

HEINL RADIO BUSINESS LETTER

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No. 1430

May 19, 1942

CLAIM 60% OF THE PEOPLE NOW GET NEWS VIA RADIO

That about 60% of the people now depend upon radio for their information, that about 20% depend upon press and radio and only about 20% depend upon the press alone, was made last Sunday during a broadcast of the Chicago University Round Table. Those participating in the program were James L. Fly, Chairman of the Federal Communications Commission; William Benton, Vice-President of the University of Chicago, and Harold D. Lasswell, Director of Research of the Library of Congress.

Later in a discussion of short-wave broadcasting, the proportion of the people who get their news by radio was estimated by Mr. Benton at 50% and in this Chairman Fly seemed to concur. It came about as follows:

- Mr. Benton: "The problem of short-wave is very different from the problem of broadcasting. Short-wave is in effect a method of attack. Short-wave stations are commercially owned in this country."
- Mr. Fly: "I am sure they have never made a cent of profit - all outgo and no income. You have private operation by these American concerns for a purely national purpose."
- Mr. Benton: "Is the Government going to have to subsidize these stations or control them or take them over in order to maintain maximum achievement? 50 percent of the people of this country get their information from radio."
- Mr. Fly: "I imagine that is true. There are seven times as many radio sets perhaps in this country as in the Axis country."
- Mr. Benton: "Millions can listen in as participants. It is the only form of communication that reaches the people simultaneously."
- Mr. Lasswell: "Everybody can listen in and get a chance of sharing the great national destiny."

Chairman Fly took the opportunity during the Chicago Round Table to again express himself on the subject of private ownership of stations, the broadcasters' responsibilities, and many other phases of the war situation.

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"There is entrusted to the broadcasters the real mechanism of free speech", he declared. "They will bring into operation an effective weapon. It is unthinkable that persons who are favored by allocation of frequencies will sell their own personal policies and ideas to the public. The broadcaster has a greater element of duty than a right. The real basic problem is to inform the people and it doesn't involve in any comprehensive sense the personal ideas of the broadcaster himself. I am talking about the control of transmitters. I think the stations should remain in the hands of private people. I am a great believer of advertising."

Also Mr. Fly seemed convinced that the correct manner of putting on the war programs and the showmanship of the business should be left in the hands of the broadcasters. He said:

"You can't treat such broadcasting as a purely mechanical matter. You have to bear in mind such factors as listeners' fatigue and need of the public for diversion. * * * * * I want to emphasize the broadcasters are really the men who can tell whether it is the right time to broadcast 'Bluebirds over the Fields of Dover'."

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BROADCASTERS POOLING EQUIPMENT DECISION EXPECTED THURSDAY

Asked what the status of the broadcasters equipment pool situation now pending before the Defense Communications Board was, Chairman James L. Fly replied that it could be acted upon at the meeting next Thursday if the Board so desired.

Someone suggested that Mr. Fly explain the equipment pooling matter further, and he replied:

"The broadcasters all know that. They originated the plan. The general idea has been one that I have promoted for many months but up to recently everybody said it was utterly unfeasible. Broadcasters themselves had questions about it. It was perfectly obvious that it was difficult . . . Gradually the industry itself started thinking in those terms and that led to finally assigning it to the domestic broadcasting committee for study and you know what has come out of that."

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"Don't Throw it Away - Stow it Away. Waste Saved is Victory Gained." These are the slogans that the entire WOR staff has adapted to ensure the success of the "War on Waste" campaign.

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MAJESTIC RADIO COMPLIES WITH FAIR EMPLOYMENT ORDER

Five additional war contractors, including the Majestic Radio and Television Company of Chicago, have notified the President's Committee on Fair Employment Practice that they intend to comply with its recent directions to follow an employment policy which does not discriminate against workers because of their race, creed, color, or national origin, Lawrence W. Cramer, Executive Secretary of the Committee, announced.

Members of the Committee include David Sarnoff, President of the Radio Corporation of America, and Mark Ethridge, of Station WHAS, Louisville.

The companies reporting besides Majestic are the A. O. Smith Corporation, Milwaukee; the Buick Motor Division of General Motors Corporation, Detroit; Bearse Manufacturing Company, Chicago, and the Studebaker Corporation, South Bend, Ind.

All the concerns, Cramer stated, have explained that they had taken the first steps -- to give written instructions to their hiring officials that there shall be no discrimination in hiring based on race, creed, color, or national origin, and additional instructions to employment offices and other placement agencies that there shall be no discrimination in the referral of workers.

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MACKAY AND PRESS WIRELESS OPEN CAIRO RADIO CIRCUITS

Important new links in the rapidly growing United Nations system of radio communication were opened last Saturday by the Mackay Radio and Telegraph Company and Press Wireless between New York and Cairo. The latter was for transmission of photographs.

It was the tenth new circuit opened by Mackay Radio since the war and licenses for many others to additional important centers in the United Nations and Latin America have been granted by the Federal Communications Commission and will be opened shortly.

In opening the Press Wireless circuit, President Roosevelt posed for pictures with Mahmoud Hassan Bey, Egyptian Minister to the United States, and a photograph was transmitted to Cairo as the first picture to move on a direct radio photo service between the United States and Egypt.

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CHARGES AGRICULTURAL EXTRAVAGANCE INCLUDES RADIO

In his charge that the Agriculture Department is extravagantly operated, Senator Byrd, of Virginia, criticized the amount that was being spent for publicity, including radio. He produced statistics on the subject which heretofore have not been available to the public.

"For radio, \$159,008 was spent for salaries; for motion pictures, \$133,733; and for electrical transcriptions, \$11,679", Senator Byrd declared. "The total estimated press, radio, motion-picture, and electrical-transcription expenditures for the Department of Agriculture during the fiscal year 1942 were \$823,700. That represents pure publicity, and nothing else, for that one Department. It is not claimed to be anything else but publicity."

The Senator from Virginia, who seems to be one of the very few concerned with saving money, had a list that covered 8 pages in agate type of the Congressional Record (May 15) giving the names of the employees of the Department of Agriculture whose full or part time duties include the preparation or distribution of information by the media, of the press, radio, motion pictures, and electrical transcriptions.

Those concerned with radio and their estimated salaries for 1942 chargeable to press, radio, motion pictures and electrical transcriptions, were:

Agricultural Adjustment Administration: Carleton W. Collin, \$ 910; Harold R. Lewis, \$2,768; Lillian G. Mills, \$1,026; Adolph A. Atkinson, \$72.00 ; Maurice L. DuMars, \$ 723 ; Harriett E. Gordon, \$583; Bernice G. Sabatini, \$162; R. Lyle Webster, \$1,558; Jack R. Hartline, \$640; John L. MacDermid, \$1,520; Earll H. Nikkel, \$960; James E. Reynolds, \$1,035; Harry P. Clark, \$474; Quincy Ewing, \$960; James W. Hook, \$445; Wayne H. Darrow, Director, \$1,050.

Bureau of Agricultural Economics: Sara K. Marpo, \$97.

Agricultural Marketing Service: Rowell, E. J., \$3,250; Jack Towers, \$2,348; Miss Sisco, \$1,557;

Farm Credit Administration: Clay Mobley, \$230; Josephine Kuipers, \$1,660; Frances Price, \$1,480.

Farm Security Administration: Marvin Beers, \$3,040; Frances Fox, \$1,927.

Bureau of Home Economics: Ruth Van Deman, \$2,220; Elma K. Van Horn, \$2,029.

Office of Information: Wallace L. Kadderly, \$5,800; Maurice L. DuMars, \$3,066; John Baker, \$1,800; Kenneth L. Gapen, \$3,800; Charles A. Herndon, \$3,700;

Soil Conservation Service: G. K. Zimmerman, \$954;
 Forney Rankin, \$594; Barrington King, \$3,230; Ewing Jones, \$950;
 Virgil Beck, \$1,241; B. W. McGinnis, \$570; Charles Maits, \$1,485;
 H. L. Jenkins, \$1,920; Charles Webb, \$2,400; F. G. Loyd, \$2,560;
 H. J. Swan, \$2,880; Frank B. Harper, \$3,400; Walter Lloyd, \$2,310;
 Duncan Scott, \$1,125;

Rural Electrification Administration: Osmand Molarsky,
 \$2,400;

Surplus Marketing Administration: A. M. Trachman,
 \$150; J. Don Walsh, \$1,400; Dorothea W. Hansen, \$1,620; F. P.
 Freyman, \$1,600; Millard Faught, \$1,600; Meno Schoenbach, \$2,250;

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DENIED U.S. WILL CLOSE ALL BUT 26 CLEAR CHANNELS

A rumor at the Cleveland convention of the National Association of Broadcasters that the Federal Communications Commission was considering eliminating all radio outlets except the 26 clear channels was characterized at the Commission as "a wild, screwy yarn". W. J. Scripps, of Station WWJ, Detroit, was quoted as saying at Cleveland that he "understood" the FCC contemplated such a limit on stations on the ground that 26 clear channel stations could blanket the nation and in time of war would be much easier to police than the present more than 800 stations. Mr. Scripps declined to disclose the source which reported the supposedly impending change.

Expressing doubt that the stations on the 26 channels would adequately cover the country, even if the Government took them over, a Commission official said: "If the clear channel stations afforded sufficient coverage, why would advertisers not use those and those only. Of course they do not. WEAJ in New York is on a clear channel yet does the NBC give up its regional stations such as WRC in Washington?

"It is hard to believe that broadcasters took the 26 channel rumor seriously. Usually they are quick on the trigger in making telephone calls. Ordinarily, when such an alarming statement is made, we would have been flooded with telephone calls and telegrams. However, in this case, not a single inquiry was received."

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KVOR CITED FOR EMPLOYEE INTERFERENCE

The National Labor Relations Board announced an order directing the Outlet Broadcasting Company of Colorado Springs, operators of Station KVOR, to cease employee interference.

KVOR is a CBS affiliate, the owner of which is E. K. Gaylord, also owner of WKY in Oklahoma City. A New York newspaper recently devoted a page to reproducing the views of Mr. Gaylord against the 40-hour week.

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MAINE HOMES LARGELY PROVIDED WITH RADIOS

The number of homes having a radio is shown for Maine in statistics from the 1940 Census of Housing announced by Director J. C. Capt of the Bureau of the Census, Department of Commerce. The announcement gives the preliminary figures for each county, for the rural-nonfarm and rural-farm parts of each county, and for each city of 25,000 inhabitants or more. These figures, as well as similar data for urban places of 2,500 to 25,000 inhabitants and for the metropolitan districts will be presented in the Second Series Housing Bulletin for the State which will be published in the near future.

OCCUPIED MAINE DWELLING UNITS WITH RADIO, FOR COUNTIES, AND FOR CITIES OF 25,000 OR MORE: 1940

(A dwelling unit was enumerated as "with radio" if it contained a useable radio set or one only temporarily out of repair)

Area - The State	Total	With Radio	No Radio	Not reporting Radio
Total dwelling units (including urban)	218,968	184,348	28,856	5,764
Rural-nonfarm dwelling units	90,186	73,856	14,049	2,281
Rural-farm dwelling units	40,376	30,247	8,944	1,185
Bangor	7,420	6,923	295	202
Lewiston	9,259	8,568	510	181
Portland	19,643	18,096	926	621

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ASCAP RECEIVES KINDLY RECEPTION AT CLEVELAND

Having buried the hatchet deeply, a friendly reception was accorded General Manager Paine at the Cleveland broadcasters convention. The old ASCAP war was apparently forgotten in the cooperation of the station operators and the composers in an effort to meet conditions imposed by a second great World War.

Mr. Paine reported ASCAP has 635 commercial contracts from broadcasters, in addition to 32 non-commercial contracts. Of the aggregate, 102 are per-program contracts as against only 8 by BMI. In many instances, stations have taken blanket sustainings and commercials, and in others they have taken per-program commercials and blanket sustainings or other combinations, he said.

Mr. Paine outlined to the convention ASCAP's new program service, which he predicted would prove a boon both to the industry and to the Society in its dealings with broadcasters. It is designed to help stations merchandise ASCAP music.

Many stations do not know how to use ASCAP's "rich repertoire", he declared, in extolling the service. It will enable stations to realize revenue and make ASCAP service pay, rather than prove an expense. A presentation, along with the first series of 13 weeks, will be on the desk of every broadcaster upon his return from the convention, he declared. The service is produced in three separate groups so competitive stations in the same market will not receive duplicate production.

In addition to the regular service, ASCAP will produce special day and holiday scripts, tying into its catalogues. He said experiments have been conducted for about a year and have worked well.

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DUPONT PRIZE FOR BEST STATION AND COMMENTATOR

A luncheon of the Radio Correspondents' Association in Washington on Monday was the occasion for the announcement of the establishment of the Alfred I. DuPont Memorial Awards - \$1,000 each for the outstanding performance of an individual radio reporter or commentator, and the other for outstanding public service by an individual radio station.

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BERKELEY TO DO THE HONORS FOR BLUE NET IN CAPITAL

Congratulations continue to be received by Kenneth H. Berkeley upon his appointment to the important post of Washington representative of the Blue Network. Mr. Berkeley, who is splendidly qualified for his new duties, having for many years served as General Manager for NBC stations, WRC and WMAL, will continue in the same capacity for the latter station, which is now owned by the Washington Star. WMAL is the Blue outlet in the Capital. Thus Mr. Berkeley will serve both the Blue and WMAL. Samuel H. Kaufman is President of the Evening Star Broadcasting Company.

The Blue Network will move into the offices now occupied by the Radio Corporation of America in the Trans-Lux, and the RCA will move to the brand new Commonwealth Building, near 16th and K Streets, next door to WOL, and Mutual, and just across the street from the headquarters of the National Association of Broadcasters.

A native Washingtonian, Mr. Berkeley has been with NBC since its formation in 1926. He joined RCA in 1923, at which time it owned and operated WRC, and became its Assistant Manager. When NBC was formed and took over operation of WRC, Mr. Berkeley continued in his capacity as Assistant Manager. He has been Manager of the station since 1927, and acted in a dual capacity as Manager of both WRC and WMAL when the latter was acquired under operating lease several years later.

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FBI AGAIN ACTIVE AS DIATHERMY MACHINES ARE LISTED

Closely following the Federal Communications Commission's order which was foreshadowed in these columns several weeks ago, that all diathermy machines should be registered, two of these machines serving as enemy short-wave transmitters were sized by the Federal Bureau of Investigation at Kingston, N. Y.

The sudden visits and searches of homes of seventy-five aliens of enemy nationalities in that area were conducted by agents of the Federal Bureau of Investigation in cooperation with Ulster County and Kingston authorities, according to E. E. Conroy, local FBI chief. Six Germans and two Italians were taken into custody and thirteen short-wave radio receivers, twenty-three cameras, ten shotguns, a pistol, some ammunition and a big Japanese flag also were confiscated.

The formal diathermy order was as follows:

"All possessors of diathermy apparatus including dealer stocks, must register each such device with the Federal Communications Commission in Washington, D. C., by June 8, 1942, that agency announced Monday. The order adopted by the FCC does not apply to

persons owning sun lamps, infra-red lamps or ultra violet ray devices, long sold by drug and department stores.

"Diathermy apparatus, resembling floor-model radios in appearance, are devices used by physicians, osteopaths and physiotherapists for the treatment of various ailments. They are designed to generate radio frequency energy and operate in such manner that patients may be treated for internal disorders by generation of heat within their bodies. It is estimated that there are 100,000 such devices throughout the United States, mostly in the hands of professional persons while an appreciable proportion is owned by individuals for private use. There are some portable models; and of the total, a few are not factory made.

"Separate registration of each piece of apparatus will be on forms supplied by the FCC or its field offices. No fee is necessary. Seizure and heavy penalties are provided for failure to register and for false statements."

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I. T. & T. OFFERS U. S. FREE USE OF ITS PATENTS

On behalf of itself and its subsidiaries, International Standard Electric Corporation, International Telephone & Radio Manufacturing Corporation and Federal Telegraph Company, the International Telephone & Telegraph Company, through its President Sosthenes Behn, has offered to the United States Government the free use of all the patents of these companies, for the duration of the war and six months thereafter, making such patents available without charge, to the Government and to manufacturers who are supplying the needs of the Government services.

The International Telephone & Radio Manufacturing Corp., (I.T.R.M.) and its subsidiary, Federal Telegraph Company, which was acquired during June, 1941, were utilizing less than 180,000 square feet of factory floor space in the early months of 1941. This has been expanded to a total of more than 630,000 square feet of floor space and the two companies are employing more than 3,500 employees. The entire line of apparatus and equipment produced in the radio, telephone and telegraph fields has been made available to the United States Government and the research laboratories, in charge of experts with many years of experience, are cooperating with the Government to the fullest extent.

Combined sales of the two companies for 1941 amounted to \$5,465,000 on which there was a net income of \$173,000 before provision for income taxes of \$100,000. I.T.R.M. and Federal are in process of being consolidated into a single company with the name Federal Telephone and Radio Corporation.

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 ::: TRADE NOTES :::
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In his charge that the Government itself was a chief offender, and making no effort to conserve gas, Senator Byrd, of Virginia, brought out the fact that not including the Army and Navy there were almost 20,000 Federal automobiles using gasoline in unaccounted and unlimited quantities.

The Senator reported that the Federal Communications Commission has 134 automobiles, costing to operate for the full year \$16,640, and they traveled 851,271 miles.

 Appointment of R. P. (Bob) Almy to Manager of Renewal Radio Tube Sales was announced by C. W. Shaw, General Sales Manager of the Radio Tube Division of the Hygrade Sylvania Corporation. Announcement was made at the same time of the appointment of A. R. Oliver to Field Sales Manager of the Renewal Tube Sales Division. Mr. Almy will have his headquarters at Emporium, Pa., while Mr. Oliver will operate out of Chicago.

 The National Broadcasting Company, Inc., Mobile Station WNBR has applied for modification of license for change in area normally served by station from Cleveland, Ohio, to Washington, D.C. and change from station with which it is to be used from WTAM, Cleveland, Ohio, to WRC, Washington, D. C.

 The two day "clinic" in station promotion and research for CBS owned and operated stations, originally scheduled for Chicago, May 18 and 19, is to be held in New York instead tomorrow and Thursday, May 20 and 21.

 Chairman Fly said last Monday that the FCC had some serious study under way on the Inter-American rates.

 In connection with the President's consolidation of the various publicity services, it is reported that all radio activities of Colonel Donovan's office have been transferred to the Office of Facts and Figures.

 The War Production Board last week banned new installations of air conditioning and commercial refrigeration equipment except to meet war and essential civilian requirements. New installations designed solely for personal comfort, such as in theaters, restaurants, hotels, etc., will not be permitted.

 CBS Television is issuing first aid charts free to members of its audience taking the ten-hour first aid course conducted by the American Red Cross and televised Tuesday and Thursday nights. The illustrative charts issued to date cover the first four lessons of the course. They have enabled viewers to prepare the proper eye, arm, ankle and other bandages with ease. Glossy prints of the charts are available on request.

WOR-Mutual's recording of General Douglas MacArthur's speech upon his arrival at Melbourne on March 21, 1942, will go on sale on Thursday, May 21, in New York City. All profits will go to the U.S.O.

Dr. Charles B. Jolliffe, Assistant to the President of the Radio Corporation of America, and Chief Engineer of RCA Laboratories, was awarded the honorary degree LL.D. by West Virginia University on Monday.

Dr. Jolliffe was graduated from West Virginia University with a B.S. degree in 1915, and achieved the M.S. degree at West Virginia in 1920. He was awarded the PH.D. in 1922 at Cornell University where he was instructor in Physics from 1920 to 1922. He later became physicist in the Radio Section of the Bureau of Standards and was appointed Chief Engineer of the Federal Radio Commission in 1930 and of the Federal Communications Commission in 1934.

The Columbia Broadcasting System has revised its policy of voluntary payments to drafted employees. Each employee employed by the company for six months or longer is to receive an amount equal to the difference between his regular CBS compensation and his starting pay in the armed forces, calculated on his length of service with CBS at the time of his induction as follows:

6 months or more or less than 1 year's employment	2 week's salary
1 year or more or less than 3 years' employment	1 month's salary
3 years or more or less than 5 years' employment	2 months' salary
5 years or more or less than 6 years' employment	3 months' salary
More than 6 years employment	4 months' salary

In addition to the above scale of payments, the company is continuing its policy of contributing to the cost of insurance coverage for employees entering military service who have been insured under the CBS cooperative life insurance plan.

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NATIONAL GRANGE ENDORSES CLEAR CHANNEL STATIONS

Among the resolutions adopted as legislative recommendations at the annual convention of the National Grange at Worcester, Mass., was the following on radio broadcasting:

"With more than 70 percent of the farm homes of the farm homes of the National dependent upon service from 'clear channel' radio stations, we urge that nothing be done to curtail these stations in order to give more service to the big cities, which are already well supplied."

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