

HEINL RADIO BUSINESS LETTER

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DON NELSON SELECTS F.D.R. WAITING ROOM FOR LAST SET

In an exchange of telegrams with W. M. Angle, President of the Stromberg-Carlson Company, of Rochester, Donald M. Nelson, head of the War Production Board, who was presented with the last Stromberg set to be given by the latter to some worthy Army or Navy recreation center, asked that the set be sent to the Joint Committee for Service to Troops and that it be placed in the President's waiting room in the Washington Union Station which is being turned into a reception lounge for service men.

Also marking the closing down of the radio manufacturing industry was a patriotic demonstration of the factory employees when Commander E. F. McDonald, Jr., President, touched the last bit of solder to the last civilian set turned out by the Zenith factory for the duration. From now on Zenith goes full time on radio war work.

The final product of the factory was a short wave Clipper. Although introduced only last October, it was said it was impossible for the company to meet the heavy demand for this portable which has found popular use in bringing news from home to American forces in all parts of the world.

Mr. Angle telegraphed Mr. Nelson, in part, as follows:

"On behalf of all Stromberg Carlson workers I am pleased to report that assembly of the last civilian radio chassis, our model 1035, to come down our production line was completed at ten today. Even as this was happening our maintenance crew was remodelling for a war production job for which there are being needed assembly benches vacated a few days earlier, when other chassis models were completed ahead of the date set for us; while the men and women who are now released for other duties as these assembly lines have been disbanded are being progressively absorbed into various war production jobs now reaching the assembly stage in our plant.

"As a token of this appreciation, permit us to present to you the autograph combination 1035 PLW model containing this last chassis, so that it may be awarded to such Army or Navy training center or charitable organization as you may designate. Will you kindly inform me as to the name and address of the organization or camp to which we may ship this instrument immediately?"

Mr. Nelson replied:

"I have your telegram and I am glad to know that you and your workers are making the transition to full war production so smoothly and swiftly. I also appreciate the spirit which prompts

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you to offer your last civilian-type radio for the use of our Service Men.

"Since such large numbers of soldiers, sailors and marines pass through Washington daily, and since the President's reception room in the Union Terminal here is now being remodelled and refurnished to serve as a waiting room and lounge for these men, it occurs to me that that would be the ideal place to put this radio into service.

"May I therefore ask that you send the radio to the Joint Committee for Service to Troops in Transit, in care of the Station Master, Union Terminal, Washington, D. C.?"

Apropos the halting of set production, O. H. Caldwell, editor of Radio Today predicts dire things if repairmen cannot get the repair parts they need. He says:

"In recent years we have sold 10 to 13 million radio sets per year, right in the U.S.A. Yet the total sets in use at the end of any such year, increased by only 6 to 7 millions for that year. So it is evident that 4 to 6 million sets have annually been "scrapped" or dropped from use, because inoperative or obsolete - and never restored to working condition.

"Now that new sets are no more, the former rate of mortality will still continue, of course, each year. And will continue to deplete existing sets at a rate of 4 to 6 million sets per year. As a result, the radio audience seems bound to shrink by millions of sets annually, - unless radio repairmen aggressively maintain every one of these sets in operating condition.

"To do this, of course, will throw a double servicing load on the radio service men of the nation. For they must do their former regular servicing, or more! And in addition, they must put back into operation the millions of sets which normally would have been dropped from use.

"And if radio repair parts are also shutdown and necessary repair material is withdrawn from trade channels, servicemen will be prevented from carrying on even their normal repair work. And then the rate of radio audience decay will be accelerated by another 4 to 6 million sets 'going dead' per year, making the broadcasters' audience crumble at the rate of 8 to 12 million sets per year.

"Neither of these blows to U. S. listening and U. S. morale need happen, if radio repairmen can get the repair parts they need.

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NOW IT'S FLY FOR THURMAN ARNOLD'S PLACE

About every so often a rumor comes along boosting Chairman James L. Fly of the Federal Communications Commission into a new job. The latest is that he is to succeed Assistant Attorney General Thurman Arnold. Mr. Arnold is supposed to be in bad because of the allegations recently made by Mrs. Eleanor Patterson, publisher of the Washington Times-Herald, who was seeking an Associated Press franchise for her paper. Speaking in behalf of her application, Mrs. Patterson told the New York Newspaper Publishers' convention:

"Thurman Arnold (Assistant Attorney General) sent for me two years ago and said: 'If you want A.P. membership I can get it for you. I won't start it myself, but if you will send a member of your staff around the country and get some complaints from newspapers in your situation - that is, without A.P. memberships - I'll guarantee to break the monopoly and get you that membership.'

"I come from four generations of newspaper people, and I didn't like it - I didn't like the smell of it. I went home and thought it over and I refused to act.

No one at the Federal Communications Commission was able to confirm the rumor that Chairman Fly was to succeed Mr. Arnold, if Arnold were pried loose from his present position. The last job Fly was mentioned for was one being discussed and known as "Coordinator of Communications."

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EDUCATORS TO DISCUSS WARTIME BROADCASTING POLICIES

One of the most timely subjects to be discussed at the Institute for Education by Radio, to be held in Columbus, Ohio, May 3 to 6, grows out of the confusion in the public mind as a result of the apparent lack of definite policies for wartime broadcasting on the part of both government agencies and the industry.

Five leaders in the field of radio will deal with the activity of the radio industry as a whole in the present war effort - Edward L. Bernays, Dr. Lyman Bryson, Educational Director of the Columbia Broadcasting System; Robert J. Landry, Radio Editor of Variety magazine; Victor Sholis, representative of clear-channel stations; Dr. Carl J. Friedrich, Harvard University; and George V. Denny, Jr., Director of America's Town Meeting of the Air.

It is expected that the panel will point out that this confusion is not so much due to a lack of information on the part of the listeners as to the lack of a definite strategy on the part of the government as to the angles to be stressed from day to day in the war situation.

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WAR ENDS RICH ERA FOR RADIO, SAYS "LIFE"

"War ends a rich era for radio and brings that industry fresh problems", the current issue of "Life" (April 27) says devoting 10 pages, mostly pictures, to the subject.

"During the past few months, the radio networks sold more 'time', i.e., took in more advertising revenues, than they had in any comparable period of their lush young life", the article continues. "But soon revenue will begin to fall off. War is bringing an end to radio's gilded era. All things considered, this seems a good thing.

"There is plenty that is fine and honest about radio. It has brought plenty of pleasure and education to the owners of 56,000,000 radio sets. But radio has not lived up to its prospects and expectations. It has aimed too much at the lowest common denominator of popular taste. Radio's excuse is that it gives the people what they want. Even if this were a good excuse, it doesn't make radio sound any better.

"Radio gives about five times as much time to news today as it did three years ago. Today the nervous newscasts come more frequently than watch advertisements used to. This increase has brought an increase in the number of news commentators. Few self-respecting stations can get along today without at least one commentator. Having grown in numbers, the commentators have also grown in boldness. Once mainly concerned with giving straight news reports, they now aim at interpretation.

"Some commentators explode with news, like Walter Winchell who is as proud today of his patriotic epigrams as he is of the gossip that made him famous. Some commentators know everything and brook no argument, like Hans Von Kaltenborn whose voice is as carefully clipped as his moustache.

"Recently the best-known got together in New York to form the Association of Radio News Analysts. They set themselves aside from pseudo-commentators by requiring that members must themselves write the comment they deliver."

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A paragraph of the annual report of the Bureau of Advertising of the American Newspaper Publishers' Association reads:

"Too many dealers are still recommending radio and magazine advertising to the manufacturers whose products they sell. There is, we feel, an urgent need for correcting this condition, and for convincing dealers that newspaper advertising by their manufacturers is the kind of advertising that will help the dealers most. Many a national advertiser is influenced in his selection of media by the recommendations and wishes of his dealers."

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FCC ISSUES FREEZE ORDER ON NEW RADIO CONSTRUCTION

Stating that further instructions are necessary and that public interest demands that the requirements of the armed services be met before materials can be used for the construction of new broadcast services, the Federal Communications Commission last Monday issued a formal order freezing for the duration of the war all domestic radio construction with the exception of experimental high frequency and non-commercial educational stations.

The order read:

"The Defense Communications Board in April recommended that there be immediately placed in effect the following policy:

"No future authorizations involving the use of any materials shall be issued by the Federal Communications Commission nor shall further materials be allocated by the War Production Board, to construct or to change the transmitting facilities of any Standard, Television, Facsimile, Relay or High Frequency (FM, Non-Commercial Educational, Experimental) broadcast station.

"Upon consideration of this recommendation, the Commission has adopted a policy to grant no application for an authorization involving the use of any materials to construct or change the transmitting facilities of any standard, television, facsimile, relay, or high frequency (FM) broadcast station. The Commission, however, has deferred action on the recommendation of the Defense Communications Board with respect to experimental high frequency and non-commercial educational broadcast stations.

"Applications filed to meet the requirements of authorizations heretofore made in the form of conditional grants, and applications requesting an extension of time within which to complete construction under authorizations heretofore made, will not be granted, unless it appears that the applicant (1) has made substantial expenditures in connection therewith or actually commenced construction prior to the date hereof, and (2) has on hand or available substantially all materials and equipment necessary to complete construction.

"This policy shall not preclude the issuance of authorizations involving essential repairs or replacements for the purpose of maintaining existing services; nor shall it preclude the issuance of authorizations by the Commission for construction of, or changes in, facilities required by the Commission or recommended by the head of a war agency of the Federal Government.

"For the purpose of carrying this policy into effect, the following procedure will govern applications now pending: Every applicant who desires to prosecute a pending application involving the use of materials to construct or change the transmitting facilities of any standard, television, facsimile, relay or high

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frequency (FM) broadcast station, shall, on or before June 1, 1942, file with the Commission a formal petition embodying a statement of such facts and circumstances as he believes would warrant the granting of his application in the public interest. The filing of such petition will be construed as an indication of the desire of the applicant to prosecute his application, and, in the event the petition is denied, the application will be designated for hearing. Failure of any such applicant to file such formal petition on or before June 1, 1942, or such further time as the Commission may, upon satisfactory showing allow, will be deemed an abandonment of the application, and such application will be retired to the closed files of the Commission and dismissed without prejudice."

Commenting upon the new "freeze" order which went into effect immediately, Chairman Fly said:

"I want to draw your attention to the fact that this is a little broader in some respects - standard, television, facsimile, relay and FM are involved here in slightly different structure as to the extent of conditions of grants. Then, there is a paragraph which gives us room to turn around in in case - for example, an Act of God, as we had in a case we granted last Friday where a station had been destroyed by fire, and fortunately that station had materials on hand. In the case of burning or destruction of facilities, particularly if materials are available, it gives us an opportunity to do something about that and also enough latitude to meet our international needs and to carry out the policy of our international agreements, and that sort of thing, and where there is some public interest in doing so.

"I don't have in mind, however, explicitly any other type of exceptions. It is a little different in wording and will give us an opportunity to act without appearing on the fact of it to be violating a policy and where there is a vital need. It should be borne in mind that the usual circumstances in favor of construction will not prevail."

"This wipes out the former policy of permitting construction in areas not already serviced?" someone queried.

"Yes", Mr. Fly replied. "We made two or three grants last Friday. People have urged us to review many cases. We did review all the cases that were drawn to our attention that we could - and I can say fully every case that has been pressed on the Commission's attention was given serious consideration. We spent quite a number of hours on it and I imagine we reviewed as many as 20 or 25 cases in that light. Among those cases where we took no action there were two or three that went over because they involved international problems."

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BURNED STATION GETS QUICK ACTION DESPITE BANS

The Federal Communications Commission, priorities to the contrary notwithstanding, cut the red tape and quickly afforded relief to Station WGBR at Goldsboro, N. C., recently destroyed by fire.

The Commission order read, in part:

"The City of Goldsboro, with a population of 17,274 receives no primary broadcast service except that heretofore provided by Station WGBR. The restoration of this service will require the use of materials for which priority ratings are required and have been obtained. All of the necessary equipment is available to the applicant and will be delivered within the next thirty days with the exception of frequency and modulation monitors, which can be delivered in from four to six weeks.

"Under these circumstances, we find that public interest, convenience and necessity will be served by the granting of the instant application."

Also Station WSGN, of Birmingham, was granted its request for an increase in daytime power from 1 to 5 KW, the explanation being:

"The application was filed in January of this year. The proposed operation would increase the daytime service area of the station from 5,470 square miles to 10,700 square miles, extending the daytime service of the station to an additional population of approximately 254,000, a gain of 40% or more in the potential daytime audience. No substantial part of this proposed new service area now has primary service. This application conforms to the Commission's Opinion of February 23, 1942, permitting the construction of facilities to serve an area without primary service.

"It is further noted that the equipment proposed to be used for the change in operating assignment is already available to applicant; it was procured from another station where a change in equipment has heretofore been authorized."

Station KMA, of Shenandoah, Iowa, was granted permission to install a directional antenna, the FCC explaining:

"The proposed directional antenna is designed to improve and extend the nighttime service of the station through use of its maximum power of 5 KW during nighttime as well as day, and at the same time minimize interference to the services of other stations assigned to the same and adjacent frequencies in this country, as well as in Canada and Mexico.

"This application was filed in 1940, but action thereon was deferred until November 4, 1941, at which time the Commission gave the applicant's proposal conditional approval, directing a

conference between engineers for the Commission and the applicant. Pursuant to the conference, the applicant prepared amendments to its application. The Commission finds the amended proposal to be in accord with the conditions approved in the meeting of November 4. It is further noted that the applicant shows that it procured and paid for substantially all of the equipment necessary to make the proposed changes soon after the conference, at which it learned that the Commission had given the matter conditional approval."

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SEES NO NEED OF NATIONALIZATION OF TELEPHONE SYSTEM

Apropos Chairman James L. Fly of the Federal Communications Commission saying Monday that any move by the American Telephone & Telegraph Company to increase rates to maintain its customary \$9 a share dividend, is a matter to which "Congress may well want to give its serious consideration", he said in answer to a question:

"I don't think that the nationalization of the telephone system is essential, and I certainly have in mind no serious thought along that line. Nor do I have any reason to anticipate any such attitude on the part of the company that would require anything from that point of view. It has always been my own basic attitude in the whole field of communications that private interests under proper regulation, cooperating with the Government, can do a better job than the Government can do and I see no adequate reason to change my opinion on that principle."

"You are referring to the possibility that these increased rates might bring stricter control?" Mr. Fly was asked.

"Yes", he replied, "and it may be a national problem. After all, your supply of sugar and gasoline are national problems today because they have their essential parts in the war economy."

"Are you opposed to all increases?"

"I would rather not make any statement on that. I wouldn't want to prejudge such a question", the FCC official concluded. "Here's a serious problem and it should not go by default. There should be some effective way to meet and deal with the problem."

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A proposal by President Roosevelt to locate telegraph offices in Post Office buildings throughout the country has been submitted to the Senate. Testifying in support of legislation to authorize consolidation of telegraph companies into single domestic and single international systems, Jesse Jones said the President had requested him to ask for a provision in the bill authorizing post offices to rent space for telegraph offices.

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PRICE PRAISES RADIO AND PRESS ON CENSORSHIP

Byron Price, Director of Censorship, said last night that "the heart of the whole censorship system" was the splendid voluntary cooperation of press and radio in withholding information of value to the enemy.

"Once a story is printed widely in American newspapers, it is difficult to keep it from being broadcast", he said. "Once it is broadcast, it will be heard abroad. Once it is heard abroad the enemy knows it and there is not much logic in trying to censor that information from letters and cablegrams."

Mr. Price discussed censorship in a radio interview in the "What Price Victory" series over the Mutual Broadcasting System.

"Newspapers and radio stations are asked, not ordered, to avoid use of such material", the censorship chief said in a reference to codes listing material which should not be made public. "The cooperation has been splendid. No one has tried to sabotage this voluntary experiment in self-discipline."

"There have been mistakes, of course, but the majority of the editors and broadcasters have played ball exceedingly well. They realize that on their cooperation may depend the security of thousands of American troops or their own cities and homes."

"Each editor and each broadcaster is his own censor. It is his responsibility to see that his newspaper or his radio station does not carry anything which might provide the enemy with valuable information."

He said the Office of Censorship now has more than 6000 employees and that eventually the staff would be double that number. This force censors communications which cross the borders of the United States.

In a message sent to Congress by President Roosevelt, \$7,500,000 was asked for the December-June period. The President has been financing operations of the office from his emergency fund.

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RADIO MANUFACTURERS WORK WITH ARMY AND NAVY

Standardization work on tubes and also components for military radio apparatus has been initiated in cooperative plans between the Army Signal Corps and the Navy Department with the Engineering Department of the Radio Manufacturers' Association. There have been initial standards already of cathode tubes and certain military radio components stipulating RMA designations.

Under the direction of Dr. W. R. G. Baker, as the RMA Director of the Engineering Department, the entire facilities of the Association have been made available to the Army and

Navy officials and bureaus, including transmission to any Army arsenals, Wright Field, government procurement agencies, etc., of the RMA Engineering Standards Manual and other engineering data.

Following suspension of civilian set production, the Materiel Bureau, which during the past year assisted the industry in making widespread substitutions for critical metals and other materials and also supplied data for the RMA Priorities and other committees in negotiations with WPB and OPA, is being terminated.

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 ::::: TRADE NOTES :::::
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The Foreign Broadcast Monitoring Service - the U. S. snort-wave listening post - made a transcript of the entire recent Hitler speech - copies of which were furnished to the press associations.

 The Supreme Court upholding the tapping of wireless and wire conversations was another rebuff to Chairman James L. Fly of the Federal Communications Commission who has strongly opposed wire tapping. Also it was directly opposed to Section 605 of the FCC Act, which provides that "No person not being authorized by the sender shall intercept any communication and divulge or publish the existence, contents, substance, purport, effect or meaning."

 Three new stations, known as The Tobacco Network of the South, have become affiliates of the Mutual Broadcasting System - WGTN, Wilson, N. C., WGTC, Greenville, N. C., and WGBR, Goldsboro, N. C.

 Five hundred used radios for distribution to Army posts here and abroad are being sought by the local National Youth Administration Office, working in cooperation with Army service branches. The radios will be reconditioned and sent to barracks. Would-be donors may write to NYA headquarters, 145 East 32nd St., New York City.

 All applications for priority assistance which do not specify a required delivery date will hereafter be returned to the applicant by the War Production Board, J. S. Knowlson, Director of Industry Operations, has announced.

 Robert R. Guthrie, who resigned from the War Production Board's organization March 14, complaining against delays in conversion of industries, asserted that the purpose for which he resigned "has been substantially - but not entirely - fulfilled."

He went on to charge that an order stopping civilian radio production April 23 "has already been circumvented: Nearly half the industry will go on producing civilian sets for six more weeks", and called a decision against conversion of the typewriter industry this year "still less excusable". This decision he attributed to Philip Reed, former General Electric official heading that field of WPB activity.

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CBS FORMALLY OPENS LATIN AMERICAN NETWORK MAY 19

Columbia Broadcasting System opens its new Latin American Network of 76 stations - CBS "Cadena de las Americas" - on a full scale operation schedule beginning Tuesday, May 19.

It climaxes years of painstaking research, negotiations, construction and testing activities to develop the first radio chain linking the United States with its twenty neighbor republics", says William S. Paley, Columbia President.

"Strengthening of hemispheric ties since the attack on Pearl Harbor and the increasing strategic importance of Latin America's position in the world conflict spurred CBS executives in their determination to hasten operation of the network, which extends thousands of miles from the Mexican banks of the Rio Grande to Argentina's Patagonian plains.

"Original plans called for this milestone in communications history at the outset of 1942. But concentration of United States productive effort on meeting acute military need brought unavoidable delays.

"Swift expressions of accord from the Southlands and the unified spirit at the Rio de Janeiro diplomatic conference sped the CBS decision to push the new system into quick operation.

"A special dedicatory program on the evening of May 19, is being shaped for broadcast to the entire CBS coast-to-coast domestic network, simultaneously with its transmission to the 76 stations south of the border.

"Topranking Government officials of the United States and many other countries are to participate.

"During the first two months of this year, CBS completed work, costing more than \$500,000, on its three transmitters which are to serve the entire Latin American chain. These are two 50,000-watt stations which bear the call letters WCBX and WCRC and a companion 10,000-watt station, WCDA.

"Eight directional antennas, the last word in modern design, have been constructed on a two mile square tract outside the New York City limits to beam programs to the CBS stations in South America. Even though these eight directional antennas are capable of nineteen different broadcasting combinations (that is, two or three frequencies for each antenna), ten more combinations are available from four other antennas for service to the Mexico and Central America audience."

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