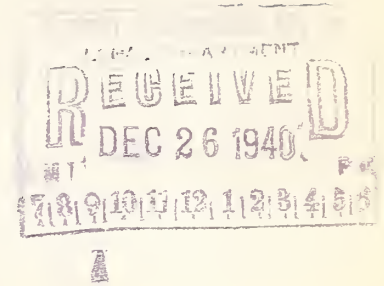


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

~~A & A~~
+ All



INDEX TO ISSUE OF DECEMBER 24, 1940

Army Can't Even Toot Horn On Radio, Solon Protests.....	2
All Set For Television Reports Latter Part Of January.....	4
FCC Nabs Racing Tip Crooner.....	5
Colleges Offer Free Communications Defense Course.....	6
New Washington Station Victor.....	7
New York Policemen Test Individual 2-Way Sets.....	7
Caldwell Facetiously Fetes FCC Bar Group.....	8
Supreme Court To Review 2nd ASCAP Case.....	9
Hickok Joins National Defense Council.....	11
Taxes Foreshadow 1940 Radio Record.....	11
New Long Lines Head Of A. T. & T.....	12
Compensation For Drafted Or Enlisted WOR Employees.....	12

No. 1292

g
u
L

December 24, 1940

ARMY CAN'T EVEN TOOT HORN ON RADIO SOLON PROTESTS

Declaring that first the Navy and then the Army was told where to head in by organized labor, Representative Clare E. Hoffman, Republican, of Michigan, took the floor for an attack on these groups. Mr. Hoffman, who is a member of the House Labor Committee said, in part:

"Some will recall that, in the late summer of 1939, more than a year ago, a C.I.O. affiliate in Detroit, according to the then Acting Secretary of the Navy, held up preparations for national defense and told the Navy where it should head in. That union defied the Navy to 'come and get' its own materials. The Navy took it lying down for 41 days.

"It is the Army's turn now. One Petrillo, President of the A. F. of L. American Federation of Musicians, denied the Mutual Broadcasting System the right to transmit music played by the One Hundred and Fourth Engineers Band at Fort Dix.

"A series of patriotic concerts at Fort Dix had been planned to promote interest in the national defense. But, under the orders as issued by Petrillo, citizens will not have the privilege of sitting by their firesides and listening to the Army bands play the Star-Spangled Banner, America, or any other patriotic selections, as transmitted over the radio.

"According to the press:

"Petrillo announced that radio listeners would have to get along without broadcasts by Army bands from Army posts until he had an opportunity to go to Washington, D. C., and make a deal with the War Department on the extent to which such broadcasts could be given.'

"'This is a good cause and we're all for it', Petrillo declared, 'but if we allowed radio stations to put music on the air from Army camps whenever they wanted to they could soon dispense with our men. We are in favor of their going on the air with programs telling about life in the Army, but we want protection against the loss of jobs for professional musicians.

"'I can't let them run wild. There's no telling where this thing might end. It's all right with us if they put on a couple of Army bands, but I want to know how often they plan to do this thing.'

"Many people have assumed that Army bands could play when and where the Army desired. Some of our citizens are so naive as to have believed that broadcasting was under the jurisdiction of the Federal Communications Commission. Now we learn that the 'big boss' is, or at least so he thinks, Mr. Petrillo, who was recently given great praise in a nationally circulated monthly magazine.

"It might be well for the Government to adopt the language of Mr. Petrillo with reference to the activities of some of these gentlemen. He said:

"I can't let them run wild. There is no telling where this thing might end."

"How would it be for the Army and the Navy to get together with the Federal Communications Commission and tell Mr. Petrillo to toot his own horn, at least insofar as the Army and Navy bands were concerned?

"Suppose, as in the olden days, the Army depended on bugle calls; that a war was on and that a charge or a retreat was to be ordered, the orders transmitted through the bugle. Would the Army officer be able to give the order without first seeing Mr. Petrillo? And what a mess we would be in, if Mr. Petrillo or his business agent did not happen to be on the field of battle. There the Army would be, all tied up, the commanding officer unable to tell it whether to go forward or backward until he had heard from Mr. Petrillo.

"Captain Cook, public-relations officer of the Forty-fourth Division, had asked permission to play a brief selection at the opening of the program, a full number at the middle, and a military theme at the end. Petrillo would not permit that. So the captain said that bugle calls would replace the band music. He added that Petrillo had granted a request for 1 minute of incidental music by a regimental band on another program last Thursday.

"There is one thing that the unions seem to have overlooked. A man can still be conscripted without joining and paying an initiation fee."

According to a newspaper dispatch from Chicago the Anti-Trust Division of the Justice Division is making a quiet investigation of Mr. Petrillo.

"This matter is not calculated to make much difference to Petrillo, the world's highest-paid labor leader. (His \$46,000 a year tops the combined salaries of John L. Lewis and William Green,)" the dispatch said.

The interest of Thurman Arnold, head of the Anti-Trust Division, in Mr. Petrillo, it was learned, stemmed from the current conflict between the broadcasting chains and the American Society of Composers, Authors and Publishers.

12/24/40

Officially, the musicians union has taken a hands-off attitude in the radio-music writers battle. Nevertheless, the traditional position of Jimmy Petrillo as the focal point of all conflicts over music brought the Justice Department in for a look at the unions' influence.

Mr. Petrillo said the radio networks had promised that no studio musician would suffer as a result of the Army concerts.

"The federation never denied the Army the right to do their stuff, but these Fort Dix people wanted a blanket waiver for all broadcasts and then on Friday came 24 requests, from the networks, to use Army bands, and I said, 'Gee! Let's keep this thing in status quo till we find out where we're at.' So I got in touch with people. We're patriotic enough to know these things should go on."

X X X X X X X X X

ALL SET FOR TELEVISION REPORTS LATTER PART OF JANUARY

Television will again get the spotlight the last week in January when reports of the National Television Systems Committee to the Federal Communications Commission are due. They will be filed just prior to Monday, January 27th, at which a general conference is to be held on television in Washington. Following the conference it is expected the red light which was flashed against the television industry may be switched to green or amber at least.

Nine panels, or committees of the industry will report and even at this late date there may be considerable difference of opinion.

Prior to the Washington conference the Communications Commission Friday, January 24, will make an inspection trip to New York and several other cities so as to have up to the minute information as to what the television laboratories have developed and to see any actual televising that is being done at that time.

X X X X X X X X X

A blackout resulting from trouble at an auxiliary station on the Susquehanna at Safe Harbor, Pa., cut off power from the radio stations in Washington and Baltimore and everything else using electricity last Saturday. An investigation immediately followed to see if sabotage had entered into it.

X X X X X X X X X

FCC NABS RACING TIP CROONER

A month's search by the Federal Communications Commission for unlicensed radio equipment which broadcast "sure tips" to favored bettors while horse races were still being run was climaxed last night by the arrest of two men and the seizure of illegal apparatus at the Charles Town, W. Va., racetrack.

In early December Commission field men discovered that two portable transmitters were surreptitiously being put to such use. One transmitter concealed under the coat was employed by one of the men in the grandstand to communicate progress of the race to an accomplice in a rented tourist cabin near the track. The latter utilized the second set to flash the expected result to conspirators listening in at outside receiving stations. Under this system, some persons were able to make advantageous bets before the results of the race were generally known.

The method of operation, as determined by Commission inspectors listening in, was this:

At the start of the race a person could be heard whistling on a certain radio frequency, followed by the words "Oh Johnny" repeated several times, and then a few bars from such songs as "Beer Barrel Polka" or "Maryland, My Maryland" would be sung. As the race neared the finish the voice would suddenly cut in with a number, repeated until the race was completed. Immediately after this number was spoken, a stronger signal on another frequency was observed to repeat the same number perhaps 10 or 15 times, followed by such commonplace expressions as "testing" or "testing for modulation", and finally the words, "that is all". On checking the race results it was obvious that the number in question referred to the number of the winning horse.

By the use of highly specialized equipment and technique, the party in the grandstand operating the transmitter concealed on his person was finally located. This transmitter was adjusted to an ultra-high frequency and the microphone extended down into the sleeve of the overcoat worn by the operator. To speak into the microphone, he merely raised his hand to the back of his neck and appeared to be conversing with his look-out companion, or shouting for his favorite horse to win. To allay suspicion, he carried a program and consulted it between races.

The grandstand tip-off man had a clear view of the tourist camp in which the high-powered transmitter was located, and received acknowledgments of the reception of his transmission by light signals flashed by the operator at the tourist cabin. On one occasion, the operator in the grandstand remarked on the air that a clothesline obstructed his view of the light. This announcement enabled the inspectors to verify the exact cabin in the group where the presence of the high-powered radio transmitter had been previously located by a radio direction finder, even though the

antenna was concealed. This transmitter was built into a trunk and when the lid was closed gave no semblance of a radio apparatus.

Arrests were made in cooperation with the West Virginia State Police and United States District Commissioner at Martinsburg, after evidence had been presented by members of the Commission's field operations section personnel - Charles Ellert, Supervisor of the Central Atlantic Monitoring Area; Assistant Monitoring Officer Earl M. Johnson, and Radio Operator Kenneth B. Menear.

X X X X X X X X

COLLEGES OFFER FREE COMMUNICATIONS DEFENSE COURSE

Four colleges are announcing free communications or radio classes as a part of the 250 short, intensive training courses designed to meet the shortage of engineers for service as designers, inspectors, and supervisors with the industries and Government agencies engaged in the National Defense program.

The all-clear signal for these announcements was given when John W. Studebaker, U. S. Commissioner of Education, reported formal approval of the proposals submitted by these institutions to Federal Security Administrator Paul V. McNutt.

George Washington University in Washington, D. C., will give a radio communications course; Tufts College, Medford, Conn., radio engineering; Duke University, Durham, N. C., Communication engineering, and the University of Puerto Rico, communication engineering.

Prospective students must satisfy the engineering school giving the instruction that they have the requisite technical training and experience to understand the subject and that they are employable in defense work. Applicants will be considered by the schools individually. Those accepted will have their tuition costs paid by the Federal Government. Congress recently appropriated \$9,000,000 to be administered by the U. S. Office of Education, for this purpose.

Director of the Engineering Defense Training program in the U. S. Office of Education is Roy A. Seaton, Dean of the Division of Engineering at Kansas State College since 1920. Assisting him are an advisory committee of eleven nationally known engineering educators headed by A. A. Potter, Dean of the Purdue University School of Engineering. Twenty-two non-salaried regional advisers, working with defense industries and engineering schools, also are assisting. Dean Seaton said that a total enrollment of about 25,000 persons is expected in the Engineering Defense Training courses.

X X X X X X X X

NEW WASHINGTON STATION VICTOR

WINX, Washington, D. C.'s newest station, won a court battle last week when U. S. District Court Justice Bolitha J. Laws dismissed a suit challenging the validity of the sale of the building where the radio station is located.

Had the jurist handed down a contrary decision, WINX possibly could have faced the loss of its headquarters if the new owner of the structure objected to the presence of a broadcasting studio.

Harry Sherr, of Orbinsonta, Pa., who owned a \$20,000 second trust upon the building, asked the court last September to enjoin a projected improvement of the building, in addition to setting aside its sale.

On advice of his attorneys, Alvin Newmyer and David Bress, Lawrence Heller, WINX owner and operator, went ahead with his plans in face of the suit. Justice Laws' ruling also disposed of the injunction request.

Located on the northeast corner of Eighth and I Sts., N.E., the building was purchased in a foreclosure sale August 16 for \$35,000 from the Faultless Hosiery Company, by Mrs. Laverne Kiplinger, of Bethesda, Md. Mr. Heller has leased it from her. The sale price covered only the first trust and Sherr realized nothing on it.

Sherr claimed the sale was not properly conducted because it did not bring enough money and he was not notified of the exact date on which it was held.

X X X X X X X X X

NEW YORK POLICEMEN TEST INDIVIDUAL 2-WAY SETS

New York City is testing a ten-pound two-way radio set by which foot patrolmen may keep in touch with each other.

Patrolman William Proctor demonstrated the set in Mayor La Guardia's office in the City Hall, wearing a brown canvas vest containing battery pockets over his shoulders. The radio transmitter hung over his chest and the receiving microphone was worn on his wrist like a wrist watch. At the Mayor's direction Patrolman Proctor got into communication with Patrolman Herbert Denet in City Hall Park and had the outside man report his position. Denet later spoke to Radio Car 10, four blocks away from City Hall, and wound up by getting the exact time from Police Headquarters.

The units now have an effective radius of only 1,000 ft. but that limitation can be expanded through relay systems. G. S. Morris, Superintendent of Police Telegraph, said the radio would be valuable on dangerous arrests, since one policeman inside a building could coordinate and direct the work of all the men outside. The device can be worn either under or outside a regulation police uniform. Its cost is now \$165.

X X X X X X X X X

CALDWELL FACETIOUSLY FETES FCC BAR GROUP

One of the merriest holiday parties in Washington was the annual cocktail party given by Louis G. Caldwell to the incoming and outgoing presidents and their wives of the Federal Communications Bar Association. On this occasion the honor guests were Mr. and Mrs. Herbert M. Bingham and Mr. and Mrs. Philip J. Hennessey, Jr.

There was a cleverly done Gridiron Club twist to the party with good-natured gibes at the Federal Communications Commissioners and others in which even the lawyers themselves were not spared. One way of carrying this out was by means of signs in different parts of the house, such as "Television Just Around the Corner". Around the corner one found himself in the room where the drinks were being served.

In the midst of the festivities guests were surprised to hear Mr. Bingham's life history coming over the radio. In reality, the program was a transcription, gotten together for Mr. Caldwell by Station WOL. Art Brown of the station was on hand to lead the singing of a special song "Hail to Bingham", which took place in Mr. Bingham's honor. It follows in part:

Forty winters ago, not a prophet did know
 Who tonight's chief Exhibit would be,
 But a far-sighted stork took a flight o'er New York
 And he lit on the Bing family tree.
 Herb has travelled since then, Culver, Stanford and Penn,
 It is now Doctor Bing we salute!
 Having wandered like Wendell, he settled to law,
 And did rural service at Butte.

When we picked Hennessey, sure we thought we'd be free
 From Depression with him in the chair,
 But the darn Irish bloke, every pledge he has broke,
 And the hearings grow ever more rare.
 When he failed to appease the procedural squeeze
 (It attenuates fees, say the boys)
 They all voted in block for the New Dealer Doc,
 Who's full of electrical noise.

Chorus

Now the bench and bar come from near and far
 To honor Herb the Bing;
 With three hundred strong, they can't all go wrong
 With a vagabond for king.
 Svelte and debonair, with a social flair
 Which no one can dispute,
 Who'll serenade this Great Crusade,
 It's Herb the Bing from Butte.

About 150 attended the party, including Commissioners and high officials of the FCC. Also others of prominence, such as: Mrs. Burton K. Wheeler, wife of the Senator from Montana; Justice and Mrs. Lawrence Groner, Justice and Mrs. Justin Miller, Justice and Mrs. Harold Stephens, Justice and Mrs. Wiley Rutledge and Justice and Mrs. Fred M. Vinson.

Also Commissioners Charles H. March and William S. Culbertson of the Federal Trade Commission; Robert Fleming, President of the Riggs Bank, and Mrs. Fleming, Mark Foote, past President of the Gridiron Club, and Mrs. Foote, and Francis W. Hill, Jr., President of the District Bar Association, and Mrs. Hill.

X X X X X X X X

SUPREME COURT TO REVIEW 2ND ASCAP CASE

With the zero hour of the Composers-Broadcasters music battle only a week away, the U. S. Supreme Court just before recessing for the holidays agreed to review a decision holding invalid a 1937 Florida law directed at monopolistic practices of music copy-right owners and parts of a 1939 statute regulating licensing of public performance rights.

Florida appealed from a decision of the Northern Florida Federal District Court, seeking to establish validity of both statutes, while the American Society of Composers, Authors and Publishers, known as ASCAP, appealed from the same decision insofar as it held valid some portions of the 1939 statute.

The high court recently agreed to review a Nebraska decision holding invalid a State anti-monopoly law which permitted the public performance of music whenever the original purchase price had been paid.

The litigation was another phase of the effort of ASCAP to control prices charged for the public playing of popular music under its control. A three-judge Federal court in Nebraska held that the legislation violated the Federal copyright laws.

The Florida statute the Supreme Court promised to review was passed by the Legislature last year, after 1937 law met disaster in the courts. In April, 1939, the Supreme Court affirmed an order of the Northern Florida Federal District Court granting a temporary injunction against the 1937 law. Later the 1939 statute was passed. It also was designed to stop monopolies by ASCAP but was remodelled to suit court objections.

In the meantime the Department of Justice was evidently making the utmost effort to conclude negotiations in the consent decree proposed for ASCAP. Unconfirmed reports were to the effect that there was a hitch in the proceedings but the hope was expressed that the decree might be presented before January 1st when the

ASCAP contracts expire. Even after a consent decree there might follow much litigation but it is believed this would prevent a break and actual hostilities.

Pending this the NBC last Sunday eliminated on most of its commercial programs all music controlled by the Composers, the company's action coming a day earlier than had been announced previously. Only three or four commercial sponsors are expected to use the Society's music this week on the company's Red and Blue Networks, it was said, but they will drop it before January 1, when the present contract between the broadcasters and the Society expires.

The Columbia Broadcasting System intends to weed out ASCAP music on commercial programs beginning Thursday, the belief, as stated above, was increasingly voiced in both radio and music circles that some sort of a truce in the music row would be forthcoming prior to January 1, probably this week. The belief was predicated on the theory that ASCAP would agree to a consent decree in the anti-trust action brought against it by the Department of Justice. Besides the amount of money to be paid for music heard on the air, it was reported that the question of signing a contract with an organization accused of being a monopoly has accounted in part for the refusal of the broadcasters to negotiate with the Society.

X X X X X X X X X X

NOTES

All America Cables and Radio, Inc. reports that through cable service from New York to the Island of Martinique has been restored. It was interrupted on July 21 and since that time communication service with Martinique has been maintained by radio-telegraph.

The Radio Manufacturers' Association has launched its plan to survey industry advertising on a voluntary cooperative basis. Initial steps toward establishment of desirable and technically correct advertising standards and practices were taken up at the first meeting of the new Committee on Advertising held in New York City. Current industry advertising was surveyed and procedure begun to have the Association recommend voluntary advertising standards, similar to the recommended RMA engineering standards, in the interest of the buying public and the trade, as well as manufacturers, and to avoid possible criticism from the public, Better Business Bureaus or Government agencies.

NOTE - DUE TO THE GOVERNMENT TWO-DAY HOLIDAY, THERE WILL BE NO ISSUE OF THIS SERVICE ON FRIDAY, DECEMBER 27, 1940.

X X X X X X X X

HICKOK JOINS NATIONAL DEFENSE COUNCIL

Guy C. Hickok, for the past three and a half years, Director of Short Wave Broadcasting of the International Division of the National Broadcasting Company, has joined the Council of National Defense for the Coordination of Commercial and Cultural Relations Between the American Republics. John F. Royal, NBC Vice-President in Charge of Foreign Relations, in announcing Hickok's new affiliation, said he did so with reluctance at the insistence of Don Francisco, head of the Radio Division of the Committee of Communications.

Under Mr. Hickok's direction, the program service of the International Division won wide acclaim abroad and the mail response from listeners in foreign countries jumped from some 400 letters a month to over 4000 a month. Mr. Hickok will be assistant to Don Francisco. Mr. Francisco is at present on a three month trip to South America. Mr. Hickok returned recently from an inspection tour of the principal Latin American countries.

One of the major duties of the Radio Committee will be the coordination of American short-wave service to Latin America and the promotion of American programs throughout South America.

X X X X X X X X

TAXES FORESHADOW 1940 RADIO RECORD

Collections of radio excise taxes last November showed an increase of 37 percent over radio taxes in November, 1939, and insured an all-time high record in the final 1940 radio collections. November radio taxes amounted to \$791,483.01, compared with collections last October of \$703,304.20 and with \$577,776.05 in November, 1939. Refrigerator tax collections last November declined, amounting to \$302,618.83, against \$400,205.55 in November, 1939.

Compilations of Revenue Bureau statistics made by the Radio Manufacturers' Association, presaged total radio tax collections in 1940 of over \$6,750,000, which would be an all-time yearly record since the inauguration of the 5 percent radio tax in June, 1932. Radio taxes already collected, for the eleven months ending November 30 this year, were far beyond the total 1939 radio collections, due in part to the increased rate, from 5 percent to 5-1/2 percent, which became effective last July 1. For the eleven months ending in November, according to computation, the radio tax collections already total \$6,155,895.53, compared with the total 1939 excise taxes of \$5,229,649.14, while the comparative collections for the eleven months of 1939 ending November were \$4,485,525.46, which was 37.2 percent less than the comparative collections for the eleven months this year.

The past record for radio tax collections was reached in 1937 with a total of \$6,658,962.23, but it appeared certain that normal large collections this month (with December excise taxes ranging from \$600,000 and up in past years) would bring the 1940 total to a new high record.

X X X X X X X X

NEW LONG LINES HEAD OF A.T. & T.

Frank P. Lawrence, Vice President and General Manager of the Manhattan Area of the New York Telephone Company, was elected Vice President of the A. T. & T. Company and will be placed in charge of the Long Lines Department, effective January 1. Sydney Hogerton, General Manager of the Long Lines Department, will retire on January 31, 1941, and James J. Pilliod, Engineer, will succeed him in that position, effective February 1.

Frank Pell Lawrence was born at Newark, N. J., on October 18, 1886. He was graduated from Newark High School and studied civil engineering at Lehigh University.

The new head of the Long Lines Department spent seventeen years at various posts in the Middle and Southwest. Mr. Lawrence was made Supervising Construction Foreman in July, 1913, District Plant Engineer in January, 1917, and Division Plant Engineer in July of the following year. He transferred to Kansas City on being appointed Division Construction Superintendent in February, 1920, and the next July his title was changed to Division Plant Superintendent.

Mr. Lawrence was transferred to the New York Company in March, 1929, being made General Plant Manager for its Upstate Area. Four years later he went to the Manhattan Area, with the same title. On October 1, 1934, he returned to the Upstate Area as Vice President and General Manager, while on January 1, 1939, he again came to New York, but this time as Vice President and General Manager of the Manhattan Area. Mr. Lawrence was appointed Vice President of the A. T. & T. Company on November 20.

X X X X X X X X X

COMPENSATION FOR DRAFTED OR ENLISTED WOR EMPLOYEES

Drafted WOR employees or those who enlist in the Army or Navy will receive a financial differential between their civil and military salary for varying lengths of time depending on the term of their WOR employment, Alfred J. McCosker announced last week.

Staff members who have been with WOR for a year or longer will receive the difference between their salaries at the time of leaving and the pay they will receive for military service for a period of three months after leaving the station. Those who have been with WOR for less than one year will receive the difference between their WOR salaries and their military pay for one month.

In addition full salary will be paid for vacations which have accrued to an employee at the time of his leaving for military service.

X X X X X X X X X