



Issued by

THE NATIONAL ASSOCIATION OF BROADCASTERS

NATIONAL PRESS BUILDING ♦ ♦ ♦ WASHINGTON, D. C.

PHILIP G. LOUCKS, Managing Director.

January 11, 1932

## WE PREPARE TO FIGHT!

The Board of Directors of the National Association of Broadcasters held a special meeting in Washington, D. C. on Sunday, January 10, considered at length the problems confronting American broadcasters and evolved a definite program for their solution.

The meeting, the most enthusiastic ever held by the Association's Board, commenced at 10 a.m. and continued until 6 p.m.

Matters considered by the Board during its all-day session were as follows:

1. The Couzens-Dill resolution to investigate the feasibility of Government ownership of broadcasting stations.
2. Plans of the Federal Government to tax the broadcasting industry.
3. The music copyright situation.
4. Establishment of a bureau of information at NAB headquarters.
5. Attitude to be taken with respect to unfair and untrue propaganda being disseminated about broadcasting in this country.
6. Formulation of a definite program for the Madrid Conference.
7. Foundation of a sinking fund or war chest to actively combat forces seeking to destroy broadcasting by the American plan.
8. Numerous miscellaneous matters.

## AMONG THOSE PRESENT

The meeting of the Board was called by President Shaw on Thursday. Before the meeting was called to order on Sunday morning every member of the Board had either sent word that he would be present or could not attend due to the short notice of the meeting. Those present were: President Shaw, Vice President Storey, Vice President Morency, Treasurer Howlett, Messrs. Fitzpatrick, Ryan, (Caldwell), McClelland (Russell), Hedges (Russell) Church, Cummings, McCosker (scott), Lee (Butcher), Carpenter, Craney (Shaw) and the Managing Director.

## REPORT OF MANAGING DIRECTOR

The Managing Director reported that arrangements had been made for the annual audit of the books of the Association; that the present membership stood at 174; that the Executive Committee had approved the budget for the current fiscal year based upon a total anticipated income of \$42,000; that in accordance with action of the Executive Committee, sections had been organized in place of certain committees; that the President had appointed committees and that announcements would be made within the next few days; that proceedings of the annual meeting were now on the presses; that certificates of membership and a new issue of the Code of Ethics would be ready for distribution within the next ten days; that the NAB had made an arrangement with the Remington Rand Inc. to supply leather binders to members and that an announcement to that effect had been published in the Bulletin.

## PRESIDENT SHAW WARNS

President Shaw then addressed the Board, outlining the purposes for which the meeting was called. The President said he had spent nearly all his time since becoming head of the Association investigating general conditions prevailing in our industry, sounding out the attitude of Congress, and studying the sources of propaganda which is being disseminated against the American Plan of broadcasting.

"This sniping," he declared, "has been going on for a long time and all we have done is shake our heads and talk about it. We have done nothing. We have been content to leave the protection of this industry to a few of our friends in certain places. We have been fortunate. We have been lucky. Not that our friends have failed us. They have done a noble job. And they will continue to work for us but they cannot perform the task which lies before this industry without the unstinted cooperation of every member of this Association.

"The purpose of the meeting," he said, "is to decide whether we are going to give to those who are willing to carry on, the moral and financial support they will need to meet successfully the opposition now in existence.

"I want the Board to sit here and consider these questions," he concluded, "I want this Board to discuss each of these problems separately and arrive at a conclusion with respect to each. I want you to do that if you must stay here all day, all night, and all day tomorrow - all week, if necessary."

## PROBLEMS ARE OUTLINED

The Managing Director then reported generally on the present legislative situation. Before the Congress are the Fess Bill to set aside 15 per cent of broadcasting channels for education, the Horr resolution to investigate the Radio Commission, the Couzens-Dill resolution to investigate the feasibility of government ownership, four copyright bills with others in prospect, the Sirovich Bill to transfer the Commission back to the Department of Commerce and the Dill Bill to transfer the Radio Division to the Radio Commission (which has passed the Senate) and other miscellaneous legislation. The Ways and Means Committee of the House next week will begin consideration of a tax bill to raise \$900,000,000 to meet governmental deficit and it appears very probable that the radio industry will be taxed handsomely under this measure. Hearings will commence next week and continue for ten days.

President Shaw pointed out that there is a growing feeling on Capitol Hill that politicians should keep their hands on radio and that this situation certainly was not helping radio.

## INFORMATION BUREAU ESTABLISHED

The Board passed a motion creating a Bureau of Information in the Association and authorized the Managing Director to employ Mr. John J. Daly, feature writer and newspaper columnist, to take charge of the Bureau. Mr. Daly will be instructed to commence work immediately.

## INVESTIGATION OF RADIO

With respect to the Couzens-Dill resolution requiring the Commission to investigate the feasibility of government ownership of broadcasting stations, the following resolution was adopted:

RESOLVED, That it is the sense of the Board of Directors of the National Association of Broadcasters that

1. The Board welcomes any fair and impartial investigation of the broadcasting industry as an opportunity to demonstrate that the American Plan of competitive broadcasting, in the hands of private industry, is immeasurably superior to the system prevalent in Europe, of broadcasting stations owned or controlled by governments and supported by heavy taxes on receiving set owners.

2. The Board is ready and willing to place at the disposal of Congress and the Federal Radio Commission any and all records, data and information which it has or which, through its organization, it may be able to obtain, and to this end offers its unqualified cooperation.

3. The Board is confident that in the foregoing it is expressing the views of the entire membership of this Association.

## THE DILL AMENDMENT

The Dill Amendment to the Couzens resolution as reported in last week's bulletin is as follows:

8. Since education is a public service paid for by the taxes of the people, and therefore the people have a right to have complete control of all the facilities of public education, what recognition has the commission given to the application of public educational institutions? Give name of stations, power used, and frequency.

9. What applications by public educational institutions for increased power and more effective frequencies have been granted since the commission's organization? What refused?

10. What educational stations have been granted cleared channels? What cleared channels are not used by chain broadcasting systems?

11. How many quota units are assigned to the National Broadcasting Company and the other stations it uses? To the Columbia Broadcasting System and other stations it uses? To stations under control of educational institutions?

12. In what cases has the commission given licenses to commercial stations for facilities applied for by educational institutions?

13. Has the commission granted any applications by educational stations for radio facilities previously used by commercial stations? If so, in what cases? In what cases have such applications been refused? Why refused?

14. To what extent are commercial stations allowing free use of their facilities for broadcasting programs for use in schools and public institutions? To what extent are such programs sponsored by commercial interests? By chain systems?

15. Does the commission believe that educational programs can be safely left to the voluntary gift of the use of facilities by commercial stations?

## RESOLUTION PASSED BY SENATE

The Couzens-Dill resolution was adopted by the Senate on Tuesday afternoon, January 12.

## BROADCASTING AND TAXES

The various plans which are being rumored for taxing the radio industry were discussed at length and it was decided that the matter should be referred to the Executive Committee for action with a suggestion that the Executive Committee come to Washington at the earliest possible date in order to take part in the hearings, if necessary, next week. The radio portion of the revenue bill will likely be reached January 20 and 21 if not before.

## NEW ORLEANS MEETING POSTPONED

The Board voted to postpone until the latter part of March the propose Regional Meeting originally scheduled for New Orleans, La. during February. The seriousness of the problems which the industry faces coupled with the high hotel rates prevailing in New Orleans at the Mardi Gras time contributed to the action.

## COMMEND JUDGE ROBINSON

The Board adopted the following resolution commending the work of Judge Ira E. Robinson as a member of the Federal Radio Commission:

RESOLVED, That in view of Judge Ira E. Robinson's decision to retire January 15 from his post of Federal Radio Commissioner in order to resume the practice of law,

The Board of Directors of the National Association of Broadcasters, on behalf of its representative membership of broadcasters throughout the country, expresses its deepest appreciation to Judge Robinson for the splendid record of service on behalf of radio and the public which he has rendered during his four years of stewardship as commissioner from the Second Zone. The Board views his decision to retire from the public service with sincere regrets. To Judge Robinson as a man, a jurist and a public servant, it repeats the assurances of its highest regard and deepest respect and offers its best wishes for continued success and happiness.

- - -