

# HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY -  
COLUMBIA BROADCASTING SYSTEM  
300 BROADWAY PLAZA, NEW YORK

## INDEX TO ISSUE OF MARCH 10, 1942

U.S. Bans Radio Set Making For Public April 22.....	2
NBC Bars Jap Musician Despite Pleas.....	3
Wire Control Tightens U. S. Censor Power.....	4
You're Right! It is E. F. McDonald, III.....	4
Radio Manufacturers Streamline For War Production.....	5
DCB Priorities, Television And Reclassification Discussed.....	6
Sound Dispersion System In WSPD's New Home.....	7
KGEI Has Listeners Who Might Be Killed For Listening.....	7
Treasury Urged To Use Paid Advertising.....	8
Enemy Alien Transmitter Reported Seized.....	9
Japs Broadcasting Prisoners' Names Backfires.....	10
Trade Notes.....	11
Hygrade Issues Air Raid Folders To Radio Servicemen.....	12
WOR Suit Establishes Call Letters' Protection.....	12

No. 1410

March 10, 1942

## U. S. BANS RADIO SET MAKING FOR PUBLIC APRIL 22

Formally following up the preliminary limitation order issued in January, the War Production Board has ordered complete cessation of the manufacture of radio sets and phonographs for civilian use after April 22. The latest order affects 55 companies which in 1941 employed about 30,000 persons, produced more than 13,000,000 sets, and did a business of about \$240,000,000, using, it was said, 2,100 tons of aluminum; 10,500 tons of copper, 280 tons of nickel and 70,000 tons of steel, all critical materials.

Ninety-five percent of the changeover is expected to be made by the latter part of June. It is estimated, however, that about 3,000,000 more radio sets will be turned out before production is cut off and that the industry will have equipped 87 percent of the homes of the United States with 60 million sets in operation.

The companies to be converted already have military orders aggregating \$500,000,000, it was said, while an equal amount of such contracts is held by other radio companies not normally engaged in civilian production. All except thirteen of the fifty-five companies affected by the order have begun participating in the military business.

Provision is made to manufacture replacement parts in order to keep existing home radios going. The question of repair parts and tubes is now being studied intensively by the WPB. The tube replacement problem is being taken up first as it is regarded more immediate. Some WPB officials are said to feel that present inventories of parts, due partly to cancellations of orders by set manufacturers following the set limitation order, will substantially provide the public with adequate supplies of replacement parts for several months. Tube inventories in the hands of manufacturers and also jobbers and dealers are regarded as more limited and also unbalanced.

Chairman Williams of the Priorities Committee of the Radio Manufacturers' Association, and Bond Geddes, Executive Vice President, held a conference last week with the WPB people on the replacement and parts question.

Special allocations of nickel, copper and other metals for replacement tubes probably will be attempted. The limited number of tube manufacturers makes special allocations feasible for replacement tubes, but similar special allocations of materials for replacement components are regarded as very difficult, if not impossible, as an administrative matter. Possible special preference ratings for replacement parts also apparently is not favored in official quarters.

3/10/42

The distribution of special allocations among several hundred parts manufacturers also presents a complicated problem. A solution, however, is assured by officials for some definite future provision for replacement parts.

Discussing the matter of radio set replacements, Chairman James L. Fly of the Defense Communications Board said:

"Assuming that the war continues for a matter of years, there is, of course, the very great possibility that supply of such materials will be much more limited and as the parts wear out the problem will become more significant. But we have so many radio sets in this country if there is anything like an equitable distribution there should not be any difficulty for some years.

"We would feel that an adequate number of receiving sets were utterly essential. However, we have had such liberal purchasing of sets in the past and broad distribution. So many homes have more than one radio. I don't think we can be much alarmed now in view of the supply. I can contemplate the possibility that it might become a serious problem. Of course I would imagine from a defense point of view we would want every household to have a radio. I don't think, though, at this time it is much of a problem for DCB."

It was indicated by WPB aides that there should be no rationing of the sale of radios now or after the shut-down. Instead, sale of available sets will be on a "first come, first served" basis, on the theory that if the industry continues to meet military needs, there is no necessity or possibility of discriminating between the eligibility of all other radio buyers.

War items which the radio industry make are airplane detecting equipment and military transmitting and receiving sets.

X X X X X X X X X

#### NBC BARS JAP MUSICIAN DESPITE PLEAS

Not even pleas from Mayor LaGuardia, musicians of the Philharmonic Orchestra, or to David Sarnoff, President of the Radio Corporation of America, have been able to get Yoichi Hiraoka, xylophonist, back on National Broadcasting Company programs on which he has appeared for the past twelve years.

Mr. Sarnoff turned over the petition presented to him to Frank E. Mullen, Executive Vice-President of NBC, who turned it down slating the company had adopted the policy of not engaging enemy aliens and that no exception could be made in this case.

X X X X X X X X X



3/10/42

## WIRE CONTROL TIGHTENS U. S. CENSOR POWER

President Roosevelt delegating to the Defense Communications Board powers to control and operate or close all telegraph, telephone and other wire communications facilities was seen in some quarters as tightening the Federal censorship. Under the Executive Order there no longer could be any challenge of government right to control transmission of any and all information which the censors deem harmful.

At the Defense Communications Board, it seemed to be regarded as a routine transaction of taking over the wire facilities just as the radio facilities had previously been commandeered.

"The President has delegated to the Defense Communications Board the comparable power over wire and cables that they now have over radio", Chairman Fly explained. "Of course, the executive order doesn't have anything to do with what the actual plans may or may not be."

It was said by another Board spokesman that the order did not mean a "general taking over" of wire facilities and the order emphasized that "so far as possible" any action taken pursuant to it should not interfere with the procurement needs of civilian governmental agencies, the normal functioning of industry or the maintenance of civilian morale.

Provision is made for just compensation for the use of any facilities taken over.

X X X X X X X X

YOU'RE RIGHT! IT IS E. F. McDONALD, III

As had been predicted by practically everybody, the bouncing young son recently born to Commander E. F. McDonald, Jr., and Mrs. McDonald at Miami, has been named "E. F. III".

"My friends didn't even give me a chance to select the name", Commander McDonald explained when asked about it. "They all wired it in for me. One man even sent a \$100 defense bond to the baby made out to 'E. F. III'. So, you see, we couldn't change that name with \$100 at stake."

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



## RADIO MANUFACTURERS STREAMLINE FOR WAR PRODUCTION

Anticipating the order to cease manufacturing civilian radios April 22nd, the full power of the radio industry behind the war program was planned at a meeting in New York City last week by the Board of Directors of the Radio Manufacturers' Association. Also it contemplated reorganizing the RMA on a war basis.

Two new wartime committees were authorized. One is a special "War Production Committee", with H. C. Bonfig, of Camden, N.J., as Chairman. Other members are E. A. Nicholas of Fort Wayne, Ind., and Ray F. Sparrow of Indianapolis. This committee will deal with the conversion of the industry from civilian to war production, including problems of inventories and all matters relating to mobilization of the radio industry's assets and forces behind the war program. Also, the committee will be the direct industry contact with WPB, the Office of Price Administration, the Army, Navy and other government agencies.

Another new special RMA committee is that on Replacement and Repair Parts. Its Chairman is J. J. Kahn of Chicago, and other members are Octave Blake, of South Plainfield, N. J.; H. E. Osmun, of Milwaukee, S. T. Thompson of Chicago, and Robert F. Herr, of Philadelphia. This committee will contact WPB in all problems relating to securing special allocations or other provisions for adequate manufacture and supply to the trade and the public of replacement and repair parts. New services to assist in the distribution of war contracts to RMA member companies - to "streamline" RMA for war operations - were planned, on manufacturing, engineering services and trade problems.

The parts trade show, scheduled for June in Chicago was called off.

The Chicago June convention program of RMA also is being revised. Instead of extending the convention over two days, it is proposed to hold a one-day general industry assemblage, of non-members as well as RMA companies in Chicago for intensive business sessions and including the annual election of officers, directors, etc. The present plans provide for holding the annual industry banquet and also the usual industry golf tournament.

The Directors provided for the decrease in the minimum dues of the Association to further widen its membership and activities. To enable smaller companies to join and receive its wartime services, the Board authorized a change in the dues. Instead of a flat minimum rate of \$200 on gross sales, the Board decreased the minimum to \$100, based on sales under \$200,000, with a rate of \$150 on sales of \$300,000, and \$200 on the present sales basis of \$400,000 annually.

Four new members of RMA are: The Howard Radio Company and Travler Karenola Radio & Television Corporation of Chicago, and the Coil Engineering & Manufacturing Company of Roanoke, Indiana, together with Ad. Auriema, Inc., of New York City. These membership accessions brought the RMA rolls to a total of 131, the highest in more than ten years.

## DCB PRIORITIES, TELEVISION AND RECLASSIFICATION DISCUSSED

Chairman James L. Fly, at his press conference Monday, the first he has held since returning from a vacation in Florida, answered quite a few questions. The first one was:

"Under this new priority of classifying employees the Commission was split into two categories - in Class 2 the Commission employees on defense work, and Class 5 the others. Is the Commission making any survey or plans to transfer Class 5 employees to defense agencies?"

"No, there has been no concrete plan around those lines", Chairman Fly replied. "Of course where functions may be classed as non-essential, I assume, like other agencies, we will be perfectly willing to have personnel transferred to defense work. I don't know to what extent. One of our great difficulties here is that there is a close relationship from one branch of the work to the other and as you move along from one phase of it to another there is always a close tie-up of the various businesses. Licensing - I suppose that is classed as non-defense but you will find how awfully close that is in all phases along down the line."

With regard to securing necessary materials for station construction and repair, also with regard to the present status of FM and television, Mr. Fly said, in response to questions:

"I am fearful that we are going to have some further problems on priorities. At least I have heard some strange rumblings in the distance. On that I think it seems at every turn we are reminded of the fact that after all these main questions are going to be in any case as to how many Japs and Germans we are going to get with given materials. There have already come suggestions that rules that we have established may not be strict enough from a defense point of view. In other words, we may in due course face a question as to even in defense functions which defense function is paramount. While there is nothing immediately pressing on us there, from defense people there come suggestions of an awfully strong approach.

"We will also have to give attention pretty promptly to FM and television, experimental operations, and the like. Those suggestions are not quite as clear as the standard broadcast and rules have not been formulated. But that is something which is just around the corner.

"I suppose you gentlemen have noticed what's happened to radio receiving sets? That won't have much of an impact on standard broadcast. I think there are around 57 million sets in this country and, generally speaking, that should be enough to go around to meet all needs. There might be some inconvenience in a new community. I suppose that everybody who listens to a radio has at least one, and there are considerable number of new sets with repair materials available, so I don't think we will have any critical problem on standard receivers. But there may be some impact on FM and television.



"Speaking of television, I suppose you are familiar with the work that RCA is doing in New York and other companies are doing in other cities, but particularly the work of RCA in cooperating with OCD is quite impressive. They have been giving a series of lectures and exhibitions and instructions to the various Civilian Defense employees and representatives. I think around 50,000 people representative of all cross sections have already taken those courses and that, incidentally, is a very splendid thing for television, I should think, because it taps almost a new and very selected audience in that field. I think it will be helpful for the future stability of television when it gets going."

X X X X X X X X

### SOUND DISPERSION SYSTEM IN WSPD'S NEW HOME

New studios of WSPD, Toledo, utilizing the dispersion acoustics theory developed by Dr. C. P. Soner of the University of Texas, and also installed by WFAA, Dallas, have been occupied by the station's staff. The new headquarters are now in WSPD's own building in downtown Toledo.

"The dispersion system, installed in all five studios, is designed to eliminate dead sound and to facilitate sound dispersion by dispensing with the conventional method of having studio surfaces that blur and d-energize sound waves", Broadcasting Magazine states.

"The new dispersion provides for hard surfaces which break up delayed sound waves by directing it from surface to surface thereby rendering ineffective any tendency to create relative effects into the microphone. Special reflector surfaces are built, curved to locate the stiffener in them so that all frequencies involved in speech and music are accommodated. The new studio technique is regarded as particularly desirable for FM stations.

"In keeping with Toledo's position as one of the world's glass centers, glass fixtures have been installed wherever possible. Corridors and studios are inlaid asphalt tile and lined with vitrolite with a blue border. In the circular reception lounge a large mural has been painted by Robert Kumler, noted midwestern artist. Studio layouts and designs were prepared by the WSPD personnel."

X X X X X X X X

### KGEI HAS LISTENERS WHO MIGHT BE KILLED FOR LISTENING

Lights flickered out as San Franciscans went to bed. But on top of Nob Hill, in a carefully guarded hotel suite, a crew of 22 men knuckled down to work.

They run KGEI, the powerful General Electric short-wave radio station which beams news, a la American, to Tokyo and points south.



"And midnight here in San Francisco is just good listening time over there", writes Sigrid Arne of World Wide News, describing the station.

"So men in shirt sleeves settled down to edit the news for Japan, China, Thai, the Philippines, Burma and the Dutch East Indies. A Chinese man translated for his people. So did a Hollander, a Frenchman, a Filipino - and a Japanese - the same one who teaches American naval officers his language.

"They broadcast to areas where their listeners would be killed, if they were found listening: To areas where our Southern Pacific Allies listen as tensely as we do for good news to areas flooded by radio TOKYO with the sort of news the Japanese wish their neighbors to believe.

"So the job's constantly exciting: Particularly when they get radiograms from the Burma road, the Borneo jungle, and even smuggled letters from Tokyo itself - from Japanese.

"But there are high points.

"Take the night KGEI heard its own music program broken by a 'KGEI', which announced excitedly that Japanese bombers were over San Francisco, bombs had begun to fall, half the city was in flames. That sort of news could be dynamite in the nooks and crannies of the South Pacific, where half-literate millions may not have made up their minds.

"KGEI men rubbed their eyes. Below them lay peaceful, brightly lighted San Francisco. Not a bomb, they listened carefully to the phony 'KGEI'. It was an American voice, some sort of new Lord Haw Haw in Tokyo. They still wonder who he is and they'd like to ---.

"KGEI quickly denied the phony broadcast, and immediately started sending its programs over three to five beams to the Orient so listeners can pick them up on several dial spots. No more such tricks have been pulled by the Tokyo Haw Haw.

"But his voice keeps putting out Tokyo's newscases. He gets relief some nights from a man whose English is good, but whose voice is guttural. KGEI guesses he's German."

X X X X X X X X X X

#### TREASURY URGED TO USE PAID ADVERTISING

An editorial in the Editor & Publisher reads in part:

"The Treasury Department has said that it has no funds available for the purchase of publication space or radio time for its promotion of Defense Bonds and Stamps. With more reason, it might have said that it had no money available for the printing of the bonds and stamps that it is selling to the public.

3/10/42

"How are we going to make this war personal to the men and women of Main Street?

"Answer - By the adoption of modern techniques in the marketing of Federal securities - by an appeal written by advertising psychologists to the mass mind of our people to inspire mass buying - by the use of paid display advertising in newspapers-- and when we urge this upon the Government we do so out of love of country and not in support of any petty, selfish newspaper publisher interest.

"Anyone who knows anything about selling knows that there is no other way known to the mind of man whereby an idea as to goods and services may be so economically implanted in the minds of millions with proper emphasis and at almost the same moment of time as through paid display advertising."

X X X X X X X X

#### ENEMY ALIEN TRANSMITTER REPORTED SEIZED

A powerful short-wave radio transmitter was in the hands of Federal agents at Albuquerque, New Mexico, according to reports from there after swift raids produced contraband and scores of enemy aliens.

Radio technicians said the transmitter, seized last Friday night in a continuing roundup of alien Japanese, Germans and Italians, was capable of broadcasting around the world.

Contraband included firearms, ammunition, cameras and radio sets.

FBI agents declined to say whether arrests were made in connection with the seizure of the transmitter. Information concerning the aliens also was withheld.

No confirmation of the seizure could be secured at the Federal Communications Commission. It was explained that when a station operating illegally is suspected of being subversive, the case is turned over to the FBI for whatever action the Department of Justice may take and any information about it must be forthcoming from that source.

X X X X X X X X

## JAFS BROADCASTING PRISONERS' NAMES BACKFIRES

The Japanese radio propaganda technique has been revamped, in part, as an indirect result of a unique promotion stunt employed by United Press, the U.P. said last week.

It was discovered by members of U.P.'s San Francisco listening post that Japanese short-wave broadcasters were broadcasting recorded voices of American prisoners of war as "bait" to get listeners for their propaganda. At the start of each broadcast the Japanese announcer would give the names of six prisoners whose messages would be presented at the end of the show. Fifteen minutes of propaganda would follow. Then the messages would be aired.

The listening post filtered out the Japanese propaganda and recorded the voices of the American prisoners. Phonograph records were then made and mailed to client newspapers in the home towns of the prisoners. Newspaper publishers played the recordings for relatives of the war prisoners, then gave the discs to the families.

Taking no chances on what a prisoner might say into a live mike, the Japanese at their end recorded the voices and then broadcast from transcriptions. According to U.P. listening post experts, the Japanese apparently played the recording back at a speed slower than that at which they were recorded. As a result, voices, while recognizable, were low pitched and slow. Because of this variation in playback speed, relatives of several of the war prisoners said the speakers sounded "doped". These comments were quoted in American short-wave broadcasts, beamed to Japan.

Japanese propagandists recognized that their efforts were backfiring and altered their technique. Now, instead of presenting the recorded voices of American prisoners, a Japanese announcer reads in English.

The United Press listening post still is recording the Japanese broadcasts, discarding the propaganda, and moving brief "special interest" stories on the quotes from the Americans to newspapers in towns from which the prisoners come.

X X X X X X X X

When asked if there was anything new on the short-wave and broadcast plans of the Donovan and Rockefeller, a DCB spokesman said:

"No, we are giving that whole business study and I think we are all hopeful that some agreeable plan will come out of the studies and discussions. Something that will be effective and agreeable to everybody. I think at least the form has not been concluded. I should imagine within a couple of weeks it might emerge in some more definite form."

X X X X X X X X



3/10/42

---  
::: TRADE NOTES :::  
---

Leighton Peebles, head of the Radio Section of the War Production Board, has been made Chairman of the Communications Branch in the WPB reorganization of industry operations establishing 24 industry branches, such as automotive, industrial, machinery, lumber and so on. Each chief will serve as the "official point of contact" between the WPB and all committees of the industry assigned him.

-----  
Stewart-Warner Corp. reported 1941 consolidated net profit of \$1,656,680, after \$500,000 provision for contingencies, equal to \$1.30 a share, compared with \$1,470,804, or \$1.18 a share in 1940.

-----  
The annual convention of the National Association of Broadcasters will be held at the Statler Hotel in Cleveland on May 11 to 14.

-----  
"The radio has been completely stopped from expressing anything contrary to the paid prejudice of those in authority", a reader writes to the Washington Post.

"It may interest the taxpayers to know that the War Department is making recordings of all radio sneakers, and then mimeographing them to send around to stations, etc.

"A speaker on a local station was surprised recently to see everything he had said in a recent broadcast in mimeograph form in the hands of another station.

"Is this really to protect the nation from its enemies, or is it a matter of politics and personalities?

"We are glad the newspapers are still free."

-----  
Sonotone Corporation and Subsidiary - For 1941: Net profit, \$346,463, equal after preferred dividends to 43 cents each on 792,878 common shares, against \$272,760, or 34 cents a common share, in previous year; sales, \$4,265,721, compared with \$3,035,115. Current assets on Dec. 31 last were \$1,812,631, against \$1,135,862 at end of 1940, and current liabilities were \$725,542, against \$301,091.

-----  
The contents of the March issue of Bell Laboratories Record are as follows: "Measuring Small Relative Motions in Central-Office Switches", by W. S. Gorton; "Brittle Temperature of Rubber", M. L. Selker; "A Telephone Set For Exposed Locations"; "High-Precision Frequency Comparisons", L. A. Meacham; "Grounding of High-Gain High-Frequency Amplifiers", T. F. Gleichmann.

X X X X X X X X X X

3/10/42

## HYGRADE ISSUES AIR RAID FOLDERS TO RADIO SERVICEMEN

An Air Raid Precautions Direct Mail Folder and a Poster is being made available by Hygrade Sylvania Corporation to Sylvania servicemen. Eighteen precautions, vitally important to the protection of the public, are illustrated and set forth on these posters. They are printed in two colors, bright red and black.

Sylvania servicemen can get the Air Raid folders for the cost of imprinting only: 100 - \$1.00; 250 - \$1.50; 500 - \$2.00; 1000 - \$3.00 and 2000 - \$4.50.

Size, flat, is 8½" x 11". With every order of 250 or more, Sylvania gives the serviceman a jumbo size blow-up, 17" x 22" for mounting on his window.

"Offering these Air Raid Precautions Folders to servicemen is in line with Sylvania's efforts to keep radio retailers promotionally in tune with the times", says Henry C. L. Johnson of Hygrade Sylvania. "But, even more than that, it is an attempt to present the serviceman to the public as a home communications radio servant.

"Sylvania advises that radio servicemen use the folder either as a direct mail piece or as a door to door handout, offering it at the same time, by means of the poster, to street traffic."

X X X X X X X X X X

## WOR SUIT ESTABLISHES CALL LETTERS' PROTECTION

A legal precedent affecting the broadcasting industry was established last week in Federal Court for New York District, when Judge Murray Hulbert issued a permanent injunction against William C. Orloff forbidding him to use the firm name of W.O.R. Printing Company. The suit was brought by the Bamberger Broadcasting Service, operator of radio station WOR.

Maintaining a station holds its license only through sufferance of the Federal Communications Commission and the license may be withdrawn by the FCC at any time, Judge Hulbert ruled that a station, nevertheless, is entitled to protection of its call letters.

Judge Hulbert's decision stated that the Bamberger Broadcasting Service is entitled to exclusive use of the call letters, WOR. Furthermore, the decision held that use of them by the defendant constituted unfair business practice, despite the fact that Orloff was not in actual competition with Station WOR.

X X X X X X X X X X