

# HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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## NEW WAR INFORMATION OFFICE MAY END RADIO DUPLICATION

If a Central War Information Office is created, it is expected to end the grand scramble of Government officials who have been trying to grab off radio for themselves. Also, as in the field of the printed word, it is believed that the War Information Office may eliminate an immense amount of confusion and duplication of radio effort. As a matter of fact, there is and always has been only one man in control of radio and that is President Roosevelt himself. Radio has his personal interest and attention because he uses it in his business, i.e., in going direct to the people.

Nevertheless, numerous other minor officials have been striving to keep their hands on the radio steering-wheel. These include James L. Fly, Chairman, of the Federal Communications Commission, and what seems to be becoming its bigger brother, the Defense Communications Board; Archibald MacLeish, Office of Facts and Figures; Col. William J. Donovan, Coordinator of Information; Nelson Rockefeller, Office of Inter-American Affairs; Lowell Mellett of the Office of Government Reports; Byron Price, Director of Censorship, and others.

So many have tried to have a part in the broadcasting of Government news and propaganda, to say nothing of the control of the radio itself, that it appeared to be a case of too many cooks spoiling the broth.

In the creation of a Central War Information Office, according to one usually reliable authority, it was first proposed that the Office of Government Reports, Office of Facts and Figures, Coordinator of Information, and most of the Office of Inter-American Affairs be merged along with the information offices of War, Navy, War Production Board, and Maritime Commission.

Vice President Wallace and Under Secretary of State Welles are understood to have objected to the inclusion of the Rockefeller Office of Inter-American Affairs. Then the President is understood to have agreed with Lowell Mellett that his OGR should be excluded. Now it is proposed that Army and Navy communiques be issued from the Office of Facts and Figures. If the Office of the Coordinator of Information is included, it is generally believed that the Coordinator, William J. Donovan, will return to active Army duty.

William B. Lewis, formerly CBS Vice-President, head of the Radio Division of the Office of Facts and Figures, has been serving as a traffic control director of all Government radio programs. This has made OFF the clearing house of governmental broadcasting.

His chief, Archibald MacLeish, has been stealing some of Mr. Fly's thunder by acting as spokesman for the Broadcast Monitoring Section of the Federal Communications Commission in telling the public what the Axis short-wave propagandists are saying about us. This has raised the point as to why, since the FCC Monitoring Section was doing all the work in connection with gathering and analyzing the foreign propaganda, Mr. MacLeish had to be the mouthpiece. Why could not it have been done by Mr. Fly? When the question was asked of an FCC official, he said:

"We don't make public our conclusions because they are supposed to be confidential. We simply send copies to the State Department, the Office of Facts and Figures, to Colonel Donovan and to other Government offices."

Confidential though these reports are said to be, Mr. MacLeish has been going to town with such items as:

"A 'Borgia Bund' of enemy radio propagandists is using a 'shabby but subtle system of playing both ends against the middle' in an attempt to poison the minds of the United Nations against each other. Archibald MacLeish, Director of the Office of Facts and Figures, warned last night.

"In an analysis of Axis shortwave radio propaganda broadcasts, MacLeish said that the Nazis, Japanese and Italians were pouring out a 'brand new concoction of lies'. The campaign, he said, is as 'shrewd, as ruthless, as any poison plot of the Borgias'.

"The OFF report, its director stated, was based on a factual study of enemy short-wave propaganda, which has been monitored by the Federal Communications Commission. The strategy uncovered, he explained, takes the form of 'exaggerations, distortions and outrageous lies' and is based on the precept of Hitler's 'Mein Kampf' that 'the great masses of the people . . . are more easily victimized by a large than a small lie.'"

True, Mr. MacLeish gives the FCC a credit line, but the question was asked as to just why he himself should take the centre of the stage. The conclusion was that this was just another build-up to make it look as if MacLeish were doing a real job.

A further question was asked if Mr. MacLeish is the analyst of the foreign broadcast propaganda, isn't he duplicating the work of Dr. Goodwin Watson, former Columbia University professor, Chief Analyst of the Foreign Broadcast Monitoring Service, whose salary the House recently voted to disallow alleging that he was a Red.

"Just what does Dr. Watson have to do?" Congressman Woodrum of Virginia, asked Mr. Fly when Dr. Watson was under fire.

"He is in charge of making long range studies of foreign propaganda broadcasts", the latter replied.



Then there is the alleged duplication of the work of the Donovan and Rockefeller groups. Colonel Donovan appropriated unto himself the short-wave broadcasts from the United States to Europe and Mr. Rockefeller took over those to South America. It has been argued that all this could be done by a single agency.

If a Central War Information Office is established, it is believed these and many other duplications of radio work will be eliminated, along with the attending confusion and that a much better system will result.

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#### RADIO ADVERTISING TAX URGED AT HOUSE REVENUE HEARING

A tax on newspaper and radio advertising was proposed to the Ways and Means Committee of the House considering additional means of revenue by Representative Sauthoff, Progressive, of Wisconsin.

After quoting Representative Boehne (D.), of Indiana, as saying that second class mail matter had received an average annual subsidy of \$90,000,000, Mr. Sauthoff told the Ways and Means Committee:

"An inspection of any of the metropolitan dailies will show you that one-third to one-half of the contents of such papers is devoted to commercial advertising, which pays a large revenue.

"Because these newspapers enjoy a \$90,000,000 a year subsidy from the government, which, of course, the average citizen must pay; and because commercial advertising is a matter of profit, pure and simple, and not educational, therefore, I feel that we could recover our \$90,000,000 a year now granted to the newspapers as subsidy by placing a tax on these commercial advertisements.

"I recommend this solely on the basis that this printed matter is getting a special privilege from the government.

"Another source of advertising which obtains a special privilege from the government is that of radio advertisement. Here, too, the government should step in and exact a fee for this form of advertising. As to the amount of the fee, I leave that to the good judgment of your committee."

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# FLY HOTLY DENIES FCC MAINTAINS GESTAPO UNIT

Chairman James L. Fly, of the Federal Communications Commission, hotly denied at a House Rules Committee meeting, when he was again called before that body last Wednesday, that the FCC maintains "a gestapo".

Testifying on a resolution by Representative Cox. (D.), of Georgia for Congressional investigation of the Commission, Mr. Fly said, "I certainly object to the type of investigation you have in mind." Mr. Cox had asked if the Commission had sought to bring "pressure" to block the projected inquiry.

The Committee arrived at no conclusion on the Cox resolution after having heard the FCC Chairman for the second time in less than a week. It had not finished questioning him when it adjourned without setting a time for another session.

Mr. Cox, who did most of the questioning, asked Mr. Fly if the Commission "maintains a Gestapo used to beat down \* \* \* and cow \* \* \* every one who might differ."

"That's entirely false, sir", retorted Mr. Fly, who explained that the Commission maintained a force of nine to handle its investigatory work.

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## COMMUNICATIONS INDUSTRY YEARBOOK PLACED ON SALE

The Federal Communications Commission publication, "Statistics of the Communications Industry in the United States" for the year ended December 31, 1940, was this week placed on sale by the Superintendent of Documents, Government Printing Office, Washington, D. C., at a price of 20 cents a copy.

The financial and operating data shown in this publication relate to common carriers and broadcast stations subject to the provisions of the Communications Act. The information was compiled from annual and monthly reports received in the Accounting, Statistical and Tariff Department of the Commission. Though the 1940 yearbook is reduced in size to meet appropriations and paper conservation requirements, it contains pertinent facts concerning individual telephone, telegraph, cable and radiotelegraph carriers and controlling companies; also, statistical summaries relative to standard broadcast stations and networks.

The first edition of this yearbook, for the calendar year 1939, was sold out within a few weeks after it was placed on sale by the Superintendent of Documents and a second printing was necessary.

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## WPB HEAD SAYS RADIO PEOPLE OVERRODE HIM ON ALUMINUM

That the radio and refrigerator industries got more aluminum than they were entitled to and that he lost out in opposing this were among the charges made by Robert R. Guthrie, former Chief of the War Production Textile Clothing and Leather Branch.

To the House Military Affairs Subcommittee, Mr. Guthrie made these charges:

1. Temporarily promoted to the post of Assistant Chief of the WPB Bureau of Industry branches, headed by Phillip Reed, Chairman of the Board of the General Electric Co., Mr. Guthrie was "shocked" to find that the radio industry had been allocated 100,000 pounds of aluminum for civilian radio production in December, 95,000 pounds in February, and 90,000 pounds in March.

Last month's allotment to radio, he said, was enough to build three heavy bombers, "at a time when many airplane manufacturers plants are operating at less than capacity simply because they cannot obtain enough aluminum."

He canceled the March allocation, and was informed "this decision was not approved, and the result was that some aluminum was given out for civilian sets during the month of March", despite an aluminum scarcity of such severity that many airplane plants are operating at less than capacity because they cannot obtain enough of the vital metal.

2. After having agreed with the WPB Divisions of Labor and Civilian Supply to end refrigerator production on March 31, Mr. Guthrie was told by Mr. Reed that one Thomas Evans, head of a commercial refrigerator company and not yet sworn in as a Government official, was to be considered as Mr. Reed's personal representative in the discussions and that Mr. Evans should dictate the terms of the curtailment order.

Mr. Evans proposed in effect that the industry be allowed to continue operations through the Summer. The projected order was vetoed, however, by J. S. Knowlson, Reed's superior officer in the WPB, as being "indefensible".

Mr. Guthrie pointed out that Mr. Reed's General Electric Co. manufactured radios and refrigerators.

3. After the radio and refrigerator controversies, Mr. Guthrie was called into Mr. Reed's office. Mr. Reed told him, he said, that he was "suspicious of industry and probably suspicious" of Reed. This Mr. Guthrie denied, but said he thought Mr. Reed should not have anything to do with industries in the field of General Electric Co. operations.

"I told him", Mr. Guthrie testified, "that I did not think that all dollar-a-year men were down for selfish motives, but I did think that there were a substantial number who were in WPB to further the interest of their own personal business and that of their industry."

"He explained", Mr. Guthrie added, "that I should consider the fact that a man was here at \$1 a year as proof of his patriotism."

At this time Mr. Reed relieved Mr. Guthrie of the job of Assistant Bureau Chief, but allowed him to continue as head of the Textile Branch.

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### WINCHELL SUED FOR \$400,000 ALLEGED BROADCAST LIBEL

Mrs. Eleanor Patterson, owner and publisher of the Washington Times-Herald, filed in District Court in Washington, D.C. last Thursday a complaint "to recover damages for defamation" against Walter Winchell, newspaper columnist and radio commentator; the Andrew Jergens Co., sponsor of Mr. Winchell's radio program, and the National Broadcasting Co., which broadcasts the program.

In suing Winchell, she beat him to the draw as the commentator has been threatening to sue her charging that the Times-Herald has been killing his column for days at a time and cutting it because of their conflicting political views.

In the meantime, it is reported that Winchell, who is a Lieutenant Commander in the Naval Reserve, and about whom there has been criticism, because he has been allowed to continue his commercial broadcasts while on active duty, has suggested to his sponsors that they have a substitute on hand in case the Navy Department should order him to give up his broadcasting.

Mrs. Patterson, who is from the famous Col. McCormick-Chicago Tribune, Joe Patterson-New York News, newspaper family, in her suit against Winchell, asked the court for compensatory damages of \$1000 of each of the defendants, and an extra \$100,00 was demanded of Winchell in "punitive damages". She is represented by Attorney R. H. Yeatman.

Mrs. Patterson told the court in her suit that she published in her paper on April 13, 1940, an editorial entitled "Greenland, Denmark and the United States", which was inserted in the Congressional Record by the late Senator Ernest Lundeen, Farmer-Laborite, of Minnesota.



In one of his broadcasts, Mr. Winchell referred to this editorial, Mrs. Patterson said, in the following "false, scandalous, malicious and defamatory" words:

"I wish every American would read the back issues of the Congressional Record. It is a wonderful education. For example, on page 10,548 of May 27, 1940, you will see praise for an editorial on foreign policy. That editorial was inserted and praised by the late Senator Lundeen of Minnesota.

"It was shown conclusively in court that Lundeen worked with the convicted Nazy agent, Viereck. It fascinates me to see how the pieces of the jigsaw puzzle fit together.

"That Lundeen contribution to the Congressional Record was an editorial from the Washington Times-Herald, which buys but suppresses and handcuffs my column."

Mrs. Patterson, in her suit, said:

"Neither the said Senator Lundeen, who was from the State of Minnesota, nor one George Sylvester Viereck, had anything whatsoever to do with the publication of said editorial in plaintiff's (Mrs. Patterson's) said newspaper, all of which was well known to the defendants and each of them at and before the publication of the defamation hereinafter set forth or could have been ascertained in the exercise of reasonable care by due inquiry by each of said defendants of the plaintiff or her accredited representatives."

The suit in question came as a result of Winchell's Sunday night broadcast of March 15th over the NBC network.

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#### FCC ACTION

Applications Received - Grand View Broadcasting Co., Peoria, Ill., construction permit for a new broadcast station to be operated on 1290 kc., 1 KW, unlimited time; KSEE, Earle C. Anthony, Inc., Los Angeles, Calif., modification of construction permit for a new television broadcast station, requesting changes in aural transmitter, to increase ESR from 1850 to 7654, move transmitter, changes in antenna and extension of commencement and completion dates from 1/15/42 and 7/15/42 to 60 days after grant and 180 days thereafter, respectively.

Application Granted - General Electric Company, New Scotland, N. Y., granted construction permit on an experimental basis, for a new television relay broadcast station to operate on Channel No. 8, 162,000-168,000 kilocycles, 50 watts peak power and A-5 emission, for relaying programs to the applicant's television station WRGB, replacing experimental relay television station W2XI.

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## N.Y.-BUENOS AIRES TRYOUT OF NEW ERROR PROOF PRINTER

All possibility of error from defective signals in radio telegraph transmission is eliminated by a new error-proof radio printer put into operation in the international communications field for the first time last Tuesday on the direct radio circuit of R.C.A. Communications, Inc., between New York and Buenos Aires.

Product of RCA Laboratories, the new printer automatically rejects false signals and prints an asterisk in place of an incorrect letter.

Present secrecy restrictions necessitated by the war, prevent a full description of the printer. R.C.A. Communications officials said it could be revealed, however, that the device operates with a special code so constructed that a defective character is immediately recognized as such by the printer.

The printer may operate alone or with others over the same radio transmitter. When more than one printer is used, they are operated in conjunction with RCAC's "time-divison" multiplex system, which provides two, three or four simultaneous message channels over a single radio transmitter. In sending messages, the output of the several transmitter-perforators is brought together in the multiplex equipment, scrambled, and delivered to a transmitter, which beams the aggregate radio signal to its destination. At the receiving end, the multiplex equipment unscrambles the signal and delivers the components to the several separate error-proof printers. The aggregate speed of the four-channel system is 248 words a minute.

With ordinary telegraph printers as used on the radio, errors may be caused by spurious signals, RCAC engineers explained.

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## W6XAO'S "TELEVISION SPOT ANNOUNCEMENTS" MAKE BOW

"Television spot announcements" were introduced to Southern California's "lookers" for the first time last week when the Thomas S. Lee television station W6XAO presented the second program of its defense schedule.

In the television field "spot announcements" included a visual presentation accompanied or supplemented by commentary and/or musical interludes. Purchase of defense bonds and stamps was urged in the tele announcements.

Don Lee Director of Television Harry R. Lubcke supervises the defense telecasts, which are presented on alternate Saturday evenings in cooperation with the Nation's war effort.

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## OFF MODIFIES CASUALTY ANNOUNCEMENT POLICY

Lists of men killed in action will be given out, but with the stipulation that the press and radio will not publish Nation-wide roundups, but confine themselves to listing the names of casualties from their own localities, the Office of Facts and Figures announced in an explanation of the Government's wartime information policy. That modified somewhat a previous censorship restriction against publication of casualty lists, except stories obtained in a newspaper's local field from the next-of-kin of the deceased service man.

Even in the future, to prevent valuable information from sifting through to the enemy, the ranks and ratings of Navy officers and men killed in action will be withheld, as will the designation of units to which Army officers and men were assigned.

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## MARINES STILL HOLD MIDWAY, GENERAL ELECTRIC LEARNS

That the Marines were in possession of Midway Islands as late as February 16th was learned from a letter just received by KGEI, General Electric's powerful short-wave station at San Francisco.

Reporting that they received all of KGEI's programs throughout the station's 17-hour broadcasting day, the Marines said:

"Your broadcast of news events is to us of especial importance, isolated as we are, and your rebroadcasts of some of the network programs keep our minds on the nights when we were home and used to sit and listen to our favorite programs. We can suggest no improvement in either the programs or the transmission hours."

And they ended their letter with the statement:

"The situation is well in hand."

The letter, passed by U. S. censors, was signed by Sergeant Elmer R. Wirta and Peter Vargo.

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the Government  
Initial rating given "This Is War", half-hour program, by the Co-Operative Analysis of Broadcasting, is 20.7. The C.A.B. rating is slightly lower than surveys privately made for the Office of Facts and Figures and is regarded as not too good for a show with four networks, or a practical monopoly of the air.

President Roosevelt, with Vice-President Wallace and Secretary of Agriculture Wickard, speaking March 9 on a special farm bureau program, drew an audience of 49%, according to the Cooperative Analysis of Broadcasting.

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TRADE NOTES

James S. Knowlson, Director of Industry Operations of the War Productions Board and former President of the Radio Manufacturers' Association, has been given greater power by being authorized to delegate WPB's rationing authority to the OPA whenever such action is considered desirable, under an order issued by Mr. Nelson.

The operators of WMCA, New York, in connection with an application for a new FM station have asked that the name of the old company, namely Knickerbocker Broadcasting Co., be changed to WMCA, Inc.

Gertrude Lanza, formerly in charge of sales promotion and advertising at Columbia Artists, Inc., has joined the staff of ASCAP where she will become assistant to Robert L. Murray, Director of Public and Customer Relations.

The Don Lee Broadcasting System (KTSL), Hollywood, Calif., has applied for a modification of construction permit for a new commercial television broadcast station, requesting extension of completion date to October 12, 1942.

W7LNY, WOR's FM station which was successful with the first attempt at a large scale FM relay including 7 stations during its dedication ceremonies, will be on the receiving end when the new FM studios of Station W43B in Boston are formally opened today (March 20) at 9 P.M.

C. P. Boggs has been made Director of Manufacturing for the Hygrade Sylvania Corporation. He has held executive positions in the Manufacturing Division of Hygrade Sylvania Corporation since 1932. Recently he was made Assistant to Executive Vice President W. E. Poor. Mr. Boggs was formerly with the General Electric Co.

A meeting between William Lewis, Coordinator of Radio for the Office of Facts and Figures, and prominent representatives of advertisers, using network radio, was held Thursday under the sponsorship of the Advertising Council. Mr. Lewis explained to the advertiser radio representatives the present problems and plans of the Office of Facts and Figures. Mr. Lewis was accompanied by Douglas Meservey, his Chief Deputy in Radio Coordination.

The advertisers were brought together by Paul West, President of the Association of National Advertisers, acting on behalf of the Advertising Council.

Station KFXM, J. C. & E. W. Lee (Lee Bros. Broadcasting Co.), San Bernardino, Calif., seek a construction permit to install new transmitter for directional antenna day and night, change frequency from 1240 to 1300 kc., increase power from 250 watts to 1 KW and hours from Share KPBC, Pasadena, to unlimited hours.

Jerry Danzig, Publicity Director of WOR, goes on a leave of absence from the station to go on active duty as a Lieutenant (j.g.) USNR in the Radio Section of the Public Relations Division of the Third Naval District. Danzig has been with WOR for six years, starting in the Special Features Division, moving to Commercial Program Manager and then taking over two years ago as Director of the Publicity Department.

Danzig's place will be taken by Richard Pack, who will become Acting Publicity Director. Pack has been with WOR for two years, coming to the station from a post of Publicity Director of WNYC.

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### NO JUKE BOXES AFTER MAY 1

A shutdown of the manufacture of automatic phonographs (juke boxes), weighing and amusement machines on May 1 was ordered by the War Production Board.

Between March 1 and April 30 the manufacturers of such equipment may produce three times their February quota - that is, three month's production in two months. However, these new units must be manufactured or assembled largely out of present inventory.

The following prohibitions are effective at once:

No manufacturer may cut, stamp, or other shape or change the physical form of any copper, copper base alloy, nickel or stainless steel in the production of equipment or parts.

No repair parts may be fabricated for gaming machines. Their manufacture was discontinued previously.

No manufacturer may receive or accept delivery of any raw materials, semi-processed materials, or finished parts not fully completed at the time of issuance of this order.

No manufacturer may sell, transfer, or deliver any part of his inventory except to other manufacturers for use in accordance with the order.

The industry affected by the order consists of about 30 companies which did a business in 1941 of between \$75,000,000 and \$100,000,000. It employed approximately 10,000 persons.

It was estimated that if the entire industry is converted to war production, that its annual production will be approximately \$150,000,000 worth of war materials.

In the original order, automatic photographs were defined as phonographs customarily coin-operated.

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