, unlimited, to 500 watts night, 1 kilowatt day, unlimited; KFAR, Midnight Sun Broadcasting Co., Fairbanks, Alaska, granted authority to rebroadcast certain sponsored programs from International Station WRCA, on a commercial basis for the period ending December 6, 1941.

Also, W59C, WGN, Inc., Chicago, Ill., granted extension of special temporary authority to operate frequency modulation station W59C commercially on 45900 kilocycles with power of 3 kilowatts, on a temporary basis only for a period beginning Oct. 21, 1941 and ending not later than December 19, 1941, subject to determination of the issues in the hearing on Commission Order No. 79, pending completion of construction; WABA, Agricultural Broadcasting Co., Chicago, Ill., granted extension of special temporary authority to operate a special laboratory transmitter as a relay broadcast station on 39820 kilocycles with power of 1/2 watt in order to record on the ground and to rebroadcast over WLS the human voice and the rate of the heart beat, and other scientific data during a free fall in the air prior to the opening of a parachute, for the period beginning October 24, 1941, to not later than November 22, 1941; WEGA, Agricultural Broadcasting Co., Chicago, Ill., granted extension of special temporary authority to operate relay station WEGA with crystal controlled 50 watt transmitter aboard Lockheed Lode-star stratosphere plane, for testing purposes and also to relay to Station WLS information in connection with parachute jumps to be made by Arthur Starnes between Oct. 21, 1941 and Nov. 19, 1941 only.

Applications Received: KVI, Puget Sound Broadcasting Co., Inc., Tacoma, Wash., construction permit to install new transmitter and increase power from 5 kw to 5 kw night, 10 kw day (570 kc.); KABC, Alamo Broadcasting Co., Inc., San Antonio, Texas, construction permit to install new transmitter, changes in antenna system, change frequency from 1450 to 1470 kc., and increase power from 250 w. to 500 w. night, 1 kw day.

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TRADE NOTES

Two more stations are joining the NBC Blue Network within the next two months. They are KTKC, Visalia, California, and WFTC, Kinston, North Carolina.

William B. Bartlett, trading as Champion Battery Co., 549 West Washington St., Chicago, engaged in the sale and distribution of a so-called sales stimulator plan, has been ordered by the Federal Trade Commission to cease and desist from the use of unfair and deceptive acts and practices in commerce. The respondent is also ordered to cease using the word "Champion" to describe his products, or otherwise representing that his products are the products of the Champion Spark Plug Company of Toledo, Ohio.

Two new CBS Sectional Educational Directors have been appointed by Sterling Fisher, Columbia Network Education Director. Lloyd W. Dennis, Program Director at WJSV, CBS's Washington station, is to supervise Columbia's education activities in the East. Robert R. King, of KTSA, Columbia's station in San Antonio, Texas, is the new Educational Director for the Southwest.

A story that a container of acid large enough to burn out the wiring in the control room had been found in the National Broadcasting Building in New York causing a "bomb scare" was declared unfounded by John McKay, Manager of NBC Press Department.

First in a series of awards by Harper and Brothers, publishers of Norman Weiser's "Writer's Radio Theater", has been won by the CBS Kate Smith Hour and Jean Holloway, one of its most prolific dramatic writers.

The contents of the RCA Review for October are: "A Survey of Research Accomplishments with the RCA Electron Microscope", G. A. Morton; "Receiver Control by Transmitted Signal - 'Alert Receiver'", Harmon B. Deal; "A Two-Side Non-Turnover Automatic Record Changer", B. R. Carson; "A Method and Equipment for Checking Television Scanning Linearity", Vernon J. Duke; "A Modern Control Room for a Commercial Radio Transmitter Central", L. E. Fletcher and C. L. Kennedy; "The Development of a Frequency-Modulated Police Receiver for Ultra-High-Frequency Use", H. E. Thomas; "Photography of Cathode-Ray Tube Traces", H. F. Folkerts and P. A. Richards; "A Simplified Television System for the Radio Amateur and Experimenter", L. C. Waller and P. A. Richards; Technical Articles by RCA Engineers.

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TRAMMELL AGAIN EXPLAINS NBC STAND RE BMI

Following is the text in part of a letter sent to Neville Miller, President of the National Association of Broadcasters, by Niles Trammell, President of the National Broadcasting Company:

"Some broadcasters have requested that we clarify the position of the National Broadcasting Company with reference to BMI. We made the following statements at meetings of the NAB Board of Directors and the NAB Executive Committee, and I am pleased to restate them to you at this time.

"NBC believes that there should always be an open, competitive market in music and that no one licensing agency should be permitted to become or remain the sole source of supply of the music so necessary to the continued existence of broadcasting. BMI was formed for the purpose of establishing such an open and competitive market.

"While the execution of the proposed ASCAP agreements will make available to broadcasters a considerably larger catalogue of musical compositions than is currently available, the open, competitive market in music which has now been established can be maintained only by the continuance of BMI and other licensing organizations.

"NBC sincerely hopes BMI will be continued and will be happy to do its part in this connection. You may, therefore, consider the following a firm offer on the part of NBC, subject to acceptance by BMI on or before March 1, 1942.

"NBC will execute license agreements with BMI, which shall -

- (a) run concurrently with its proposed ASCAP license agreements;
- (b) provide for payments to BIM in the same amounts as those currently being made, so long as the BMI revenue and expense budget remains the same; and
- (c) provide for an increase or decrease in such payments dependent upon and proportionate to any increase or decrease in the BMI revenue and expense budget.

"So long as BMI music continues to be made available to NBC, NBC will not discriminate between it and the music of other licensors. Assuming the continued high quality of BMI music, this should assure its continued popularity."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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

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SET MAKERS REASSURED ON COPPER; MORE ALUMINUM CUTS

The Office of Production Management's copper curtailment order at first widely thought to sharply curbe radio set production, exempts all essential functioning radio parts, according to an informal but official interpretation given to the Radio Manufacturers' Association. The order, according to OPM officials, applies only to non-essential, non-functioning parts of radio, such as trim, escutcheons, etc., and does not apply to any electrical conduction or associated functioning components of radio.

OPM is preparing and is expected to issue soon an aluminum conservation, or restriction, order, similar to the copper curtailment order of October 21st. Immediate curtailment of aluminum in many consumer products, with complete prohibition in 1942, is reported to be included in the order.

"Automobile and home radio equipment" is understood to be included, as a technical matter, in the coming aluminum order, but with provision for exemption of radio components for which there are no available substitutes. It is reported that the exemption of radio components will include electrolytic and fixed paper condensers and also tubes, but with a prospective aluminum ban beginning January 1, 1942 (when present special aluminum allocations expire), for permanent magnets for speakers and possibly also for variable condensers. The question of aluminum for the two latter components is subject to future consideration.

The complex copper order will be clarified by a formal OPM "interpretation" for the radio industry, probably within a fortnight. Preliminary but official OPM interpretations, exempting all functional electrical conduction and associated radio components, was given to RMA in response to requests of its Priorities Committee, because of the complexity of the October 21 copper restriction order, M-9-c. Earlier reports gave the impression that use of copper and bronze in all radio sets and components would be curtailed from now until December 31 and prohibited after January 1, but the official ruling is that the order applies only to non-essential, non-conducting parts of radio and, therefore, is of minor effect on radio production. The industry voluntarily, months ago, largely dispensed with the use of copper and other critical materials for trim and other non-essential, non-functioning parts.

The only OPM procedure at present under which copper is generally obtainable for civilian production is the use of form PD-1, but the question of possible special allocations of copper, particularly wire for current radio production, has already been

taken up by the RMA Priorities Committee with OPM because of the increasingly acute shortage. Also, the immediate copper necessities will be one of the major subjects before the new Radio Defense Industry Advisory Committee, upon its establishment by OPM on Thursday, (October 30). Officials have assured the radio manufacturers that they will give full consideration to the industry's immediate urgent copper requirements, and that the possibility of special copper allocations will be fully explored, and promptly.

Fred D. Williams of Philadelphia, Executive Assistant to the President of the Philco Corporation, is the new Chairman of the radio manufacturers' Priorities Committee. R. C. Cosgrove, Vice President of The Crosley Corporation, of Cincinnati, has been appointed to the Priorities Committee, to fill the vacancy caused by the retirement from the Committee of Paul V. Galvin, newly elected President of RMA.

Another change in the Priorities Committee is the appointment of S. T. Thompson, of Chicago, Vice-President of the Zenith Radio Corporation, following the retirement from the Committee of John R. Howland of that company.

The Priorities Committee will hold a meeting next Wednesday, October 29th, in Washington, in advance of the OPM industry conference the next day to organize the Radio Defense Industry Advisory Committee. Jesse L. Maury will be the Government presiding officer at the Advisory Committee meeting.

It is hoped that a priorities understanding may be reached at a meeting which the Defense Communications Board's Priorities Liaison Committee expects to have with the Supply Priorities and Allocations Board tomorrow (Wednesday, October 29). It is believed this may result in a survey being made as to the needs of the broadcasting and communications industry. OPM is to have a representative on the Priorities Committee and it is hoped the entire problem will be worked out.

Leon Henderson, Price Administrator, said last Saturday, he was prepared, if necessary, to establish price ceilings on scores of consumer items such as radios and table utensils made largely of copper.

At the same time, according to the Associated Press, as part of a comprehensive program to stabilize prices of all products made of copper, brass or other copper base alloys, Mr. Henderson said maximum prices would be set shortly on building hardware made with copper.

This will be followed, he said, by schedules on other building products made of copper as need arises.

In addition to radios and table utensils, Mr. Henderson said his office was watching prices of other durable goods requiring large amounts of copper, including stoves, cooking utensils, plated flatware, fire extinguishers, generators, motors, signal

apparatus, transformers and certain automobile and truck parts.

He warned manufacturers and distributors against building up inventories in anticipation of future orders. He said they might find themselves trapped with materials and products bought at high prices when the ceilings are issued.

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FCC O.K. 'S COLLEGE SYSTEMS BUT MAY ADD A FEW RULES

Development of so-called "intercollegiate broadcasting systems" has prompted numerous inquiries to the Federal Communications Commission about this newcomer in the field of low power radio frequency devices. In response to one such inquiry from Los Angeles, the Commission replies in part:

"In the intercollegiate broadcasting systems communication is effected not by the transmission of radio waves through space but by the transmission of radio frequency currents via wire lines, Radiation of energy from the lines capable of causing interference is prevented by proper shielding of the lines in metal conduit. You may obtain further information regarding the design of such systems from Mr. David W. Borst, Technical Manager of the Intercollegiate Broadcasting System, 13 State Street, Schenectady, N. Y.

"Preliminary investigations have indicated that these intercollegiate systems are well engineered and supervised. No interference has been reported as a result of their use. The Commission has therefore not promulgated any rules governing their operation.

"This type of system, however, if used on open lines or if improperly designed, is capable of causing very serious interference. The Commission is therefore making a study with a view to the need for regulations in the case of extension of this principle of communication into other fields."

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NEWSPAPER HEARINGS IN RECESS UNTIL NOV. 13

There will be a breathing spell until Thursday, November 13, in the hearings on whether or not newspaper owned stations should be granted high frequency (FM) licenses. This, it was explained, was to allow counsel to prepare documentary evidence.

At the session last week, Irving Brant of the St. Louis Times, who said he soon expected to become Washington correspondent for Marshall Field's new Chicago paper, urged diverse ownership of communications practically to the exclusion of newspaper owned

stations. Mr. Brant suggested that the high frequencies be turned over to organizations representing different shades of opinions such as the American Federation of Labor, the C.I.O., and the National Association of Manufacturers. In this way he said radio audiences could learn all sides of various questions. The witness regarded chain papers and radio chains as an evil.

Another suggestion which Mr. Brant made was that newspapers owning radio stations should be forbidden to mention their newspapers in broadcasts unless all competing papers in the territory also were mentioned.

"Generally speaking", he said, "you should have a division of ownership between newspapers and radio stations, especially in a town where there is only one newspaper and one radio station and the paper owning the station could have a monopoly of news."

Judge Thomas D. Thacher, counsel for the Radio-Newspaper Committee, an organization of publishers interested in broadcasting, asked the witness if he would prohibit a paper from acquiring a radio station in a case where it could not survive without this added source of revenue and the town otherwise would be left without a paper. Mr. Brant said he would, adding that a paper weak enough to depend on a radio station could not be of great use to the community.

The larger the city, said Mr. Brant, the less newspapers depend on radio stations. Most of the New York papers, he cited, "get along very well without radio facilities."

A publisher, Mr. Brant insisted, is "not a free agent", but is under economic compulsion to make a profit and is dependent on advertising to a large extent for his revenue.

There is less influence exerted on the radio so far, Mr. Brant added, because it has no editorial policy and is under regulations which require it to give both sides of a controversy.

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DEFENSE PEPS UP RMA .

It is an ill wind that blows no good. The Radio Manufacturers' Association due to the war cloud today has the largest membership in nearly a decade. Recent accessions in Association membership have brought the RMA roster to its highest point since 1932. New members, elected by the Board of Directors at its recent New York meeting include: Sonora Radio & Television Corp., Chicago, Ill.; The Wilcox-Gay Corp., Charlotte, Mich.; Chicago Molded Products Corp., Chicago, Ill.; Solar Manufacturing Corp., Bayonne, N. J.; National Fabricated Products, Inc., Chicago, Ill.

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SPECIAL BROADCASTS FOR RADIO EDITORS

Jerry Danzig, of WOR, New York, is experimentally holding a "critical jam session" on Tuesday afternoons at which recordings of WOR programs will be played for the benefit and possible interest of those radio columnists who go in for reviewing, Variety reports. There is more published program comment in Manhattan lately, probably due to the stimulation provided by John K. Hutchens, radio editor of the New York Times.

"WOR believes this policy may prove a method to get radio notice -- and notices -- for programs that are missed in the ordinary routine because of conflict with other programs. It remains to be seen whether (1) enough radio columnists will care, or (2) whether radio programs can be successfully reviewed in a room populated by rivals. The Milton Berle-Charles Laughton duo, "The Timid Soul", and the Morgan-Bolton "Go Get It" shows were the first recordings offered via the critical jam session.

"On this point it may be of interest to the trade that except in extremely rare instances for extraordinary reasons, Variety has never reviewed radio programs anywhere except over a regular radio receiver. Although no longer practical to adhere to the policy as concerns motion pictures, the traditional view of this publication has been that films are best reviewed in theatres before a normal audience rather than in projection rooms.

"One objection to the professional group being exposed to an entertainment in artificial seclusion is that the wisecrack tendency of the trade-wise gathering can rapidly destroy that essential seriousness which is the very bedrock of criticism."

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G.E. SPEEDS RADIO PRODUCTION BY SUB-CONTRACTING

In a pamphlet "Sub-Contracting Speeds Defense Production", the General Electric Company cites radio:

"Our procedure in connection with a contract for radio transmitters and receivers for one of the armed services is an excellent example of the coordination of the effort of many companies in order to produce equipment in the huge quantities called for by the Government. As soon as we were asked to undertake this contract, we started the necessary planning, designing, and testing. We began expanding our facilities and training hundreds of new employees. At the same time, hundreds of potential sub-contractors were being surveyed in order to organize a system of suppliers who could provide a considerable portion of the parts required to fill the contract.

"By the time the new designs had been approved by Government engineers, our assembly lines were ready and parts began to flow into them from more than 150 selected sub-contractors. For months the constant flow of these parts has never faltered -- the hungry assembly lines have been fed at a constant rate from factories scattered over a radius covering hundreds of miles."

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10/28/41

NEW COMMUNICATIONS TAX IS ON THE FIRE

Although the brass hats of the Federal Communications Commission apparently don't seem to know much about it, it is believed the financial experts of the Commission are working right along with the Senate Finance Committee on a proposed tax to supplant the levy on broadcasting time recently knocked out of the 1941 Revenue Bill.

Based upon what Chairman "Jim" Fly said when testifying in the Senate, if he had anything to say about it (and it is believed he will) the tax would bring in enough revenue to cover the overhead of the FCC. This is about \$2,000,000. Furthermore, the lanky Chairman opined that all branches of the communications industry should chip in and that he didn't think the broadcasters should be asked to carry the whole load. He thought only about half the time of the Commission was devoted to broadcasting. Therefore, Q.E.D. it would seem that the broadcasters would be called upon to contribute about 1,000,000 bucks a year. In any case don't let the industry get the idea that the idea of their assessment has been forgotten. It was said at the FCC that it was certain the Commission was contacting the Senate Finance Committee in this matter.

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"RIGHT WHERE WE WERE ON NETWORK RULES", SAYS FLY

There wasn't very much enlightenment as to whether or not the major networks were to get a further spanking at the forthcoming Department of Justice supposedly network regulations pow-wow called by Assistant Attorney Thurman Arnold tomorrow (Wednesday, October 29) in a comment yesterday by Chairman J. L. Fly who said: "We are right where we were on the network rules. Nothing has happened."

He said that the rules are in effect to a certain extent, with contracutal terms as of November 15, and added there has been no change. Mr. Fly said no request for deferment had been filed. He assumed that a petition will be filed for a further stay. However in the absence of such a presentation the Commission has no proceedings under way which look to any change.

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NEW RCA QUARTERLY "RADIO AGE" MAKES ITS BOW

Described as "a review of progress in the Radio Corporation of America and its associated companies", Radio Age, a brand new and very imposing radio publication made its appearance this week. It is about the size of Time Magazine, is handsomely illustrated, the first issue is thirty pages, and it will be published quarterly by the Department of Information of the Radio Corporation of America, RCA Building, New York, N. Y., for the RCA services; RCA Laboratories, RCA Manufacturing Company, Inc., R. C. A. Communications, Inc., Radiomarine Corporation of America, National Broadcasting Company, Inc., RCA Institutes, Inc.

"In story and pictures, the new magazine aims to present factually and concisely the news of RCA services and activities", the new magazine announces.

"Keeping step with the swiftly moving tempo of radio science, art and industry, the Editors hope that Radio Age also will catch and reflect the fascination found in these fields of endeavor."

The contents of the first issue (October) are "Beat the Promise", by Thomas F. Joyce; "Gateway to the Hemispheres", by John Elwood; "Work Begins at Princeton", by Ralph R. Beal; "Television Goes Commercial" by Alfred H. Morton; "Close Harmony", "600 Enroll"; "Glass Reflection Reduced"; RCA Alert Goes to Camden"; "Magic Brain"; Radiophotos from Russia; "Aurora Spells Radio Trouble"; "Radio at Sea"; "Listening Post"; "Penetrating New Worlds"; "Radio Across the Atlantic", by George H. Clark; "V" in Radio.

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FCC ACTION

Applications Granted: WCBX, Columbia Broadcasting System, New York, N. Y., granted special temporary authority to operate International Broadcast Station WCBX with 10-kilowatt transmitter beginning October 29, 1941, to not later than December 27, 1941; WPTZ, Philco Radio and Television Corp., Philadelphia, Pa., granted extension of special temporary authority to operate television station W3XE, for a period beginning October 31, 1941 to not later than December 29, 1941, operation to be on channel No. 3 with ESR 400; W2XYU, Columbia Broadcasting System, Inc., New York, N. Y., granted extension of special temporary authority to use a 25-watt test transmitter on 330.4, 333.4 and 336.4 megacycles in order to conduct antenna and propagation tests from either the Salmon or CBS Building in New York City in connection with proposed operation of ST Broadcast Stations W2XYN, W2XYO and W2XYP to November 24.

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CHICAGO FM MUSICAL HYPNOSIS NOT PUBLICITY STUNT

It was said the childbirth tests at Henrotin Hospital in Chicago were put on not as a publicity stunt, but as a real effort to determine whether or not FM had greater value than AM in musical hypnosis. Those in charge went into the subject very carefully with Dr. Edward L. Cornell, who is one of Chicago's outstanding obstetricians, and Head Obstetrician at Henrotin Hospital, and Dr. Leonarde Keeler, who is^{an} outstanding psychologist.

When asked about the experiment, Commander E. F. McDonald, Jr., of the Zenith Radio Corporation, owner of the FM station over which the FM programs were broadcast, said:

"Music has been used before to induce hypnosis in operations where locals are used. The case we tried it on was a case of a woman weighing between 90 and 100 pounds, whose last child was born dead, and upon whom they had determined to use the Caesarean section process and a local anaesthetic, as the woman could not stand a general. We had constructed a pair of crystal ear plugs that not only have light weight and do not annoy the patient, but, when inserted in the ear, are turned so that with the eccentric rubber form with which they are constructed the passage to the ear is completely filled and no outside sounds can come in.

"The reason we wanted to try out FM is that the others believed, and I know, that the highs demand more attention than the lows. In other words, if I want soft background music in my office, I turn off all the highs, because the minute I put in the highs they simply say to me, 'Come and listen - you've got to listen!'

"We have long known, but few have admitted, that the average radio and phonograph start cutting the intensity of the highs at 2,000, not 5,000 as generally believed. By the time present-day radios other than FM's reach 3,000, the graph of loss of intensities is like a toboggan slide, and there is practically nothing left at 5,000; whereas FM continues right through with a constant line from 30 to 15,000.

"Dr. Leonarde Keeler, the psychologist, sat alongside of this patient with a pair of head phones on himself, listening to the same thing that she was listening to. He controlled the volume, and from time to time, when he saw her becoming nervous, he would push in a higher volume and she would quiet down. You may say it was a counter-irritant.

"This FM set that we had in the hospital was receiving the program from our station W51C, and for the hour-and-a-half, I had a constant program of high-fidelity recordings, with no announcements; and the records were selected by the psychologist and the patient ahead of time. It is no publicity story when I tell you that the patient was singing during the operation.

"I am going to construct an FM phonograph for them to use in the hospital with their own library of records, so it will not be necessary for us to disrupt our programs."

: : : :
: : : : TRADE NOTES : : : :
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All 239 stations composing the Red and Blue networks of the National Broadcasting Company have given their approval to the plans for the organization of two Planning and Advisory Committees for closer coordination on National Defense.

In view of present world situation the meeting date for the two committees of seven men each has been changed from early November to October 29 and 30. The Blue Network committee will meet in Radio City on the first date, and the Red Network Committee on the second.

Maj. Gen. James G. Harbord, U. S. A., retired, who served in the Philippines for many years, will appear before NBC's television cameras to discuss the strategic military importance of the Philippine Islands, outpost of American defense, during the Radio City Matinee on Wednesday, October 29, beginning at 3:30 P.M. over New York's Station WNBT.

Expanding further its program of supplying to the war-torn nations of Europe unbiased news of the world, WGEO, General Electric short-wave station in Schenectady, has added to its schedule of foreign-language news broadcasts 15 minutes of news in Czech six days a week.

A new system which enables the projecting of images in color television to screen the size which you are accustomed to seeing in a moving picture theatre, has just been patented (No. 2,259,884) by Dr. A. N. Goldsmith, consulting engineer in New York City, and formerly with the R. C. A.

The Commission receives frequent requests for lists of the executive personnel of various radio stations. The reply is that this information is required to be shown only when applications for station construction permits are filed, and the data is not in convenient form for distribution. All applications are open for public inspection at the Washington offices of the Commission.

Joseph P. Selly, President of the American Communications Association (C.I.O) said on Saturday last that efforts by James W. Fitzpatrick of the Labor Department's conciliation service to bring accord between the Union and R. C. A. Communications, Inc., had failed. Mr. Fitzpatrick will report the failure to the Labor Department, Mr. Selly said. Negotiations, which previously had failed, had been reopened at the conciliator's request.

The conference ended, the union said, when the management refused to grant demands for wage increases, a closed shop and other points. Mr. Selly said the Union sought wage increases amounting to 30 percent of the present payroll or about \$450,000 yearly.

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Most of the radio listeners of South America heard President Roosevelt's Navy Day address last night (Oct. 27) through cooperative arrangements made by the Columbia Broadcasting System and the International Telephone and Telegraph Corporation. The address was carried over the regular radio telephone circuit to the station in Buenos Aires operated by an I.T.T. subsidiary and there turned over to wire facilities which delivered it to 23 radio stations in Argentina, Bolivia, Chile, Colombia, Peru and Uruguay.

Gerald Gross, Chief of the International Section of the Federal Communications Commission has returned to the United States after a study of wartime communications in England.

Stewart-Warner Corporation reported third quarter net earnings of \$599,839, equal to 47 cents a share on the capital stock, compared with \$317,439, or 25 cents, the third quarter last year. Earnings for the nine months period amounted to \$1,370,111, or \$1.08 a share, compared with \$994,684, or 80 cents, the first nine months of 1940.

The company also announced that James S. Knowlson, President and Chairman of the Board, has been given an indefinite leave of absence without pay effective October 1 to act as Deputy Director of Priorities under Donald Nelson, head of the Supply Priorities and Allocation Board. In Mr. Knowlson's absence, Frank A. Ross, Senior Vice President, will act as head of the company.

Lawrence J. Heller, of Washington, D. C., has applied for a transfer of the license of Station WINX to WINX Broadcasting Co., a Delaware corporation. Mr. Heller informed the Commission the corporation will issue 2,000 shares of no-par-value common stock, each share entitled to one vote.

Plans have been announced for the joint participation of the Ohio Department of Education, the Bureau of Educational Research, Ohio State University, and WLW for a Spring short course of study in practical radio station operation for elementary and high school teachers. The project, suggested by James D. Shouse, Vice-President of The Crosley Corporation in charge of broadcasting, was developed by Kenneth C. Ray, State Director of Education; Dr. I. Keith Tyler, Director of the Radio Division of the Bureau of Radio Research; Cecil Carmichael, Assistant to Shouse; and William L. Barlow, of the WLW public service staff.

The contents of "Long Lines" of the American Telephone & Telegraph Company for October include "About Ourselves" (a review of a book "The Bell Telephone System", the author of which is Arthur W. Page, Vice-President of the American Telephone & Telegraph Company); "Long Lines of the West", "New Division Heads", "Safety Salesmen", and "With the Colors".

One formal application for a new broadcast station received by the Commission lists among the applicant's assets 100 barrels of 3-year-old whiskey!

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LANG AND BAKER NEW G.E. VICE-PRESIDENTS

Two well-known radio figures were included in the creation of five new vice-presidents by the General Electric Company - Chester H. Lang, for many years identified with broadcasting, and who will now be in charge of defense activities, and Walter R. G. Baker, in charge of radio and television.

Mr. Lang, a graduate of the University of Michigan, joined the General Electric Company in 1919 and in 1922 was made Assistant Director of the Publicity Department. From 1926 to 1932 he served as Controller of the Budget and in the latter year became Advertising Manager and Manager of Radio Broadcasting. He served for two years as President of the Advertising Federation of America and later as Chairman of its Board. In April of last year he was made Apparatus Sales Manager and Chairman of the Company's Defense Coordinating Committee.

Mr. Baker is one of the country's radio pioneers. After being graduated from Union College in Schenectady, he joined the General Electric Research Laboratories in 1917 and some years later was made Designing Engineer in Charge of Transmitters. In 1924, he took charge of designing all radio products and in 1926 found himself supervising development, design and production. Since 1939 he has been Manager of the Radio and Television Department.

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TELEVISION STUDY LEADS TO SHINY GLASS ELIMINATION

Research in television in RCA Laboratories has led to a new chemical process to reduce extraneous reflections from glass. It now becomes possible virtually to eliminate the streaks that glare across show windows, framed pictures, ground-glass screens on cameras, electric meters, dials on autos and airplanes, and other glass surfaces or panels, thus minimizing chance of error in reading.

Success in the conquest of reflections has been achieved by RCA scientists while striving to improve contrast on television cathode-ray tubes. They observed that the picture contrast always is greater when the screen is viewed in a dark or semi-darkened room. Since the images are "painted" on the glass face of a cathode-ray tube, thence to be passed on through a thick glass protector plate to a glass mirror, the challenge of reflections was baffling.

Extending the investigation of the effects of hydrofluoric acid liquid and vapor on glass, new signposts were found for clearer vision in television and in the wide fields in which glass is used, whether in tiny lenses or big show windows.

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HEINL RADIO BUSINESS LETTER

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No. 1376

October 31, 1941

NBC AND CBS SUE, FOLLOWING SECRET D.J. CONFERENCE

Close on the heels of a closely guarded conference called by Assistant Attorney General Thurman G. Arnold at the Department of Justice, participated in by network heads and a Federal Communications Commission "observer", at which everyone was sworn to secrecy, the National Broadcasting Company and the Columbia Broadcasting System "kicked over the traces" by filing suit in the U.S. District Court of New York Thursday to prevent the FCC from putting into effect the new network rules which, according to CBS, would "force revolutionary changes in network broadcasting".

Columbia contended that these amendments, by which it was sought to appease the major chains, were insubstantial and subject to the same criticisms as the original rules, which, the network charged, constituted "a wrecking operation".

NBC said that its suit was filed to enjoin the enforcement of the FCC order "as being void and beyond the power and authority of the Commission to impose and also for the alleged reason that the order is arbitrary, capricious and contrary to public policy".

Filing suit with NBC were its affiliated stations WOW, of Omaha, and WHAM, Rochester, N. Y.

There were several versions of the more or less mysterious Department of Justice conference. One was that the major networks were called in to again be warned against trying to buck the FCC by taking the case to Court. Another, and this from a very reliable source, was that the Department of Justice men disabused the radio officials of ideas that a "squeeze play" for the FCC was being executed.

"What really happened, I believe, was that NBC and CBS simply called Chairman Fly's bluff", one informant said. "Feeling that the FCC was on shaky ground, he did his damndest to keep them from going to Court. I also think that the President tried to talk Sarnoff out of testing the case. Furthermore, it wouldn't surprise me a bit if Fly didn't get Thurman Arnold to see if he couldn't keep the boys in line by a few dirty looks from the Department of Justice, or maybe an intimation that if the networks didn't watch their step that Arnold would go ahead with his monopoly case against them."

On the other hand, it was said that the Justice officials believed it useless to argue with the chains after they had made up their minds to sue. The meeting between the network representa-

tives and the chief of the Antitrust Division was, by this version, said to have been amicable and did not go into the issues raised by the FCC or any allegations of monopoly. Instead, the talks were supposed to have centered about judicial procedure for possible merging of issues over FCC authority and possible issues concerning the Sherman Antitrust statutes.

It was declared to have been pointed out that great risk accompanies any monopoly action by the Department of Justice because the Communications Act expressly prohibits the FCC from granting a license to any person or group of persons found guilty of monopoly. Any judge who had to decide if monopoly has been exerted by the chains would hold the licenses of all M and O stations in the balance.

No definite date has ever been set by the Antitrust Division to start action against the broadcasters but attorneys have been at work for months and decision to file suit depends upon the chain companies' appeal from the FCC. In either case, it is understood that the bulk of material is to come from the mass of testimony and evidence adduced at FCC monopoly hearings.

At the session in Mr. Arnold's office were: Louis G. Caldwell, Fred Weber and Alfred J. McCosker, for Mutual; John T. Cahill, James D. Wise and Judge A. L. Ashby, for NBC; Judge John J. Burns and Joseph H. Ream, for CBS; Telford Taylor, as observer for the FCC; and, Victor O. Waters, Holmes Baldrige and Mr. Arnold for the Department of Justice.

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DURR, FCC NEW DEAL APPOINTEE, O.K.'ED

As had been expected, the Senate Finance Committee last Tuesday reported favorably on the nomination of Clifford J. Durr, New Dealer from Alabama, for a 7 year \$10,000 a year Federal Communications Commissionership. A few days later the Senate confirmed the nomination of Mr. Durr, who is a brother-in-law of Supreme Court Justice Hugo Blac, of Kuklux Klan fame. Durr, like Chairman Fly, is a Government career jobholder. Also, like Mr. Fly, Durr is a comparatively young man. Fly was born in 1898, and Durr in 1899.

Formerly a lawyer in the Reconstruction Finance Corporation, Mr. Durr was appointed to the FCC because of what was said to be his ability as a lawyer and because of his strong political backing, rather than for any special knowledge of the broadcasting or communications industry. There is only one man on the entire FCC who has had any practical experience in broadcasting and communications when he was appointed, and none was ever put on because of any particular demand of the industry itself. Practically every appointment has been political and in many instances men that the industry has never heard of.

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ASCAP, NBC AND CBS EQUALLY GLAD WAR IS OVER

Judging from the statement given out by Niles Trammell, President of the National Broadcasting Company, Edward Klauber, Vice-President of the Columbia Broadcasting System, and Gene Buck, President of the American Society of Composers, restoring ASCAP music to those networks yesterday (October 30), a large sigh of relief was heaved by everybody concerned.

It read:

"Solution of the music problem is welcomed equally by Radio and the American Society of Composers, Authors and Publishers. Never before has there existed such complete understanding and friendly relations between ASCAP and the broadcasters as there is today.

"The task of working out a set of contracts acceptable to the Society and to all segments of the broadcasting industry was long and arduous. That this result has been accomplished is due to the earnest desire of all parties to bring about a lasting peace in the interests of public service.

"Radio and ASCAP recognize their need for each other. They also recognize their duty to the American public and the cause of democracy. We believe that the contracts entered into today between Radio and ASCAP will result in years of useful implementation in the fulfillment of that duty and that cause."

The contracts, which are identical for NBC and CBS, provide that the networks shall pay ASCAP $2\frac{3}{4}$ per cent of net receipts from network commercial business, and their managed and operated station will pay $2\frac{1}{4}$ percent of commercial program income. ASCAP's original demand on the major chains was a flat $7\frac{1}{2}$ percent of network receipts for commercial programs.

The contracts are slated to run to December 31, 1949, at which time they will be renewable for nine years. They provide for arbitration if at that time ASCAP requests more favorable terms. It is also stipulated that ASCAP will provide its music free for television programs at the present time, but the right is reserved to cancel this service.

The new contracts, an ASCAP official said, will mean a sharp reduction in the Society's income from radio. Whereas ASCAP received \$5,100,000 from that source in 1940, it is estimated that the new scale will bring about \$3,000,000 annually. E. C. Mills, Chairman of the Administrative Committee of ASCAP was quoted as saying that the loss of revenue to the Composers because of the controversy amounted to more than \$4,000,000.

Broadcast Music, Inc., organized last year by the National Association of Broadcasters to supply its musical needs, will continue to function.

10/31/41

UNION OPERATORS CHARGED WITH REFUSING SHIP BEARINGS

The attention of the Department of Justice has been called to charges that operators on certain American ships outside of the war zone have deliberately failed to respond to requests for bearings from the radio operators of Trans-Atlantic air clippers. Instead they have asked the airplane operator what union he belonged to. If he said none, then no data as to location or even the weather has been forthcoming. Already ten such cases are said to have been reported to the Justice Department.

What action, if any, the Department may take if the charges prove true, is not known, but they bring into the spotlight a bill by Congressman Bland passed by the House and now before the Senate Commerce Committee. It provides that the Federal Communications Commission shall suspend the license of any ship's radio operator when the Commission, after investigation, has found there is "reasonable probability that such operator is a subversive individual".

The term "subversive individual", as defined by the bill, is very broad and, while directed primarily at operators who are members of, or sympathetic with, organizations which advocate the overthrow or undermining of our form of Government, it also specifically points the finger at any persons who participate in any "combination or conspiracy to resist the lawful authority of the United States".

In making its report on the bill to the House, Mr. Bland's Committee said: "It must not be considered that a large number of radio operators are subversive individuals or disloyal. The reverse is the case, but disloyal radio operators strategically placed may do great damage and it is against a menace of this character that the proposed bill is designed to guard.

"Testimony deduced before your Committee shows that at most there would be no more than 200 out of something like 2,000. In fact, it appeared from some testimony before your Committee that the numbers might not be more than 105, and as to some of them they may be identified for the purposes of the law with fairly reasonable dispatch."

Although no one would comment publicly on the reports being investigated until results of that investigation are aired, it was said, off the record, by several in Government circles that the ships' radio operators with which the Clipper operators have had difficulties undoubtedly could be found among those 150 or 200 identified in testimony before Bland's Committee as troublemakers, and "subversive or disloyal".

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ANOTHER SENATE CLASH OVER MC DONALD'S BRITISH OFFER

Sparks flew on the floor of the Senate for the second time in two weeks over the offer Commander E. F. McDonald, Jr., of the Zenith Radio Corporation, received from England to supply him with essential manufacturing materials which our priority officials refused to give him here. It was participated in by Senator Burton K. Wheeler, of Montana, Administration foe, and Senator Alben W. Barkley, of Kentucky, Administration defender.

Senator Wheeler began the debate when he declared that it was the lack of planning on the part of the Government which caused the shortage of the basic materials now so badly needed.

Senator Wheeler said:

"I am sorry I have not brought with me today a letter which I received a few days ago, after I made a statement on the floor of the Senate about the Zenith Radio Corporation. I called attention to the fact that the president of that corporation had told me, in the presence of others, that he was unable to get a certain material necessary in the manufacture of radios, that he had finally written to England and took the matter up with the English, asking them if they could furnish the material. A Senator on the floor called my attention to the fact that there was in the Washington Post an editorial denying that story, and saying it was untrue. The editorial reads:

REPEATING A LIE

There is some comfort in the statement by Senator Wheeler that there is to be no organized fight in the Senate on the second lend-lease appropriation. Senator Wheeler merely says he will vote against it. Unfortunately in his statement on Monday he sought to bring other Senators to his side in a thoroughly unworthy manner. He repeated one of those canards against the good faith of the fighting British, which the President recently felt called upon to expose. Mr. Roosevelt did not deal with the particular fantasy that Senator Wheeler trotted out on Monday. But, since the Montanan's story has been going the rounds from coast to coast since June, the facts need to be explained. Such a need is the greater because of the Senate consideration of the second lend-lease appropriation and the fresh currency on Capitol Hill which Senator Wheeler has given to the story.

"I call the attention of my colleagues to the fact that the editorial refers to 'repeating a lie'. They are the ones who are repeating a lie. I have a letter from the president of the Zenith Co. himself in which he says that I quoted him correctly; that what I said was absolutely true, that he could not get the material in this country, that he did write to England, and that they offered to furnish it to him, but he never ordered the material.

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"The only mistake I made, if one was made, was that he got the material from England - and I do not recall having said that. They offered it to him from England, but he did not order it from England. So the distinguished editor of the Washington Post is the one who is repeating a lie, if a lie is being repeated, when he says that the story which was given currency in the Capitol and throughout the country was not true.

"I ask that the letter to which I have referred, which I do not happen to have with me at the present time but which I will supply, be inserted in the Record as a part of my remarks."

There being no objection, the letter was ordered to be printed in the Record and is as follows:

Zenith Radio Corporation,
Chicago, October 14, 1941.

Hon. Burton K. Wheeler,
United States Senate, Washington, D. C.

My dear Senator Wheeler: The British Publicity Department and the Chicago Tribune both called me today asking whether I had made a statement to you that we could buy alnico steel from England.

I stated to both of them that I made the public announcement to our stockholders at our annual meeting this past June that there was a great shortage of alnico steel; that we were having difficulty obtaining it, and that during the period of this shortage we had had an offer from England to supply part of our needs in alnico steel to be used in magnets for radio loudspeakers.

I told the Tribune man that the Tribune had already published my statement to this effect and that it had been carried by one of the press services. I also told him that it had been published pretty generally over the United States and that it was a statement of fact, as we had been offered this alnico steel. However, I stated that we never accepted their offer.

I want you to have this before you, so that there will be no twisting by the papers or others of the fact that I did make the above statement. And, what is more, the correspondence is in my files if anyone questions it.

Sincerely yours,

Gene.

Mr. BARKLEY. If the Senator will read the whole editorial he will find it makes some reference to the fact that the president of the Zenith Co. had been contacted and that he had denied the statement which had been made. * * * *

Mr. BARKLEY. I am not stating what the facts are; I do not know what they are ---

10/31/41

Mr. WHEELER. I am stating what the facts are.

Mr. BARKLEY. But the whole editorial should be inserted.

Mr. WHEELER. I shall insert it. The editorial continues:

Senator Wheeler charged that an official of the Zenith Radio Co. of Chicago, recently denied aluminum by our priority officials, had written to England for it "just for fun" and was promised delivery in 3 weeks. There is not a word of truth in the allegation.

I did not charge that an official of the Zenith Radio Co., of Chicago, was denied aluminum by our priority officials. I said - and the Record will bear me out - that the Zenith Co. could not get certain materials here for radio parts, but did write to England and was promised delivery in 3 weeks. I may have been in error about the 3 weeks, but that was my recollection of the conversation.

I was in error if I said "aluminum", because it may have been some other material. My statement in the Senate on October 16 was that it was "certain material".

The editorial proceeds:

The story, evidently, came out of the annual meeting of the Zenith Radio Co. as far back as last June, or within 2 months of the signing of the Lend-Lease Act. The company was short of alnico steel, an alloy of aluminum, nickel, and copper, and the president, Capt. Eugene McDonald, whom Senator Wheeler quoted, said that the company might be able to get some of this steel from Britain. His reason was that he had had offers of alnico steel before. This was not odd. The British had had to keep up exports in order to pay for war imports, and even after the Lend-Lease Act was signed still had to make deliveries on orders obtained in the cash-and-carry era. But in this case the Zenith Co. received a negative response. The fact is that such goods are subject to export licenses, and, as the British replied, "no licenses will be granted."

This is only one of many fairy tales that are being bandied about by the isolationists.

The fairy tales which are being bandied about are not being spread by the isolationists. Not only that, but the intolerance that is being bandied around is not on the part of isolationists.

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ACTION BY THE FCC

Applications Granted: Oak Park Realty and Amusement Co. Chicago, Ill., granted construction permit for new Frequency Modulation broadcast station to operate on 47,900 kilocycles, to serve 10,800, square miles, and operate 4 hours day, 4 hours night; W71SB, South Bend Tribune, South Bend, Ind., granted modification of construction permit to change transmitter site locally, make changes in transmitter and antenna system; increase service area to 7,100 square miles and extend commencement and completion dates to 60 and 180 days after grant, respectively (FM station).

Also, Commercial Radio-Sound Corp. New York City (Portable-Mobile), granted construction permit on an experimental basis only for a new public address relay station to operate on 310,000 kilocycles; 0.1 watt, special emission for frequency modulation; KJR, Fisher's Blend Station, Inc., granted construction permit to move transmitter locally, conditional to taking care of blanketing situation; install a directional antenna for nighttime use, and increase day and night power to 50 kilowatts (now has 5 kw. on 1000 kilocycles, unlimited time); KSFO, Associated Broadcasters, Inc., San Francisco, Cal., granted petition for reconsideration and hearing directed against Commission grant of September 9, 1941, of construction permit to Pacific Agricultural Foundation, Ltd. (KQW), San Jose, Cal., to change frequency from 1010 to 740 kilocycles and power from 1 kilowatt night, 5 kilowatts day to 50 kilowatts unlimited time; designated same for consolidated hearing with application of Associated Broadcasters for construction permit to change frequency from 560 to 740 kilocycles and power from 1 kw night, 5 kw day, to 50 KW unlimited time; denied further request of Associated Broadcasters that hearing be held in San Francisco.

Also, WRUW, World Wide Broadcasting Corp., Scituate (Boston), Mass., granted modification of international broadcast station license to add 9700 kilocycles, providing that no objectionable interference results to service of other stations which have priority of assignment.

Also, KVOS, KVOS, Inc., Bellingham, Wash., granted construction permit to install new equipment, install a directional antenna for day and night use, increase day and night power to 1 KW, change frequency to 790 kilocycles, and move transmitter to 3 miles west of Bellingham, Wash.; KFXJ, R. G. Howell and Charles Howell, d/b as Western Slope Broadcasting Co., Grand Junction, Colo., granted construction permit to change frequency to 920 kc., increase power to 500 watts night, 1 KW day, unlimited time; WEJL, National Broadcasting Co., Inc., New York, N. Y., granted special temporary authority to operate relay broadcast station WEJL on its presently licensed frequencies and power in order to communicate between the public address system booth in Madison Square Garden and the announcer on the floor of the arena so that the announcer can convey to the audience a close-up descriptive information concerning events at the National Horse Show on November 5, to 12, 1941, only; WEJI, Same.

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Also, W9XBT, Balaban & Katz Corp., Portable-Mobile, Area of Chicago, granted license to cover construction permit which snowed decrease in power and change in equipment for new television relay broadcast station; frequencies 204,000-216,000 kilocycles; 40 watts, to be used with applicant's television broadcast station W9XBK; the license is granted conditionally; W6XDL, Don Lee Broadcasting System, San Francisco, Calif., granted modification of construction permit which authorized new experimental television broadcast station, for extension of commencement and completion dates to April 30, 1942.

Applications Received: Philco Radio and Television Corp.

Portable-Mobile, construction permit for a new television station to be operated on Channel 13 and 14, 230000-242000 kilocycles, 60 watts (peak) A5 emission (to be operated with applicant's commercial television station WPTZ); General Electric Co., Schenectady, N.Y., construction permit for a new television relay broadcast station to be operated on 162000-168000 kilocycles, Aural 50 watts, Visual 60 watts, Emission A5, and Special for frequency modulation (To be used with applicant's television (commercial) broadcast station WRGB).

Also, WBRK, Monroe B. England, Pittsfield, Mass., construction permit to install new transmitter, directional antenna for day and night use, change frequency from 1340 to 1150 kilocycles, increase power from 250 watts to 1 KW; W. Walter Tison, Jacksonville, Fla., construction permit for a new broadcast station to be operated on 600 kc., 1 KW and unlimited hours; WFTL, Ralph A. Horton, Ft. Lauderdale, Fla., construction permit to install new transmitter, directional antenna for night use, increase power from 250 watts to 10 KW, change frequency from 1400 to 710 kc., and move transmitter; Raymond C. Hammett, Talladega, Ala., construction permit for a new broadcast station to be operated on 1230 kc., 250 watts, unlimited time; Olympic Broadcasting Corp., Bremerton, Wash., construction permit for a new broadcast station to be operated on 1540 kilocycles, 500 watts, unlimited time.

Also, KSOO, Sioux Falls Broadcast Assn., Inc., Sioux Falls, S. D., construction permit to increase power from 5 to 10 KW, change hours from limited to unlimited, install new transmitter, directional antenna for night use and move transmitter and to make changes in directional antenna; WCHS, Charleston Broadcasting Co., Charleston, W. Va., construction permit to install new transmitter, make changes in directional antenna for night use, change frequency from 580 to 640 kilocycles, increase power from 5 to 50 kilowatts, and move transmitter.

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: : : TRADE NOTES : : :
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Broadcasting will come of age Sunday, November 2, at 7 P.M. On that date, and at that hour, 21 years ago, Westinghouse Station KDKA in Pittsburgh began an organized service of radio programs and so introduced broadcasting to the world.

Among those reported as having rented new commercial quarters in New York, was Carl L. Janik, Eastern District Manager for Radio Manufacturing Engineers, Inc., of Peoria, Ill., in the Time and Life Building.

Emerson Radio and Phonograph Corporation will run an extensive Christmas advertising campaign on the Emerson "Personal" set, claimed to be the smallest and lightest on the market.

F. P. Guthrie, District Manager of R.C.A. Communications, of Washington, was among those who attended the dinner given to Maj. Gen. J. O. Mauborgne, who recently retired after a four year term as Chief Signal Officer of the U. S. Army at the Officers Club on Governor's Island, New York City, Saturday, October 25.

The dinner was given jointly by the Veteran Wireless Operators' Association and the American Signal Corps Association. W. J. McGonigle, of the New York Telephone Company, President of the Veteran Wireless Operators' Association, was the toastmaster.

There was a large attendance drawn from officials and employees of the communications companies as well as many Army officers who had served with General Mauborgne, and the guest of honor seemed touched by the many tributes paid to him.

Twenty-one engineers and transmitter technicians of the Columbia Broadcasting System, Station WABC and International Station WCBX, gathered at the new WABC transmitter on Columbia Island last Tuesday night for an inspection tour and late supper. The men - formerly all together at Wayne, N. J., - came from Wayne, site of the old WABC transmitter, and from Brentwood, L.I., home of the WCBX international transmitter.

Dr. John R. Brinkley, former goat gland specialist and broadcaster, was removed from Del Rio, Texas, to San Antonio, following a sinking spell brought on by the weakened condition of his heart. Physicians have said that additional amputation of his left leg seems indicated. Brinkley also has legal difficulties pending. They involve a mail fraud charge and his own bankruptcy.

Prime Minister John Curtin, of Australia, outlining plans to stimulate understanding between the peoples of Australia and the United States, announced yesterday that a powerful short-wave station costing more than \$900,000 would be built so that Australian talks can reach American listeners.

In the RCA Laboratories, studies are being made through the powerful eye of the electron microscope to reveal for the first time the intricate construction of the skin, hair and wings of butterflies, bees, flies, beetles, and even the submicroscopic details of their egg shells.

Widely accalimed in scientific and industrial circles as an epochal development in scientific instruments, the RCA electron microscope magnifies up to 100,000 diameters, which is from 50 to 100 times more powerful than the strongest optical microscope.

Telephone operating subsidiaries of the International Telephone and Telegraph Corporation in nine foreign countries report an aggregate net increase of 39,459 telephones in service during the first nine months of 1941.

The I. T. & T. has organized International Telephone & Radio Manufacturing Corp and has established factories at Newark, N.J. to produce equipment and supplies for the rapidly growing telephone systems south of the United States. These factories are in production and ready to meet the urgent need of communication equipment in Latin America as rapidly as materials are available.

Cleveland Broadcasting, Inc., of Cleveland, Ohio, has applied for construction permit for a new broadcast station to be operated on 1300 kilocycles, 5 kilowatts and unlimited hours, using directional antenna day and night.

Ralph W. S. Bennett, Sandusky, Ohio, has applied for a construction permit for a new broadcast station to be operated on 1450 kilocycles, 250 watts and unlimited hours.

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FM NETWORK SEEKS NEW YORK OUTLET

The American Network, FM's first chain organization, will shortly file its application for a key outlet in New York City. The new station, if approved by the Federal Communications Commission, would be located in the Lincoln Building, 60 East 42nd Street, with transmitter and radiating antenna at the same site.

Simultaneously with filing of its official application, The American Network will ask permission to make temporary use of a 10,000-watt FM installation, now idle, until such time as the Commission has had an opportunity to consider the granting of a regular license. This special transmitter could be ready to go on the air with a daily program schedules 60 days after approval, if so authorized.

The American Network plans the eventual establishment of a coast-to-coast FM web having outlets in more than 40 principal cities, with approximately 75% of the national population living within the proposed service areas.

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