

HEINL RADIO BUSINESS LETTER

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May 26, 1942

COPPER CRISIS TO STOP RADIO REPLACEMENTS MAY 31

The Radio Manufacturers' Association has been advised by the Copper Section of the War Production Board, that, although need for radio replacement tubes and parts is recognized, the copper shortage has become so acute that virtually all civilian use of copper must cease on May 31, including suspension of production of replacement tubes and parts for radio sets.

The latest restrictions on use of copper after May 31 extend even to the manufacture of broadcasting equipment, commercial aircraft, police, and other similar radio equipment. Also the copper restrictions apply to production of export radio components, tubes, and parts, which are on the same basis as domestic civilian replacement components, so far as use of copper is concerned.

The ban on further radio replacement production after May 31 was ordered despite vigorous pleas of RMA and also of the WPB Communications Branch, who urged provision for continued production of replacements to maintain receiving sets in public use. Chief Leighton H. Peebles of the WPB Communications Branch and also Chief Frank H. McIntosh head of the Radio Section and former Chief Technician of the Fort Industry Company, intervened strongly with the Copper Section, as well as the RMA but without avail. Copper Section officials say that every ounce of available copper is now urgently needed for war production. It is stated that war contract ratings are now urgently needed for war production. It is stated that war contract ratings as high as A-1-a have recently failed to secure the necessary copper. The present acute copper shortage is in large part due to shutting off of copper shipments from South America, plus delayed increases planned in domestic production.

The copper ban, officials stated, is expected to last three or four months, and possibly longer. Manufacturers may file and are now filing appeals from the new order (M-9-c) but virtually all appeals from radio manufacturers are being denied. The only exceptions so far made are in the case of ten receiving set manufacturers authorized to continue curtailed and limited production of a few sets until June 7. This was issued under the L-44 order granting temporary extensions in advance of the new copper order; takes precedence, and permits such set manufacturers to use copper in finishing their few remaining authorized sets. There is no restriction on the future assembly by set manufacturers, under the L-44 order, of chassis and cabinets, providing further use of copper is not required in such assemblies. If any lead wires of copper or other copper is needed in such assemblies, however, appeal under the M-9-c copper order is necessary to secure special permission from WPB, and such appeals will be granted.

The copper order also does not prohibit or restrict use, sale or shipment, either of tubes or parts by manufacturers of complete fabricated tubes or parts. Only the further processing use of copper, however, after May 31 is banned. Even permission from WPB is required for use of copper after July 31 on war contracts.

Copper inventories held by manufacturers on the day the new order goes into effect must be sold or be subject to requisition by government agencies. Such inventories may be used, of course, in military radio production, but cannot be used in any other manner after May 31 without appeal to WPB Copper Section.

While manufacturers may appeal from the copper order, no appeals are being allowed except in the case where war effort will be promoted. The appeal privileges of the copper order are much more drastic than any other WPB commodity restriction order, in that successful appeals are limited to situations only which "would interfere with the war effort". In previous conservation orders there was a privilege to appeal in the cases of special hardship, but this is omitted from M-9-c.

The administration of the copper order is under new personnel. The present Acting Administrator of the Copper Conservation Order, M-9-c, is Michael Schwartz, and radio appeals are being immediately handled by E. V. Humpstone, Assistant Administrator, Room 1200, Temporary Building "R", Washington, D. C.

Another factor in the general denial of appeals by radio component manufacturers for use of copper after May 31 by the WPB Copper Section is that present stocks, both of manufacturers and parts distributors, of radio replacements and repair parts are regarded as sufficient to last for a number of months ahead. WPB Copper Section officials stated that the denial of practically all civilian use of copper, including any further production of radio replacement components, will certainly last for two or three months, and probably four months or longer, until the actual copper shortage may be alleviated. The WPB copper officials stated it was highly improbable that any requisitions for additional copper for radio replacement components would be honored until after the copper situation changes.

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FCC TO FOLLOW WPB RULES ON CONSTRUCTION PERMITS

Pending applications for construction permits in the broadcasting field were among topics which came up for discussion at the press conference of Chairman James L. Fly of the Federal Communications Commission, who said:

"A great many applicants, directly or indirectly, are continuing to press for permits which involve construction and the use of materials. There is a very natural tendency on the part of each applicant to stress his case as being particularly meritorious, because, for example, the materials for most of them are available;

because of various procedural steps heretofore taken, delays incurred, expenditures made, and the like.

"Needless to say, the Commission would like very much to recognize those very cases and make the grants and get the stations going. But we are faced with the requirements of the War Production Board and with actual rules that have been adopted to meet the war-time situation. We simply cannot operate under the rules by starting a line of deviations therefrom. Those rules are deemed essential for war purposes. Be that as it may, so long as those are the rules in both the Commission and the industry, there is no alternative but to live up to them. We expect to make no exceptions except those that are clearly indicated on the face of the rule itself.

"I would strongly advise applicants faced with this war-time problem not to waste their time and energies and money of themselves or the government in endeavoring to pursue the applications which run counter to the rules. The best we can hope to do in the broadcasting field is to consolidate our position and endeavor to keep the present broadcasting structure on a firm and successful and enduring foundation for the period of the war. In that effort, of course, the industry will have the complete cooperation of the Commission and all the assistance it can render consistently with the requirements for active war work."

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"MANUFACTURER" REDEFINED IN RADIO PRICE SCHEDULES

The term "manufacturer" has been redefined in Revised Price Schedules No. 83 (Radio Receivers and Phonographs) and No. 84 (Radio Receiver and Phonograph Parts) so that sales of radio receivers, phonographs, and their parts, made by factory branches performing the functions of wholesalers and distributors no longer are covered by the provisions of the schedules, Price Administrator Leon Henderson has announced.

The change was effected by the issuance of Amendment No. 3 to both schedules, following the petition for amendment filed by the General Electric Company, Bridgeport, Connecticut, requesting a definition recognizing the functional distinction between operations of the distributing branches of the company and its factory.

As a result of the amendment, the firm's distributing branch or the distributing branch of any manufacturer will be treated in the same manner as are other distributors, sales by whom are controlled by the General Maximum Price Regulation. Manufacturers' sales, except those excluded by the redefinition, continue to be covered by Revised Price Schedules Nos. 83 and 84.

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BROADCASTERS PRAISED FOR SHARING PARTS

James L. Fly, Chairman of the Defense Communications Board of the Federal Communications Commission, declared his gratification with the broadcast industry "share the spare parts" program recommended to the War Production Board by the Defense Communications Board.

Pointing out that similar pools have been organized within industries in local areas, Mr. Fly said, "I believe that this is the first time a whole industry has proposed to share its repair and maintenance material on a nationwide basis. There may be something here that other industries might find useful when adopted to their particular needs. Should the plan get under way, it will have a real meaning to the radio listening public because the broadcasters have shown the foresight to meet the recurring emergencies of equipment failures.

He added that he had promoted this general idea for many months but until very recently the shortages of replacement parts had not become acute. "Operation of the plan, in my opinion", he said, "will result in lessening the pressure put upon the Government for immediate priorities certificates and will assure the public of continued radio listening."

In general the plan provides for establishing throughout the nation 17 regional conservation districts, each to be administered by an Administrator and two assistants. Administrators and their assistants are to be selected by the broadcasters in their respective districts, and they are to check the inventories, supervise distribution of replacement parts and see that efficient operation of each station is maintained.

Inventories will be kept in each district and at the Federal Communications Commission in Washington, the former for use within the regional areas, and the latter to be used as the basis of redistribution between districts on direction from the FCC. Regional administrators will operate under general supervision of the FCC, which in turn will be guided by rules, regulations, orders and policies of the War Production Board. Regional administrators will receive no compensation from the Federal Government, but for out-of-pocket expenses for travel and other incidentals connected with the "pools" they will be reimbursed by the stations within the districts concerned.

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All dressed up in a new format, the "NBC Transmitter", house organ of the National Broadcasting Company has just made its bow. Unlike its predecessor, which suspended some months ago, the new "Transmitter" will go to personnel of all NBC's Red Network affiliates. The cover photo shows President Niles Trammell and Vice President and General Manager Frank E. Mullen, conferring in Mr. Trammell's office. Publication of the new "Transmitter" is under the supervision of John McKay, Manager of the Press Dept.

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WAR NEEDS OF SMALL STATIONS CONSIDERED

Told that there had been a story around for some days that the Federal Communications Commission would soon relax the operators' licenses for low powered broadcasting stations, Chairman James L. Fly was asked if there was anything he cared to say.

"No, not definitely", the Chairman replied. "Of course we have already relaxed the standards a time or two and taken substantial steps to alleviate that situation. Yet I think we have been further impressed recently with the needs of the low-powered stations, and we are giving that further attention. We will probably have something definite to say on it in the course of days. I must say, here at the Commission we want to do everything we can within the bounds of reason to assure the continuous operation of all of the stations - not merely the large ones, but that should also include many small stations throughout the country. We want to do whatever we can on that subject."

"What is the difficulty of the small stations?" the FCC official was asked.

"This particular point has to do with operators", he replied. "You see there is a great scarcity of skilled personnel in the industry. Everybody wants more - the manufacturing industry wants more, the Army and Navy and FCC want more. There are not enough to go around, and that has put all of us in a hole somewhat. Of course there are other problems here at the Commission which could hardly be termed 'sleepers'. The problem of material, spare parts, and you know what we are doing on that. We certainly hope that that will be effective and that they can be supplied."

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NO JOY RIDERS WE, SAYS FCC

Officials at the Federal Communications Commission raised their eyebrows at a paragraph carried in this service May 19 which said that Senator Byrd, in his charge that the Government itself was making no effort to conserve gasoline, and that the Senator had brought out the fact that the FCC among other Government agencies had 134 automobiles, costing to operate \$16,640 a year, and that during that time they travelled 851,271 miles.

The comeback was to the effect that there were no joy-riders at the FCC, that Chairman Fly himself nor any of the Commissioners had official cars and that the automobiles Senator Byrd mentioned were those used in the monitoring and field services.

The final task of running down an unlicensed offender on the ether waves, it was explained, is performed by monitoring officers using automobiles fitted with detection equipment. They

are on the go all the time and will have even more work as the war progresses.

In addition the Field Divisions made more than 18,500 inspections during the past year and more than 35,000 frequency measurements were made to say nothing of 3864 routine investigations. All of these, it was pointed out, involved considerable travelling about, so let Senator Byrd be assured, the FCC said, that Communications Commission autos and trucks were being used strictly for business and were not burning gas unnecessarily.

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CARLETON SMITH, PRESIDENTIAL ANNOUNCER, NEW WRC HEAD

Carleton D. Smith, for eight years Assistant Manager of Station WRC in Washington, D. C., and well known as NBC's "Presidential Announcer" has been appointed Manager of the key NBC-Red Network station in the nation's capital. Mr. Smith will succeed Kenneth Berkeley, who is to become Manager of WMAL, the Blue Network station in Washington, the management of which is reverting to the Washington Evening Star, its owner.

Mr. Smith for the past nine years has interrupted his administrative duties at WRC from time to time to announce presidential broadcasts and introduce the Chief Executive to the listening audience. In addition to his new tasks, he will continue announcing duties for presidential broadcasts only, at the request of NBC officials.

In addition to his executive and announcing duties at WRC, Mr. Smith has borne and will continue to bear a large share of the liaison work between the station and various Government officials and agencies. This has grown in tremendous volume with the country's entrance into active war.

Mr. Smith was born in Winterset, Iowa, Feb. 16, 1905, and after grammar and high school then came to Washington to study at George Washington University. After five years in Washington he was sent to Roanoke, Virginia, in 1927, to manage the American Automobile Association Club in that city. Part of his duties consisted of delivering weekly safety talks over Station WDBJ. His delivery was so vibrant and smooth, that the Manager asked him to become a staff announcer. With that start, Mr. Smith came to WRC in 1931 as an announcer and one year later was assigned to President Roosevelt's broadcasts.

Mr. Smith has been putting President Roosevelt "on the air" since his inauguration for the first term, March 4, 1932, and has followed the Chief Executive wherever his travels carried him. In his new post, he takes over the management of one of the country's dominant stations, broadcasting on 5,000 watts day and night.

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ARIZONA AND DELAWARE REPORT ON HOME RADIOS

Two more States have been heard from in the U. S. census of home radios - Arizona and Delaware - with these results:

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

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

Area - Delaware The State	Total	With Radio	No Radio	Not Reporting Radio
Total dwelling units (including urban)	70,541	59,921	8,949	1,671
Rural-nonfarm dwelling units	21,830	18,513	2,885	432
Rural-farm dwelling units	11,641	8,077	3,286	278
Wilmington	29,293	26,655	1,937	701
Area - Arizona The State				
Total dwelling units (including urban)	131,133	87,781	39,469	3,883
Rural-nonfarm dwelling units	55,813	37,508	16,654	1,651
Rural-farm dwelling units	26,396	11,039	14,447	910
Phoenix	19,287	15,895	2,972	420
Tucson	9,964	8,331	1,358	275

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NBC CUTS DOWN TELEVISION HOURS FOR DURATION

A new television schedule has been put into effect for NBC Station WNBT by Niles Trammell which comprises six hours of program transmissions for five weeks. At the end of this period a further reduction, to four hours a week for the duration will be made.

Mr. Trammell's decision is in conformity with recently amended operating rules of the Federal Communications Commission, through which the Commission seeks "to prevent recession of this new art to a purely experimental or laboratory stage and to keep it alive, ready to flourish as a public service after the war emergency.

Increasingly heavy war demands on the NBC staff and the wartime necessity for prolonging the operating life of irreplaceable television equipment and other critical materials were cited by Mr. Trammell as basic reasons for the curtailment.

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ACTION DELAYED IN G.E.-HYGRADE SYLVANIA TRIAL

Decision on the Department of Justice's request for leave to intervene in a patent infringement suit now on trial in Federal court was reserved in New York Monday by Judge Vincent L. Leibell.

Judge Leibell presided at the trial and during the day listened to argument by Thurman Arnold, head of the Anti-Trust Division of the Department of Justice; Samuel S. Isseks, head of the Division's New York office, and counsel for General Electric Company, plaintiff in the patent case.

Mr. Arnold said that his division had postponed prosecution of a civil suit and a criminal action under the Sherman Act, in which General Electric is a defendant. This was done at the request of the War and Navy Departments to secure General Electric from interference with its war work by the necessity of defending the actions.

General Electric is suing Hygrade Sylvania Corporation for alleged patent infringement. Counsel for General Electric questioned the power of the court to allow the Government to intervene in a case that has been on trial for some time.

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"BUT DON'T STOP WAR PRODUCTION", KNOWLSON URGES

Addressing the National Association of Manufacturers and the Illinois Manufacturers at Chicago, James S. Knowlson, Director of Industry Operations of the War Production Board, and former President of the Radio Manufacturers' Association, said that he would like to dream that he could write the following order to end all orders:

"(1) That each producer devote all his facilities to the most efficient and rapid production of materials for Direct Delivery to the Customers, and

"(2) That each producer transfer all material and equipment he cannot so utilize to producers who can so utilize, and

"(3) That each producer cooperate in every possible way with other producers who are processing or servicing material for Direct Delivery, and

"(4) That no producer shall take any action or refuse to take any action when such action or inaction will in any way delay Direct Delivery of any material which is necessary for the destruction on schedule of the Customer."

"Now, gentlemen, that's the kind of an order I'd like to sign, effective immediately. That would do it, because it would insure that every one of us was doing everything he could to insure delivery of bombs and shells to Tokyo, Berlin and Rome - to Axis ships, planes, tanks and men, wherever they may be", Mr. Knowlson declared.

"Until that order is written, keep this in mind: All the orders are made with just one end in mind - to speed war production and to channel into that production at the most urgent places, every ounce of available materials. If you think those orders fail and don't help accomplish that end, ask for an interpretation. If you have doubts and feel you must act, do it. Tell us what you have done, and ask our approval. But don't stop war production.

"You hear and see a lot about enforcement these days. You have met or will meet the WPB's enforcement men. These men are officers of production law and order. They are as much your friends as the policeman on the beat. Only a crook hates and fears a police officer and contemptuously calls him 'copper' or 'flatfoot'.

"Some of our enforcement may may not be all that you and I might ask in judgment and diplomacy, but rest assured that no man has yet been held in violation of an order, without a hearing. No man yet has been punished for accidental or technical violation of an order. If at any time you think you have been misjudged, carry your case to the highest court, but don't stop war production.

"Further than that, use every effort to bring into production every tool and facility you can. In Washington we talk about subcontracting. In the local offices they work on it with considerable success. All of us know there are vast, untapped resources of facilities.

"I'm going to ask each of you this favor: Won't you - each of you here who has war work - make it a personal project to find at least five more subcontractors?

"* * * If you can't give a potential subcontractor war work, give him some of the work on spare parts for your peacetime product, and make more of your own facilities available for the more complicated tasks of war production.

"It is a proud moment for all of us when we can say: There isn't an idle tool in our plant. But it will be a much prouder moment when each of us will be able to say: I don't know of an idle tool in the community."

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PRESS OWNED STATIONS GIVEN CLEAN BILL

Calling attention to the fact that fourteen months have passed since the Federal Communications Commission began its investigation into the newspaper ownership of broadcasting stations, the Editor & Publisher, generally recognized as a spokesman for the newspapers, says:

"The right of the Commission to take this summary action under the statute which created it is challenged by the Newspaper Radio Committee, and regardless of the legal points involved, common sense is certainly against such summary discrimination against any business group.

"The Commission's investigation was based upon the notion that there might be a public danger in 'monopoly' with local newspapers and radio facilities in the hands of a single ownership. We have read much of the testimony taken by the Commission in its hearings and we have yet to see one convincing word in support of that theory. There is not a spark of support for the idea that newspaper-owned radio stations have used their privilege to suppress or distort news; on the contrary, their record is clean. The same can be said, for that matter, with respect to nearly 100 per cent of the job done by non-newspaper stations. There is probably room for criticism of some news commentators, but the correction of whatever wrongs they have done had best be left to public opinion rather than legislation or executive action.

"Congress is now awaiting the report of a subcommittee on new legislation to amend the Communications Act. Editor & Publisher does not believe that new laws are needed. The Commission had the right under present law to license stations according to their ability to serve the public convenience, interest, and necessity. That, we think, is adequate. Any extension of the Commission's power into regulation or censorship of programs would lead inevitably to the destruction of the freedom of expression, the maintenance of which is one of the cardinal points of Mr. Roosevelt's war program."

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 ::: TRADE NOTES :::
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A branch Radio Section of the Navy Public Relations Office has been opened at 580 Fifth Avenue, New York City, under the direction of Lieut. Morgan S. A. Reichner. It will be concerned chiefly with the network broadcasting companies and the agencies placing network programs.

The Pacific Broadcasting Company (KPAS) at Pasadena has applied for a modification of its construction permit for a new station for extension of commencement and completion dates to July 13, 1942, and September 13, 1942.

Mark Ethridge, a member of President Roosevelt's Fair Practice Committee, and Manager of Station WHAS in Louisville, asserted in an address in Cambridge, Mass., that many of the Nation's largest and most vital war industries were discriminating against Negroes and Jews by refusing to hire them, even when they were highly skilled workers.

Radio listening indices for the month of April jumped 10% ahead of the record levels already reported for March, according to the WOR "Continuing Study of Radio Listening in Greater New York". While national averages have already begun a downward curve, listening in New York has grown steadily since the outbreak of war - an 18% rise since December 7. Trial blackouts, curtailment of transportation, and a long period of inclement weather also contributed to the increase.

The personnel of KGO-Blue at San Francisco have gone through the finger-printing and other details essential to the new "Photo-Identification Badges" to be worn for the duration by all employees at all times for admission to their new building.

Every employee was required to fill in the identification panel with code letters covering personal characteristics, plus their signatures. Prints are used in badges that will permit entrance past the guards stationed there at all times of the day and night.

A half-hour program of popular music, news, and sports will be short-waved daily except Sundays to troops in the northern half of Africa and in the Near East at 3:00 P.M., EWT, over WGEA, international station of the General Electric Company in Schenectady.

Raymond Clapper, newspaper columnist recently returned from Africa and reported that United States troops stationed there have little or no entertainment. The new WGEA program has been especially planned to meet this need.

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