

HEINL RADIO BUSINESS LETTER

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GENERAL BROADCASTING COMPANY, INC.
ROCKEFELLER PLAZA, NEW YORK, N. Y.

LA GUARDIA'S PRESS SCRAP ADDS ZEST TO WNYC HEARING

The bitter fight Mayor LaGuardia is having with the New York newspapers and his choosing WNYC, the municipal radio station to reach the public, adds importance to the oral hearings in Washington to be held next Wednesday, April 29th, on the question of whether or not the New York station should be allowed to extend its evening hours.

Opposing the proposed findings of the Federal Communications Commission favoring such a move is the Columbia Broadcasting System which argues that this increase in power would cause interference to its 50,000 watt station WCCO in Minneapolis, which operates on 810 kilocycles, the same frequency as WNYC, with 1000 watts.

Mayor La Guardia, who formerly used to commute frequently between New York and Washington, but who has been seen very little in the Capital since he washed his hands of the Office of Civilian Defense, is expected to make every effort to attend the forthcoming hearing. Although his parting shot in his last weekly "Talk to the People" over WNYC in New York, which was largely devoted to criticizing the newspapers was "watch the radio for complete and accurate information", there was just a hint that he might resume friendly relations with the newspapermen covering the City Hall with whom he has not talked since the latter part of January. Even if he should patch up his differences with the press, Mr. La Guardia is still believed to be more than anxious for the extension of WNYC's program to include the more desirable evening hours so that he may use some of these periods to further his supposed political ambitions which by some are said to include the Presidency.

A brief filed with the Federal Communications Commission in behalf of WNYC states, in part:

"The record shows that the service rendered by WNYC is of an indisputably high standard of quality. It is unique. It is entirely non-commercial in nature, devoted solely to the education, entertainment, health, safety and service of its owners, the citizens and taxpayers of the City of New York. It is the only municipally-owned station in the United States which does no commercial broadcasting. It is the only non-commercial station in its area." *

"Allowing for additional time of operation caused by "War Time" and Summer Daylight Saving Time, it is clear that the unique public service rendered by WNYC is denied to its listeners and potential listeners during the very time when it is most valuable to them - the all-important evening hours. No argument need be indulged in to establish the proposition that an extension of hours of operation to 11:00 P.M. would greatly serve the interest, convenience and necessity of the public of the City of New York.

"In addition to the emergency fire and police announcements which have been a part of the service of WNYC to the citizens, the official records of the Commission will show the war-time service being rendered on the programs of the station. It has been used since the outbreak of the war by the War Department for Selective Service and many other government programs and announcements, and it is available for public service at all times, without conflict with any commercial engagements. The usefulness and necessity of such public service in a community of the size and strategic importance of the City of New York, in the evening hours needs no demonstration.

"There are other broadcasting stations in New York. There is no other, however, which furnishes service of the nature described. There is no other which is not commercial. There is no other which can devote itself to regular and emergency public service without thought of gain or loss of commercial profit to its stockholders."

It was said that the record of the case established the fact that granting WNYC an extension of evening hours would result in no interference whatever in the primary area of WCCO in Minneapolis nor, it was further argued, would it result in a loss of service whatever to listeners in the secondary service area of WCCO.

The WNYC brief continued:

"The testimony of the Applicant's engineer showed that there are available, in the area to be affected by WNYC's interference, the signals of from four to ten stations of the Columbia Broadcasting System. Indeed, from one to ten of these same stations furnish a signal superior to that of WCCO. A small gore in northeastern Wisconsin, it was shown, was the only part of the entire area in which a superior signal was not available. It, however, receives service from five or more stations of the Columbia Broadcasting System.

"Those are the facts. No loss of service will result in any part of the United States if the application is granted. The engineering witness for the intervener stated his agreement with the testimony for WNYC."

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In a propaganda broadcast to the United States, a Japanese commentator said, "Japan would be glad to share the riches of Asia with the Western nations."

In a broadcast in Japanese for domestic consumption, Radio Tokyo said, "The most important task is the expulsion from East Asia of Britain and America. The outbreak of the Greater East Asia War may be said to be the beginning of the fight to put an end to Britain and America."

The broadcasts were recorded by the FCC and reported by the Office of Facts and Figures.

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SEES COMMERCIAL TELEVISION SUSPENDED FOR DURATION

Action by the Federal Communications Commission to suspend "commercial" television during the war, but to keep it on an experimental and developmental basis appeared in prospect following the Commission's recent informal television conference, according to a bulletin of the Radio Manufacturers' Association. Lack of priorities and materials for television transmitters and receivers and the need for television engineers in government and industrial war activities were stressed at the conference. Another deterring factor was the recent WPB ban on building construction, preventing erection of new transmitters.

Television manufacturers stated that receiver production had ceased and also that replacement tubes, because of priorities, probably would not be available.

Continuation of the temporary television transmitting standards during the emergency was recommended by RMA. Director W. R. G. Baker of the Association's Engineering Department for the National Television System Committee stated that war conditions and lack of engineering personnel had prevented further development of engineering standards. Dr. Baker also stated that television engineers could be more profitably employed in war activities.

Reduction, to one or two hours a week, of the 15-hour commercial broadcasting requirements was recommended to the Commission. This would enable experimental and developmental work, the Commission was told, to continue, and without interference with the war effort.

War service of television, in broadcasting instructions to air raid wardens, recruiting, Red Cross, and other war training and activities, was detailed. Whether such war service is "essential" is a question for determination by the Government, the Commission was told.

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NU-TONE LABORATORIES REPRESENTATIONS CURBED BY FTC

Nu-Tone Laboratories, Inc., 115 South Market Street, Chicago, Illinois, radio equipment manufacturer, has been ordered by the Federal Trade Commission to discontinue misleading representations in the sale of products designated "aerial eliminators" and "line noise eliminators".

The order directs the respondent to cease representing that its "aerial eliminators" will improve the tonal quality or selectivity of radio receiving sets to which they are attached; make such sets capable of receiving broadcasts from stations more

distant than would otherwise be the case; perform the function of a radio aerial; or reduce noises due to static or other causes except at the expense of the incoming program.

Also prohibited by the order is the representation that the "line noise eliminators", when attached to the power line of a radio receiving set, will reduce line noises or noises due to static or electrical interference, or improve the tonal quality of the instrument.

Commission findings are that the respondent's devices will not accomplish all the results claimed. However, the findings continue, when noises emitted from a radio set are caused by electrical interference due to the operation of some other electrical appliance, the use of the respondent's line noise eliminator on such other electrical appliance will tend to reduce the interference and static caused by its operation.

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DEEMS TAYLOR SUCCEEDS GENE BUCK AS ASCAP PRESIDENT

Deems Taylor, well-known composer and radio commentator, was yesterday elected President of the American Society of Composers Authors and Publishers, succeeding Gene Buck, President of the Society since 1923.

The Board of Directors of the Society, following the election of Mr. Taylor, voted to retain the services of Mr. Buck in an advisory capacity.

Elected to offices along with Mr. Taylor, were the following:

Gustave Schirmer, Vice-President; Oscar Hammerstein, Vice-President; George W. Meyer, Secretary; Max Dreyfus, Treasurer; J. J. Bergman, Assistant-Secretary; Irving Caesar, Assistant Treasurer.

Mr. Taylor, who is one of America's foremost figures in music and known to be very kindly disposed towards radio, will serve as President of ASCAP without salary.

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A series of six fifteen minute radio programs "This is History" is being released by the Library of Congress. It is a sort of "roving reporter" or "man on the street" series in which current questions are discussed with people encountered on the shores of Maryland and Delaware, the "Okies" of California, the mountains of Georgia, and in a large war plant in North Carolina. The recordings are financed by the Rockefeller Foundation.

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SENATE ALSO GIVES DR. WATSON, ALLEGED FCC RED, THE AXE

In reporting the Independent Offices Appropriations Bill, the Senate retained the House rider cutting off the salary of Dr. Goodwin Watson, Chief Broadcast Analyst of the Federal Communications Commission, at \$5,600, charged by Representative Dies as having been "a propagandist for communism and the Soviet Union for many years". The bill now goes to conference but there seems to be a slight chance of restoring Dr. Watson's salary.

The Senate also lopped off \$312,460 from the \$4,991,219 appropriation asked for the FCC for 1943.

Dr. Watson, who was Professor of Education at Columbia University, was strongly defended by Chairman James L. Fly, of the FCC, who went the limit in the alleged Red's behalf, stating in a comeback at Dies:

"I have taken pains to make a full inquiry into the subject. As a result I can state unequivocally that at no time has Dr. Watson been a member of the Communist party, or registered or voted as a member of the Communist party, or participated in any way in the activities of the Communist party. And at no time has Dr. Watson endorsed the Communist system.

"It ought to be made clear that Dr. Watson did not seek the position which he now occupies. We sought him. Dr. Watson is widely recognized as one of the outstanding social psychologists of the country, and I cannot but believe that the Government is fortunate to have his services in this period of emergency."

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NEW HIGH SET FOR U.S. RADIO TAXES

Unprecedented collections of Federal radio excise taxes during the first three months of 1942 were recorded by the U. S. Bureau of Internal Revenue. Radio excise taxes collected during March 1942, largely on February sales, totaled \$2,046,024.66, and brought the total radio collections during the first quarter of 1942 to \$7,376,157.70. This was an increase of 402.5 percent over the radio tax collections during the first quarter of 1941, which totaled \$1,467,963.50, the latter being at the old rate of 5½ per cent while, of course, the 1942 first quarter collections were at the new rate of 10 percent.

Excise taxes on phonograph records collected last March were \$135,266.78. Total phonograph record tax collections during the first quarter of 1942 were \$397,793.56. Records were untaxed during the first quarter of 1941.

March 1942 tax collections on refrigerators, air conditioners, etc., were \$1,578,921.90, compared with March 1941 taxes on refrigerators only of \$1,816,901.28.

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MILITARY RADIO PRODUCTION TO BE SIX TIMES OLD OUTPUT

At or before midnight last Wednesday the major part of the country's radio industry stopped the production of radios for civilian use in order to make its entire facilities available for war work. The remainder of the industry will wind up its operations within a few weeks. Military radio production before the end of 1942 will be at a rate of six times as great as the best year of the industry's civilian business. By June 7, all radio production in this country will be for war purposes.

The last civilian radio off the Stromberg-Carlson's assembly line went to Donald Nelson, Chief of the WPB, for him to present to some military training center of his choosing.

The following statement was issued by the Division of Industry Operations of the War Production Board:

Thirty of the 55 companies producing civilian radios were ceased putting sets into production when the deadline was reached. Two other large companies, RCA and Philco, each operating several plants, have shut off civilian production in plants representing more than 80 percent of their total production. These 32 companies already have war contracts totalling \$780,000,000, representing 87 percent of all the war contracts let so far to the home radio industry.

The remaining 25 companies were given additional time, ranging from one to six weeks, to produce additional sets in order to facilitate their program of conversion to war work. Half of the approximately 410,000 sets to be produced after the shutoff date will be reserved for export to friendly nations, as requested by the Coordinator of Inter-American Affairs and Lend-Lease.

The plants discontinuing civilian production produced approximately 57 percent of all the civilian sets, on a dollar basis, sold in 1941. Their sales accounted for approximately \$151,000,000 worth of the \$263,400,000 worth of home radios manufactured in 1941.

At least six of the concerns stopped civilian production before the first of March. They ranged from General Motor's Delco plant to the small Kingston plant, and included also Noblitt-Sparks, Remler, Gilfillan, and Hammarlund.

RCA's large plant at Camden, representing more than 80 percent of the company's total production, ceased civilian production on March 5 and is now converted to war work. The company was given an additional two weeks to operate its plant at Bloomington, Ind., in order to produce sets for export and to better prepare it to start work on a big war contract the first week in May.

Stewart-Warner ceased its civilian radio production on March 31 and is now engaged in war work.

Philco has closed its two plants in Indiana and Ohio and two of its three plants at Philadelphia. It was given a few weeks longer to operate the third of its Philadelphia plants to turn out sets for export. The bulk of Philco's facilities are engaged in war work.

The 25 companies that were given additional time for civilian production fall into two groups. In one group are companies that had sufficient war contracts to make use of their plants' entire capacity but which needed a longer period for re-tooling, or plants which didn't receive their war contracts until too late to be able to convert by last Wednesday. That list is comprised of the following:

Continental, Detrola, DeWald, Galvin, Magnavox, Pilot, Philco, RCA, Sonora, Wells Gardner.

The second group consists of companies, most of them small, with facilities not as well suited to war work as the other companies and which had, until recently, very little war business. Most of them will be able to convert to war work and are being given additional time in which to make the change-over. They are:

Air King, Andrea, Ansley, Automatic, Electromatic, Emerson, Faça, Freed, General Television & Radio, Hamilton, Howard, Majestic, Recordo-Vox, Travler-Karenola and Warwick.

R. C. Berner, Chief of the WPB Radio Section, said that the conversion order of March 7 greatly expedited the conversion of the radio industry to war work. That was true, he said, not only of the 55 companies producing home radio sets but to the 15 or 20 companies manufacturing phonographs and some 250 companies manufacturing radio parts. In fact, he said, the parts companies began conversion almost immediately after the issuance of the order, because the radio companies, faced with a stop-production order and a stop-purchase order, cancelled orders for parts and placed no new orders.

"In many cases the war jobs assigned have been so much more difficult and so much larger than previous home radio products, that there is a similarity only in the use of the word 'radio'", Mr. Berner said. Now most of the industry is ready for its new tasks. Before the end of May, radio equipment for tanks, planes, ships, and ground troops will be rolling out of the same factories that saw consoles and midgets, phonographs and recorders come out a short time ago. * * *

"By June 7 all radio production in this country will be for war purposes alone. Military radio production before the end of 1942 is out will be at a rate of six times as great as the best year of the industry's civilian business."

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SECRET RADIO AIR-RAID PROTECTORS TO DOT COAST

Secretary of War Stimson said Thursday that the Army is rapidly equipping the Nation's coast lines with "electric eye" detection devices able to locate planes or ships more than 100 miles at sea, and thus providing a warning of approaching enemy raids.

He told reporters he had inspected the secret radio locators during a recent trip to Fort Monmouth, N. J., and nearby areas, and confessed that his eyes had been opened by the amazing things achieved in this field by the Army Signal Corps.

"We already have a great many of the detectors and are working hard to get more", the War Secretary said at a press conference.

The Signal Corps, he said, has been "applying much of the new science to war", and its officers at Fort Monmouth have been giving intense study to using radio wave echoes to warn of approaching enemy planes and ships.

"This electric eye can see 100 miles or more and warn of danger", Mr. Stimson said. "It can see at night and through fog and tell the location of enemy craft."

On his recent inspection trip the Secretary said, he had looked at one of the new warning instruments and had seen the indication of a plane 60 miles away.

"And what I saw was elemental compared to what the officers are working on, with every indication of success, in the laboratories at Fort Monmouth", he added.

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RAPS MR. HAGGERTY'S BROADCAST TAX PROPOSAL

The story of the renewal of the demand of John B. Haggerty, President of the Allied Printing Trades Association that broadcasting be taxed \$12,500,000 "because its unusual profits are derived through the displacement of the jobs of some 25,000 skilled printing trades workers, drew fire from one of our subscribers, as follows:

"I suppose that you were getting a hearty laugh while you were editing the lead article ("Printing Trades Again Urge Heavy Broadcast Tax") in your release of April 17th.

"To me the printing trades urging a higher broadcasting tax is to be compared only with the stage coach driver asking for a higher tax on the railroad pioneers, which, of course, they never did - or, the livery stable owners asking for a higher tax on automobiles.

"The way to stop progress is to tax efficiency, especially at the request of the less inefficient."

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WOMEN OPERATE RADIOSONDES AT WEATHER BUREAU

Rarely done before, the Weather Bureau is taking on women as observers. Some of them operate radiosondes at the Washington National Airport. The radiosonde is an instrument attached to a helium balloon. As the balloon soars up towards the stratosphere, the radiosonde broadcasts temperature, humidity, and pressure readings.

When balloon finally loses its rising power or explodes, the instrument descends by parachute, with a note attached asking its return to the Bureau. If radiosonde should fall on Axis submarine near the coast, it would do its captors no good, for it forgets its weather findings as fast as it broadcasts them.

Miss Susan D. Miller operates a radiosonde recorder and Miss Gertrude Patrykowski tends a radiosonde receiver. C. O. Schick, meteorologist in charge, said he had always been opposed to women as weather workers, but since he began using them this month he has been "greatly surprised". They will learn every phase of observation, but will not - as the wind blows now - be permitted to make the formal forecasts, a ticklish feat. The Weather Bureau in Washington is the first in the Nation to employ women. There are now 14 junior and assistant women observers.

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60 MILLION AD DRIVE BY U.S. ADVOCATED

With "a sound advertising program" costing \$60,000,000 annually, this Government could "make Goebbels look like a sandwich man", Frank E. Tripp, General Manager of the Gannett Newspapers advised. ^{As} advertising Chairman of the American Newspaper Publishers' Association, he said, at the New York newspaper convention, the Government could spend \$30,000,000 annually in newspapers, "but Government can't stop at \$30,000,000.

"Certainly we are not naive enough to think the radio, magazine and billboard boys are going to sit in the grandstand drinking pop while the newspapers walk out of Washington with \$30,000,000 or any part of it. By the time they got theirs - and they're patriots, too, you know - the figure would be a minimum of \$60,000,000."

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FCC ACTION

Applications Granted: KWK, Thomas Patrick, Inc., St. Louis, Mo., granted petition for rehearing directed against the Commission's action of March 3, 1942, and the order dated March 3 dismissing "with prejudice" the application of WKW for construction permit was modified so as to dismiss said application "without prejudice"; KIRO, Queen City Broadcasting Co., Seattle, Wash., granted petition for rehearing directed against the action of the Commission of October 28, 1941, granting the application of Fisher's Blend Station, Inc. (KJR), Seattle, Wash., for construction permit to operate at "Burien Lake site", and said order was modified so as to require KJR, within 30 days from date of present order, to submit an application for modification of the construction permit issued, specifying a site complying with Section 4 of the Commission's Standards of Good Engineering Practice.

Applications Denied: WOW, Woodmen of the World Life Insurance Society, Omaha, Nebr., denied petition for stay pending final determination of appeal from the decision of the Commission November 25, 1941, granting the application of WKZO, Inc., Kalamazoo, Mich., for construction permit to make changes in directional antenna, increase night power from 1 KW to 5 KW, on the frequency 590 kc.; Broadcasters, Inc., San Jose, Calif., denied petition for rehearing directed against the action of the Commission January 6, 1942, granting without hearing the application of Merced Broadcasting Co. (KYOS), Merced, Calif., for construction permit to change frequency from 1080 to 1490 kc., increase hours of operation from day-time to unlimited with power of 250 watts, and make changes in transmitting equipment.

Station KPQ of Wenatchee, Washington, has applied for modification of construction permit, which authorized increase in power, change in frequency, installation of new equipment and directional antenna for day and night use, and move of transmitter to new site, to request new transmitter, change power from 5 KW to 1 KW, and for approval of present site, and for directional antenna night use only.

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The New York office of FM Broadcasters, Inc., will be closed due to obvious cessation of FM growth until such time as peace returns.

"This should not be construed as an indication that FM Broadcasters, Inc., or frequency modulation broadcasting in general, is suspending its activities", said Dick Dorrance, General Manager. "The New York office is being closed because it represents an unwarranted expense at a time when FMBI feels it advisable to conserve its funds for the indeterminate period that lies ahead."

FMBI activities in New York and Washington will still be carried on by Mr. Dorrance, whose address is 1 Christopher Street, New York, New York.

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TRADE NOTES

To aid Latin American students in flying courses conducted by the Civil Aeronautics Administration, the Federal Communications Commission has adopted an order permitting these students to operate radio communications necessary to their complete training.

Clifford J. Durr, member of the Federal Communications Commission, has urged approval of legislation permitting the merger of telegraph companies as a matter of financial necessity and to conserve vital war materials. Mr. Durr told a Senate Interstate Commerce subcommittee that unless something was done to check the downward spiral of the Postal Telegraph Co.'s revenue, that firm might be forced out of business.

It is "fairly obvious", he said, that Postal would have to default on loans of nearly \$6,000,000 from the Reconstruction Finance Corp. Postal, he testified, was losing money at an increasing rate.

The WOR Publicity Department ranked first among metropolitan New York stations in a survey of radio editors conducted by Billboard.

John Elwood, until recently Manager of the NBC International Division at Radio City, and now successor to Al Nelson as Manager of KPO, NBC's San Francisco station, has filed a voluntary petition in bankruptcy in the New York Federal Court, listing no assets and \$17,475 in liabilities.

To make recordings of soldiers greetings which will later be broadcast on local radio stations in their home towns, the "Star Spangled Network", U.S.O. Mobile Unit No. 1 neatly housed in an automobile station wagon, left Washington this week for an inaugural tour of Eastern Seaboard camps and U.S.O. centers.

In the group which gathered to witness the unit's start were: Fulton Lewis, Jr., radio commentator of the Mutual Network; Lieut. Comdr. R. D. Hill, Jr., representing the Navy; Maj. Harold Kent, Army, and Martin H. Work, of the National Catholic Community Service.

"War Conversion Problems of the Radio Industry" is the subject of an address which will be delivered by Paul V. Galvin, President of the Radio Manufacturers' Association, at the annual convention of the Chamber of Commerce of the United States, next Monday afternoon, April 27th, in Chicago. Mr. Galvin is to speak before the National Councilors of the U.S. Chamber of Commerce.

Hygrade Sylvania Corporation - March quarter: Net income, \$284,976, after \$664,960 provision for Federal income and excess profits taxes. After preferred dividend requirements, net is equal to 48 cents each on 514,368 common shares outstanding and compares with \$283,220 or \$1.18 a share on 207,184 common shares in last year's period, when Federal taxes were \$283,390.

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