

HEINL RADIO BUSINESS LETTER

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IRVING E. MULLER

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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.

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 Filtex 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 childbirth 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 propagandists, 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 picture', 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 WLKH 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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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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