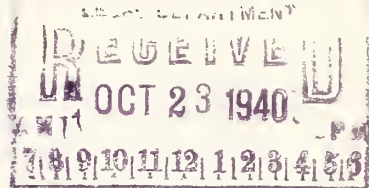


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.



~~7/17~~
All

INDEX TO ISSUE OF OCTOBER 22, 1940

Decrease In Communication Equipment Products.....	2
New Brooklyn Station Sought.....	5
Despite Color Early Television Standards Hoped For.....	5
Federal Protest Seen If ASCAP Blackout.....	6
Changing An Editor's Politics.....	7
WJSV Celebrates Eighth Birthday.....	7
Broadcast Application Examination Revised.....	8
WQXR Asks More Time For Expansion.....	8
Another Long Title For Mr. Rockefeller.....	8
Boake Carter Comeback May Cause Congressional Ire.....	9
Trade Notes.....	10
Reviews Broadcasting Regulations.....	11
Improved Electricity Broadcast Device Shown.....	11
I. T. & T. Protects Military Service Employees.....	12
Wage-Hour Law Recommendations Decided Upon.....	12
WMCA Studios Reproduced By Al Jolson.....	12

No. 1276

October 22, 1940

DECREASE IN COMMUNICATION EQUIPMENT PRODUCTS

Manufacturers of communication equipment reported moderate decreases in employment, wages, and production for 1939 as compared with 1937, according to preliminary figures compiled from returns of the Census of Manufactures for 1939 and released by Director William Lane Austin, Bureau of the Census, Department of Commerce.

This industry, as constituted for census purposes, embraces establishments primarily engaged in the manufacture of electric signaling apparatus (other than railway); signals and attachments (railway); telephone and telegraph equipment; and miscellaneous radio parts except loud speakers and microphones which are a part of the Radios, Radio Tubes, and Phonographs industry.

The wage earners primarily engaged in manufacturing in this industry in 1939 numbered 32,119, a decrease of 21.6 percent, compared with 40,981 reported for 1937, and their wages, \$44,444,379 decreased 19.7 percent as compared with \$55,326,496, reported for 1937. These decreases may be partially accounted for by the fact that the 1939 Census of Manufactures questionnaire, for the first time, called for personnel employed in distribution, construction, etc., separately from manufacturing employees of the plants. It is not known how many of the wage earners reported for 1937 were engaged in distribution and construction and how many were engaged in manufacturing. Employees of the plants reported as engaged in distribution and construction activities in 1939 are not included in this preliminary report but will be included in the final report.

The value of products of the industry for 1939 amounted to \$191,326,489, a decrease of 15.9 percent, compared with \$227,523,931 reported for 1937.

Summary statistics for 1939 and 1937 are given in Table 1. Detailed statistics on production are given in Table 2. All figures for 1939 are preliminary and subject to revision.

Table 1. - Summary for the Industry: 1939 and 1937

(Because they account for a negligible portion of the national output, plants with annual production valued at less than \$5,000 have been excluded since 1919)

(Table follows next page)

Table 1 (Cont'd)

	1939	1937	Percent of increase or decrease (-)
Number of establishments	227	187	21.4
Salaried personnel <u>1/</u>	9,305	13,470	-30.9
Salaries <u>1/</u> <u>2/</u>	\$ 25,325,092	\$ 29,740,220	-14.8
Wage earners (average for the year) <u>3/</u>	32,119	40,981	-21.6
Wages <u>2/</u> <u>3/</u>	\$ 44,444,379	\$ 55,326,496	-19.7
Cost of materials, supplies, fuel, purchased electric energy, and contract work <u>2/</u>	\$ 48,353,690	\$ 65,180,565	-25.8
Value of products <u>2/</u>	\$191,326,489	\$227,523,931	-15.9
Value added by manufacture <u>4/</u>	\$142,972,799	\$162,343,366	-11.9

1/ No data for employees of central administrative offices are included.

2/ Profits or losses cannot be calculated from the census figures because no data are collected for certain expense items, such as interest, rent, depreciation, taxes, insurance, and advertising.

3/ The time for wage earners is an average of the numbers reported for the several months of the year and includes both full-time and part-time workers. The quotient obtained by dividing the amount of wages by the average number of wage earners should not, therefore, be accepted as representing the average wage received by full-time wage earners.

4/ Value of products less cost of materials, supplies, fuel, purchased electric energy, and contract work.

Table 2 - Products, by Class, Number, and Value: 1939 and 1937

	1939	1937
1. Communication Equipment industry, all products, total value	\$191,326,489	\$227,523,931
2. Communication equipment made in the industry.	150,862,615	167,560,396
3. Miscellaneous products not specified.	4,016,460	14,856,630
4. Receipts for contract and repair work.	347,660	91,029
5. Other products (not classified in this industry).	<u>1/</u> 36,009,754	45,015,876
6. Communication equipment made as secondary products in other industries	<u>2/</u> 14,543,233	26,050,800
Communication equipment, aggregate value (sum of 2 and 6)	\$165,405,848	\$193,611,196

(Table continued)

Table 2. (Continued)

	1939	1937
Radio apparatus:		
Miscellaneous parts.	\$ 45,665,666	\$ 47,328,415
Radio transformers--		
For receiving sets--		
Number reported--		
Number.	6,767,722	8,859,645
Value	\$ 3,279,936	\$ 4,479,608
Number not reported, value . .	\$ 1,931,811	\$ 3,389,605
For transmitting sets, value . .	\$ 607,783	\$ 487,630
Signaling apparatus, electric (other than railway).		
Audible signals	\$ 4,252,460	\$ 3,162,475
Burglar-alarm and hold-up apparatus	\$ 833,822	\$ 1,007,687
Contact devices.	\$ 284,930	\$ 239,887
Electric street traffic-signal apparatus and accessories	\$ 1,265,595	\$ 1,243,950
Fire and watch signal apparatus. . .	\$ 881,647	\$ 495,954
Hospital signaling apparatus	\$ 757,071	\$ 452,920
Nonautomatic internal telephone apparatus.	\$ 395,434	\$ 383,812
Relays	\$ 238,211	\$ 288,112
Visible signals.	\$ 416,500	\$ 420,701
Municipal fire and police signaling systems, including sprinkler supervisory and automatic fire-detecting devices	\$ 1,010,865	(3)
Railroad highway grade crossing signals (exclusive of relays and other control apparatus	\$ 1,454,244	(3)
Other <u>4/</u>	\$ 7,791,928	\$ 14,347,792
Telephone and telegraph apparatus (not including wireless)	\$ 94,337,945	\$ 115,882,648

1/ Ignition apparatus, insulated wire, telephone and telegraph cable, laboratory testing instruments, resistance welding electrodes, transformers.

2/ Incomplete; complete figures will be given in the final report.

3/ Included in "Other" electrical signaling apparatus in 1937.

4/ Includes laboratory electrical test equipment, and railway signals and attachments (including automatic train controls), and visual and audible code-calling systems for 1939 and 1937. See all items covered by footnote 3.

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

NEW BROOKLYN STATION SOUGHT

Following the granting of license for Station WLTH, The Voice of Brooklyn, and a general clearing up of the Brooklyn broadcasting situation after years of litigation, an application has been received from the Frequency Broadcasting Corporation of Brooklyn to construct a new station to be operated on 620 kilocycles, 500 watts, daytime only.

The same company has applied for a new high frequency broadcast station to be operated on 43,700 kilocycles with a coverage of 14,400 square miles, and a population area of 11,900,000.

X X X X X X X X X X

DESPITE COLOR EARLY TELEVISION STANDARDS HOPED FOR

Notwithstanding the apprehension the industry seems to have that there may be delay and added cost if Chairman James L. Fly, Chairman of the Federal Communications Commission insists that the rebirth of television be in color instead of black and white, W. R. G. Baker, of the General Electric Company, Chairman of the National Television System Committee still expressed the hope that television standards could be completed by January 1. Already several panels, or committees, have completed plans for undertaking this work. Certain of the panels whose work involves consideration of color and the possible application of Frequency Modulation still have a great deal of work ahead of them. Among the panels yet to be heard from and the tentative completion dates are:

- Panel 1 - System Analysis, November 1
- Panel 2 - Subjective Aspects, November 1
- Panel 7 - Picture Resolution, November 1
- Panel 8 - Synchronization, November 15
- Panel 9 - Radiation Polarization, December 1

"The sixteen members of the National Television Systems Committee represent manufacturing companies, research organizations, and utilities actively engaged in, or closely associated with the radio industry. Of the fifteen voting members - the Chairman having no vote - eight represent companies associated with the Radio Manufacturers' Association. There is, in addition, one representative of the Radio Manufacturers' Association of Canada, Ralph A. Hackbush, who acts as an observer only", Mr. Baker reported.

"The detailed analytical work is handled by nine panels consisting of 138 members representing 41 companies or organizations. Of these 41 companies, 19 represent receiver manufacturers; 5 represent manufacturers producing both transmitters and receivers; 9 represent universities or research organizations; 4, utilities; 3, broadcasting organizations, and one, consultant."

X X X X X X X X

FEDERAL PROTEST SEEN IF ASCAP BLACKOUT

Duplicating a similar performance held recently at the San Francisco Exposition, which it is alleged was deliberately ignored by the radio stations, the American Society of Composers will sponsor a Cavalcade of American Music at the New York World's Fair on Thursday, October 24. This may prove the first Eastern showdown in the big fight between ASCAP and NAB. How many stations or networks will broadcast this performance remains to be seen.

If there is a duplication of the West Coast radio blackout, it is understood the Composers will address a strong protest to President Roosevelt, the Federal Communications Commission and Congress.

Gene Buck, returning from the ASCAP show at San Francisco, said:

"The fact that the Fair was able to draw such a crowd for a special event without a bit of help from radio is proof that anyone with an important message to put across to the public can still do it exclusively through the press. It shows that, in contacting the public, newspapers still come first."

The New York World's Fair Cavalcade will comprise the highlights of American music, composed and written by members of the Society. It is being given as part of the ceremonies celebrating its Twenty-Fifth Anniversary.

There will be two concerts, one in the afternoon and one in the evening. Both will be free to the public. The afternoon concert will feature the Rochester Philharmonic Symphony Orchestra, and symphonic works of members of the Society, including Henry Hadley Deems Taylor, Dr. Howard Hanson, William Grant Still and Morton Gould.

The evening concert will have Gene Buck as Master-of-Ceremonies and will be devoted to a Cavalcade of American songs of the past and present. There will be a tribute to the memories of Victor Herbert, ASCAP's Founder; John Philip Sousa and George Gershwin.

The following composers and authors have come from Hollywood for the occasion: Jerome Kern, Sigmund Romberg, Jean Schwartz and Walter Donaldson. An extra added attraction will be Gene Autry, the cowboy singer-composer, who will sing some of his own Western melodies.

The partial program of composers and authors who will appear in person and who will either play or sing their own compositions, follows:

Irving Berlin - "God Bless America"; George M. Cohan - "I'm a Yankee Doodle Dandy"; "Give My Regards to Broadway", "Grand Old Flag"; Jerome Kern - "Ole Man River", "Smoke Gets In Your Eyes", "All the Things You Are"; Sigmund Romberg - "Lover Come Back To Me",

"One Alone", "Sweethearts"; W. C Handy, "The St. Louis Blues"; Harry Von Tilzer - Medley; Joe Howard, "I Wonder Who's Kissing Her Now"; Harry Armstrong - "Sweet Adeline"; Jean Schwartz - "Chinatown"; Johnny Green, "Body and Soul"; Billy Hill - "The Last Round Up"; Ferde Grof - "On the Trail" from "The Grand Canyon Suite"; Milton Ager - "Happy Days Are Here Again"; Fred E. Ahlert, "Where the Blue of the Night Meets the Gold of the Day".

X X X X X X X X X X

CHANGING AN EDITOR'S POLITICS

In his book "The Dead Hand of Bureaucracy" just published, Lawrence Sullivan writes, in a chapter called "We, The Government":

"An amusing story in the records of the Federal Communications Commission relates how, by the astute political use of governmental powers, a Massachusetts editor of militant Republican inclinations was converted to New Dealism. The editor decided to supplement his newspaper with a local radio station. Sometime between the date of his application and its approval by the FCC, the editor dropped all criticism of Democratic policies, both state and national. But the first radio license give this editor only daylight broadcasting hours - after a considerable investment in equipment. Thereafter a promise of night hours at some future date kept him a loyal Democrat through the following three elections, for his only chance to bail out on the heavy investment was to obtain night hours in the profitable range of commercial broadcasting."

X X X X X X X X X X

WJSV CELEBRATES EIGHTH BIRTHDAY

WJSV in Washington celebrated its eighth anniversary last Sunday as a member of the Columbia Broadcasting System. WJSV, now one of the foremost stations in the country and broadcasting with 50 KW, went into the network with a higher power, 10 KW, than many stations did on that day.

The initial program was at 9 P.M. on the night of October 20, 1932. Harry C. Butcher, now a Vice-President of CBS, was General Manager of the station. The master of ceremonies was A. D. ("Jess") Willard, Jr., now General Manager. Handling the program with him were Bob Trout, afterwards stationed at the White House, and Larry Elliott, now two of the networks best known announcers.

X X X X X X X X

BROADCAST APPLICATION EXAMINATION REVISED

The procedure of the Federal Communications Commission for examination of standard broadcast applications by the staff departments has been revised with a view to more orderly and expeditious handling. Provision has been made for the consideration of these applications simultaneously, as far as possible, by the technical departments. The methods of operation of each of the individual units responsible for the review of applications is also being studied with a view to speeding up the work.

The Secretary of the Commission has been directed not to regard applications as formally filed with the Commission until they are in his hands, duly executed, and complete with respect to the answering of all required questions. Under the new procedure, an acknowledgment card will be sent to the applicant immediately upon receipt of the application. If it is necessary to return the application for the correction of formal defects or to enter into correspondence with the applicant with regard to correcting his application in respect to any matters of form, the applicant will be notified that his application is not in form for consideration by the Commission and that the application will not be shown on the records of the Commission as officially filed until the formal defects specified in the letter of notification have been corrected. Upon the return of the application in proper form, a file number will be assigned and the application will take its place in the regular order for consideration.

X X X X X X X X X X

WQXR ASKS MORE TIME FOR EXPANSION

WQXR in New York City has applied for more time to complete enlargement and improvement of the station; likewise to meet North American Regional Agreement requirements. Changes at WQXR contemplate new equipment, installation of directional antenna for day and night use and an increase in power from 5 to 10 kilowatts; also a change of frequency from 1550 to 1560 kilocycles.

X X X X X X X X X X

ANOTHER LONG TITLE FOR MR. ROCKEFELLER

Nelson Rockefeller, President of Radio City, who is now spending practically all of his time in Washington as Coordinator of Latin-American Economic and Cultural Problems of the National Defense Commission, has had another impressive title conferred upon him. This time by Jesse Jones who has appointed Mr. Rockefeller, Chairman of the Inter-American Development Commission of the Department of Commerce.

X X X X X X X X X X

BOAKE CARTER COMEBACK MAY CAUSE CONGRESSIONAL IRE

When Boake Carter returns to the radio tomorrow (Wednesday) night after a two years' absence from the networks, he may again find himself the subject of Congressional debate. It was the assertion of Senator Rush Holt, of West Virginia, that Mr. Carter was put off the air because he was preaching a doctrine of isolationism against Britain and it was at the instance of the British that he was no longer allowed to broadcast. According to Senator Holt, the door was closed to Mr. Carter by the cancellation of a contract with the company owned by Mrs. Marjorie Post Davies, wife of Joseph E. Davies, then American Ambassador to Russia, and a firm supporter of the Administration's foreign policy.

In addition to the Administration's objection to Mr. Carter, himself a naturalized Britisher opposing the British, he also found disfavor with the Administration because of his strong support of the amendment of Representative Louis Ludlow, of Indiana, providing for a popular referendum before Congress and the President could declare war. This amendment, so strongly supported by Carter in spite of the opposition of President Roosevelt and Secretary of State Hull and almost unanimous newspaper opposition, was lost only by the tiny margin of 214 to 196.

In view of all this, the Administration, as well as Congress, will no doubt listen with considerable interest to Mr. Carter to see whether or not he will change the tone of his comments.

Mr. Carter was born in Baku, Russia, son of a British consular agent and an Irish mother, Edith Harwood-Yarred Carter. He served in the Royal Air Force and came to the United States in 1920, but was not naturalized until 1933. He was at one time a newspaper reporter and worked for some years in the oil business in Mexico and Central America. Since 1932 he has been amazingly popular as a radio commentator.

Mr. Carter will be on the air from 8:30 to 8:45 P.M., EST, from WOR, every Monday, Wednesday and Saturday. He returns under the auspices of the United Air Lines, marking the first time an airline has sponsored a regular series on a major network. A network of 10 Mutual stations will carry Mr. Carter's news analyses.

With his new commercial series, Mr. Carter will shift his headquarters from Philadelphia where he has generally had his offices to New York.

In addition to his broadcasts, Mr. Carter will continue to write his syndicated column for over 100 papers. He also plans to keep up his lecture engagements all over the country making use of airplane transportation to allow him sufficient time for his news-casts.

X X X X X X X X X

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

The United Broadcasting Company has applied to the Federal Communications Commission for modification of license to operate Stations WEHU, portable-mobile, WEHV, mobile, and WRPM, portable mobile, in connection with stations WCLE and WHK, Cleveland.

Emanuel Dannett, for 9 years its legal representative, has been elected to the WOR Board of Directors.

Charles B. Brown has been appointed manager of Station Promotion for the National Broadcasting Company, succeeding B.J. Hauser, who has been transferred to Blue Network Promotion.

Applications for the following attorneys to practice before the Federal Communications Commission have been approved: Milton Diamond, New York City; Paul J. Kaveney, St. Louis, Mo.; Israel Harvey Levinson, Chicago, Ill.; Morton F. Melnik, Madison, Wis., and G. Mallet Prevost, Washington, D. C.

Bingham, N. Y. is seeking a new station to be operated on 1420 kilocycles with 250 watts power.

The Vacuum Tube Section of the Radio Manufacturers' Association is now being reorganized under the chairmanship of R. M. Wise, of the Hygrade-Sylvania Corporation.

Dr. C. Guy Suits, 35-year-old research physicist, was recently appointed Assistant to the Director of the General Electric Research Laboratory. Dr. Suits has been a member of the Laboratory staff since 1930 and is widely known for his research in high-temperature arcs.

Hygrade Sylvania Corporation - Nine months to Sept. 30: Net profit, before provision for excess profits taxes, \$648,263, equal after preferred dividend requirements, to \$2.64 a share on 207,184 common shares. No comparable figures for 1939 period are available.

Paul McCluer has been made Central Division Red Network Sales Manager and E. R. Borroff named Blue Network Sales Manager of the National Broadcasting Company. McCluer has been Manager of the Division's Blue Network sales force and Borroff has been a member of the Division's Red network sales staff.

X X X X X X X X X X

REVIEWS BROADCASTING REGULATIONS

Reprints are now available of a detailed discussion of "Law Developments in Federal Regulation of Broadcasting" written by Louis G. Caldwell, former General Counsel of the old Federal Radio Commission, for the 1940 Variety Radio Director.

In his introduction Mr. Caldwell writes:

"On the credit side of developments in federal regulation of radio in the year just closed should be listed increasing efficiency, in the sense of prompt and incisive action, and the freedom from external evidence of bickering and dissension, which began during the closing two months of the previous year, and has continued during the year just closed. The commission's prestige has been correspondingly enhanced. Counterbalancing this (or as additional credits, depending on the viewpoint) must be placed (1) the persistent procedural trend toward decisions in quasi-judicial matters without hearing, toward avoiding or minimizing the rights of persons adversely affected to be heard either before the Commission or on appeal, and toward substitution of the 'investigative technique' for due process of law in the traditional sense; (2) the equally persistent substantive trend toward so-called 'value judgments' without statement of reasons or fixing of principles and with frequent disregard of principles or standards already announced, necessarily leading to lack of uniformity and unpredictability; and (3) a marked effort toward expansion of power, particularly in the direction of economic regulation of industries subject to the Act.

"The one new factor is the crisis engendered by the war in Europe which at times bids fair to reverse the downward trend of censorship and to open up an all-too-tempting vista for further expansion of inquisitorial and bureaucratic control over broadcasting."

In his review Mr. Caldwell discusses broadcast regulation under the following heads: "The Machinery of Regulation", "Regulation of Standard Broadcast Stations", "Regulation of Radio Services Related to Broadcasting", "Appeals from the Commission's Decisions", and "International Radio Regulation".

X X X X X X X X X

IMPROVED ELECTRICITY BROADCAST DEVICE SHOWN

An improved "Klystron", a generator that sends electrical power through the air, was demonstrated before 100 engineering professors and other educators from seventy-five Eastern colleges and universities and other guests at the laboratories of the Westinghouse Electric and Manufacturing Company in Bloomfield, N. J. The new type of generator was hailed as bringing the wireless transmission of electricity a step nearer to practical application, such as providing power for illumination and domestic uses in homes. The short-waves emitted by the machine were demonstrated by I. E. Mourontseff, Research Engineer of the company's Special Products Engineering Department.

X X X X X X X X X X

I. T. & T. PROTECTS MILITARY SERVICE EMPLOYEES

Col. Sosthenes Behn, President of the International Telephone and Telegraph Corporation, has announced the Company's policy in regard to employees who enter the active military service of the United States.

Leave of absence up to one year will be granted to any such employee. Upon application within 40 days of the conclusion of such period employees will be reinstated by the Company in previous positions or positions of comparable status unless the Company's circumstances are so changed that it will make it impossible to do so.

Employees of more than one year's standing will receive one month's regular pay. Under the Company's pension plan these employees will receive full credit for the previous term of employment plus such period. The Company will pay the employee's present Group Insurance premiums for him during such period of service and during this time the employee will be entitled to the Company's regular death benefit under its pension and benefit plan less that which is paid by the Government.

X X X X X X X X X X

WAGE-HOUR LAW RECOMMENDATIONS DECIDED UPON

In anticipation of prospective appointment by the Federal Wage and Hour Administration of a radio "Industry Committee" to consider wage standards under the law, the Radio Manufacturers' Association has made preparations to recommend appointments on the employers' group of such a committee. For these appointments the RMA Set Division has chosen A. S. Wells and J. P. Rogers, of Chicago; the Tube Division, Roy Burlew of Owensboro, Kentucky, and M. F. Balcom, of Emporium, Pa.; the Parts and Accessories Division, Octave Blake of So. Plainfield, N. J., and J. H. Stackpole of St. Marys, Pa., and the Amplifier and Sound Equipment Division, Messrs. G. Hamilton Beasley, of Chicago, and L. A. Randall, of Rochester, N.Y. Further procedure toward organization of the contemplated Radio Industry Committee is expected within the next month or two on the initiative of the Wage-Hour Administration.

X X X X X X X X X X

WMCA STUDIOS REPRODUCED BY AL JOLSON

An unusual promotion venture was concluded when Broadway's current musical hit starring Al Jolson "Hold On To Your Hats" re-decorated their sets with WMCA call letters in the scenes of an interior of a radio broadcasting station. The call letters, some standing three feet high, decorate the walls of the stage and the microphones in scenes 3, 4, 5 and 6 of Act 1. The theatre program also lists the settings in this act as taking place on "Stage of WMCA Broadcasting Studio" or its studio, reception room and corridors, respectively.

X X X X X X X X X X