HEINL RADIO BUSINESS LETTER

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No. 1445

July 14, 1942

KNOWLSON TEMPORARILY WPB CHIEF OF STAFF

James S. Knowlson, former President of the Radio Manufacturers' Association, goes higher and higher closely following his promotion to Assistant Chairman of the War Production Board. William L. Batt, Donald Nelson's new chief of staff, was stricken with appendicitis requiring an immediate operation. This advanced Mr. Knowlson to second in command. In the absence of Mr. Nelson, Mr. Knowlson would now be the Acting Director of the world's greatest production organization.

Thus Mr. Knowlson goes to the head of the class of the little army of dollar-a-year men who have enlisted in war production. And it is a little army for as set forth in an article "Don Nelson's Men" in <u>Business Week</u> for July 4 - the first place we have ever seen all their names printed - there are about 700 so-called dollar-a-year men now serving in WPB.

They are divided into three classifications - Permanent Dollar-a-Year Personnel, Temporary Dollar-a-Year Personnel, "Without Compensation" Personnel. A hasty glance over this list of 700 dollar-a-year men as of June 4th, reveals the fact that not more than 20 or so are from radio or communications companies. In the Permanent Dollar-a-Year listing were noticed Edgar C. Brandt, Westinghouse Electric Manufacturing Co.; Frank Cliffe, Asst. Comptroller, General Electric Co.; William Day, Public Relations Supervisor, American Telephone & Telegraph; Joseph V. Dunn, Engineer, American Telephone & Telegraph Co.; Mahlow Fawcett, Superintendent of Manufacturing, Westinghouse Co.; William H. Harrison, Vice President, American Telephone & Telegraph Co.; Dean Harvey, Materials Engineer, Westinghouse Electric Mfg. Co.; James S. Knowlson, Pres., Stewart-Warner Corp.; George A. Landry, Western Electric Co.; Alphon Penrod, Western Electric.

In the Temporary Dollar-a-Year list were G. Keith Funston, Sales Planning Director, Hygrade Sylvania Corp.; Clarence G. Harvey, Staff Supervisor, American Telephone & Telegraph Co.; John M. Hipple, Assistant to Manager, Merchandising Dept., Westinghouse Electric Co., John A. Kennedy, President, Radio Station WSAZ.

In the "Without Compensation" category were: Mark F. Ethridge, Louisville Courier-Journal; W. G. Marshall, Vice President, Westinghouse Electric & Mfg. Co.; Joseph Mitton, Victor Talking Machir Co.; and David Sarnoff, President, Radio Corporation of America.

Business Week, a McGraw-Hill publication is not for sale on the newstands but reprints of the article "Don Nelson's Men" containing the names of all the dollar-a-year personnel may be had for 20% apiece by addressing Willard Chevalier, Publisher, Business Week, 330 West 42nd Street, New York City.

In commenting upon the new WPB alignment, David Lawrence wrote:

"Sooner or later, Mr. Nelson will have to set up a three-sided organization, consisting of industry on the one hand, the military on the other and the civilian governmental personnel in between. All three viewpoints are needed to achieve the desired result. Mere reshuffling of administrative officers, inside the WPB, just announced, is important but it does not strike at the root of the difficulty, and sooner or later the military viewpoint must be given greater weight if we are to win the war on the production front."

"In winning this war both rhe civilian and the military mind are required", the <u>Washington Post</u> said. We shall get the best results as well as save a great deal of time by a clear demarcation of function and by a harmonious dovetailing of the two functions. Strategy should be reserved to the military and supply to the civilian arm. And those in charge of both should be in constant association, since supply must be the servant of strategy. That, we take it, is what the new WPB reorganization amounts to. In addition to reasserting his authority over supplies, Mr. Nelson has been relieved of administrative detail so that he will be able to keep in close touch with the military chieftains who are developing and executing our war strategy."

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RADIO FORUM DIRECTOR NELSON'S ADVISOR

Donald M. Nelson, Chairman of the War Production Board, announced the appointment of Theodore Granik, well known in the radio field as Director of the American Forum of the Air, as Special Advisor to the Chairman. He will advise on such problems as the Chairman may assign to him from time to time concentrating principally on problems in the field of public relations.

Mr. Granik, a New York and Washington attorney, formerly served as Assistant District Attorney of New York and more recently as Counsel to the United States Housing Authority. He will serve without compensation.

Mr. Granik, who is 37 years old, was formerly civilian adviser to Gen. Louis B. Hershey, Selective Service Director, and as Counsel to the Senate Committee on Small Business of which Senator James E. Murray (D.), of Montana, is Chairman.

The American Forum of the Air broadcast over the Mutual Network under the direction of Mr. Granik, has become one of the most talked of broadcasts originating in the Capital. Each Sunday night some current controversial subject is debated by high Government officials, members of Congress and others. Very often this debate becomes so heated that difficulty in keeping all the participants from trying to talk at once has been experienced by Mr. Granik.

SEES "SELFISH INTERESTS" BLOCKING EQUIPMENT POOL

Chairman James L. Fly of the Board of War Communications didn't speak optimistically when asked if there was anything new on the progress of the broadcast station equipment pool.

"We are engaged in various studies on the whole problem of equipment conservation", he said. Of course as you know the pooling idea has been obstructed here and there by certain selfish interests in the industry and it has made it somewhat difficult to proceed without more wholehearted cooperation. I might say this is something that is done wholly for the industry and it is to be regretted that we have anything but whole cooperation from the industry, and I am sure that looking toward the conservation of materials and endeavoring to lay a foundation for some assurance that we can continue to operate, that we will get the matter in satisfactory shape in pretty short order.

"I guess you are familiar with the Board's inquiry as to the various transmitter tubes of standard broadcast stations. There has been considerable publicity on that. That should give us some very useful information. We are also considering other ways and means to conserve existing materials that are already in the stations and in operation."

More than 570 of 906 radio broadcast stations will be forced off the air within another year, Federal Communications Commission officials estimated unless steps are taken promptly to provide replacement tubes for transmitters.

With a view to presenting the problem to the War Production Board, the Board of War Communications sent to the stations a questionnaire on tubes.

Earlier in the defense program when the supply of strategic materials became tight, plans were formulated to guard against such a situation by working out a tentative plan of pooling tubes.

But the plan proved increasingly ineffective because stations with spares did not desire to give them up to some station whose tubes had failed, particularly since the manufacture of tubes for commercial broadcasting was halted.

All the transmitting tube manufacturers now are said to be engaged in the manufacture of such equipment for the Army and Navy. This, however, it was said, has not closed the commercial broadcasters absolutely, because they are able to get tubes rejected by the Army and Navy because they do not meet the rigid specifications of the services.

But, officials pointed out, even this will not take care of the situation as more and more tubes end their period of usefulness. These large tubes, ranging in price from \$1,000 to \$5,000 apiece, normally are guaranteed for 1,000 hours of use, but it was

said that actually they serve from 5,000 to 9,000 hours, and in some cases as long as 20,000 hours.

But many of the present tubes in use, it was said, may be made by careful "nursing" to last longer under war conditions.

To remedy the situation, the WPB may be asked to provide for a period of manufacture. The materials situation is not as serious as the manufacturing. Each of the tubes, according to engineers, uses no more than a pound of copper and a small quantity of tungsten.

Stations expected to be hit hardest are the smaller ones, because their financial condition has not permitted them to keep spare tubes in quantity.

DAVIS, COWLES, JR. AND LEWIS TOP OWI RADIO MEN

As had been expected, William D. Lewis, formerly Vice-President of the Columbia Broadcasting System, was appointed by Elmer Davis, himself formerly a CBS commentator, to be chief of the new Office of War Information radio bureau. Mr. Lewis had held this same position in the Office of Facts and Figures which was absorbed by OWI.

An added starter, however, was when Gardner Cowles, Jr., of the <u>Des Moines Register</u>, and President of the Iowa Broadcasting Company (KSO-KRNT, Des Moines, WMT, Cedar Rapids and WNAX, Yanktor, S.D.) was made Assistant Director in charge of all domestic operations of the OWI.

In the formal notice of the organization of OWI, Director Elmer Davis had this to say about radio:

"Because radio time is limited, the Office of War Information will review and clear all proposed radio programs sponsored by Federal departments and agencies (whether they directly bear upon war information or not), will allocate available time for such programs and will serve as the central point of clearance and contact for the broadcasting industry in its relationships with Federal departments and agencies concerning such government programs.

"Federal departments and agencies desiring to disseminate information by radio will make necessary arrangements through the Chief of the Radio Bureau, Office of War Information; the Chief of the Bureau will be responsible for consulting the appropriate policy officers and subject-matter authorities in arranging final clearance of such programs."

SLOW DIATHERMY RESPONSE AROUSES FEAR OF ENEMY USE

Considerable apprehension is felt by the Board of War Communications because of the fact that only about two-thirds of the owners of diathermy machines of the country have been heard from. It is feared that some of the others are in the hands of enemy aliens who may be using them as short-wave transmitters. The matter was brought up at a press conference with Chairman James L. Fly, who said:

"We are a bit concerned at the rate which the various owners of diathermy machines are registering them in accordance with the Order of May 18th. I do think that this is a matter which is of some real concern to us in connection with the war. Not merely from the standpoint of radio interference that are caused, but also because of the possibility of the use of these machines in slight modifications for radio transmitting purposes. It is very essential that we have a complete and effective policing of the radio spectrum. We must take completely effective measures to avoid any possible misuse of these diathermy machines. To date we have received 67,601 applications for registration. That is not a bad record. However, we have the impression that there are substantial numbers of additional diathermy machines in the country and we are very hopeful that all parties concerned will move promptly to get them registered in accordance with the order.

"Have you any estimate as to the number?" the Chairman was asked.

"There's no way to get any accurate estimate", he replied. As I said, "We have 67,000 odd here. I suppose that probably represents two-thirds of them; that is purely conjecture. I think too that there may be some of the owners that are not aware of the necessity of registering, and I really want to give a word of caution on that and urge that all be registered promptly. Perhaps I ought to add that, while we are greatly concerned with this matter, there has been no case established where these machines were being used for improper purposes - that is, for radio transmissions. I am certainly making no charge of general abuses. It is a matter of the potential."

"How far would one of these machines carry as a transmitter?" Bertram Linz, of Technical News Service, inquired.

"Considerable distance" was the reply. "Years ago our people keyed one up and transmitted messages from one of the hospitals - Massachusetts General Hospital, I think it was - transmitted messages picked up by people in San Diego, California. Of course a short range transmitter has some substantial range and may be put to just as bad use as an international transmitter."

"What class of machines fall in the class of diathermy" Mr. Perlmeter of the Associated Press asked.

"I think our order set that forth", he answered. "It is really an engineering question, but it is set forth in the order; 'That every person who has in his possession any apparatus which is capable of generating radio frequency energy.' Now there is a footnote which says: 'term "radiofrequency energy" means electromagnetic energy at any frequency between the limits 10 kilocycles - 10,000 megacycles.' For practical purposes that covers the spectrum. Then the footnote states: 'Such apparatus includes any equipment which utilizes a radio-frequency oscillator, or any other type of radiofrequency generator, to transmit, or which transmits, inadvertently or otherwise, radiofrequency energy -- whether through space, or guided by wire lines - for purposes of communication or control, for therapeutic treatments, industrial operations, or any other purpose whatsoever."

"Then it is substantially medical apparatus?" the Chairman was asked.

"Substantially the diathermy machine", Mr. Fly replied.
"That is the rub, but it is not limited to such machines.

"What about the progress of the other type of radio apparatus registration?" was a further inquiry.

"The last report we have on transmitters was something like 5,000 or so - that's dealer sets", Edgar Jones, FCC Public Relations officer, interjected.

"That will probably move along quite all right because we are dealing with manufacturers", Mr. Fly said.

"I understand England has taken some drastic steps - took over all diathermy", Roland Davies of Telecommunications, remarked.

"Yes, I think they took some rather stringent steps", Mr. Fly concluded.

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ARMY RADIO SCHOOLS IN CHICAGO'S TWO LARGEST HOTELS

A new Army Air Force school for radio operators and radio mechanics, housed in two of Chicago's largest hotels, will begin operation September 3, it was announced last week by Maj. Gen. F. L. Martin, head of the Air Force Second District Technical Training Command.

General Martin conferred with Col. Walter T. Meyer, Commander of the new Chicago training unit, on converting the two Michigan Boulevard hostelries - the Stevens Hotel and the Congress Hotel - into one of the world's largest technical schools. At a press conference, General Martin, whose headquarters are at St. Louis, said the new school would train selected soldiers to be assigned from the Air Force replacement center at Jefferson Barracks, Mo. He said new classes would be admitted weekly to the 14-week courses.

Neither officer would say how many men will be trained at the two hotels. However, they said that for the present, the two additional buildings would provide sufficient facilities for the school.

The swift court action meant the buildings must be evacuated by July 31. At the time the order was entered the Stevens had 1,200 regular and 350 extra employees and 2,600 transient and 585 permanent guests. The Congress had a working staff of 600 and 850 guests.

The Stevens has been the site of hundreds of conventions, among them the gatherings of the Radio Manufacturers' Association, and was headquarters during national political conventions in 1932 and 1940. It was built in 1927 at a cost of \$27,000,000 and the management reported it had a recent assessed valueation of \$16,000,000.

The Congress was built in 1893 as an annex to the Auditorium Hotel. It was enlarged in 1902 and given its present name in 1911.

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PETRILLO FORCES NATIONAL MUSIC CAMP OFF THE AIR

Closely following the ultimatum that after August 1st no more phonograph records will be made by Union musicians - a move to block radio stations from broadcasting these records - James C. Petrillo, President of the American Federation of Musicians last Saturday succeeded in having the National Broadcasting Company cancel the first of the season's Saturday afternoon broadcasts by the High School orchestra from the National Music Camp at Interlochen, Michigan. The orchestra is made up of 160 boys and girls from 40 States.

Dr. Joseph E. Maddy, President of the camp, said the broadcasts from the camp did not "compete" with professional music or replace it. He pointed out that the average age of the members of the High School orchestra was 15 and that they were ineligible for membership in Mr. Petrillo's organization.

"They are an educational feature, which during twelve years have created thousands of new listeners to classical music. At the same time they have been an inspiration to more than 3,000 High School musicians who have taken part in them. To deprive music

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students of this inspiration seems to me unwise and destructive on the part of professional musicians.

The only non-union musicians now appearing on network programs are from camps and stations of the Army and others of the armed forces.

According to an Associated Press report as of yesterday, Mr. Petrillo is reported to have said that he objected to broad-casting performances of the National Music Camp Symphony Orchestra because "when amateur musicians occupy the air it means less work for professionals".

"My trouble is not with the amateur musicians, but with NBC's executives", Mr. Petrillo stated. "They know the policy of the federation. They should know that they can't use amateur musicians on the air unless we give them permission to.

Mr. Petrillo said he had objected to the Interlochen performances two years ago but had agreed to allow them to finish their season of 12 performances after he had reached an understanding with an NBC executive he named as Sidney Strotz in Chicago, that there would be no further broadcasts.

Speaking of Mr. Petrillo, the New York Times, which had already criticized him in an editorial last Saturday, again went after him Monday. It was an editorial captioned "Demagogy in Congress". It began by saying,

"While Senator Barkley last week was telling a Virginia audience that Congress will 'rise magnificently' to the present crisis his colleagues were making a mockery of his words. In every direction they seemed bent on taking the easiest way; on appeasing selfish group interests at the expense of the national interest; on exalting demagogy above statesmanship.

"Is this the way Congress is 'rising magnificently' to the crisis? Let us take an example.

"Last week James C. Petrillo, head of the American Federation of musicians, ordered the 140,000 members of his organization not to make records or any form of electrical reproduction after the end of the month. He also forced the National Broadcasting Company to cancel the Saturday afternoon broadcasts of a High School orchestra. This private individual possesses these autocratic powers because Congress has been too spineless to put labor unions clearly under the laws against restrain of trade."

Speaking of the edict of the head of the American Federation of Musicians ordering the making of records stopped, the Washington Post said:

"You may be interested to know how Mr. Petrillo arrived at this conclusion. It seems that people have grown so fond of sticking nickels into juke boses that they have no longer the time nor the inclination to listen to real flesh and blood musicians. Soon, if this tendency continues, the only jobs open to musicians will be occasional new recordings for juke boxes and radio stations. One recording played over and over on the tens of thousands of juke boxes throughout the land can do work which, in the days before Edison, Marconi, Clerk Maxwell and Emmanuel Hertz and so on, would have required several million musicians.

"It would be quite a stroke, of course, if Mr. Petrillo could somehow manage to force everyone who attempted to carry a tenor to 'Sweet Adeline' or to play 'Bubbles' on a mouth organ either to become a dues-paying member or to shut up. On the other hand, people who have never heard any real music might, if deprived of what passes for music on the juke boxes, decide they can get on quite comfortably with merely such noises as are provided gratis by nature. Then where would Mr. Petrillo be? He might have some trouble inducing mocking birds, meadow larks, waterfalls, tides and thunderstorms to take out union cards."

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RADIO BAN PUTS SHIPS IN PERIL, SAYS UNIONIST

President Joseph P. Selly of the American Communications Association (C.I.O.) said, according to an Associated Press dispatch from New York that American seamen and cargo ships faced added peril because of the curtailment of coastal commercial radio station operations.

Curtailment of operations was caused by the financial loss which followed the sharp reduction in marine radio traffic resulting from the war, the union said.

"On financial grounds alone, to say nothing of the saving of lives", said Selly, "maintenance of these stations is essential. The saving of one vessel would offset the expense of maintaining these stations for the duration of the war."

The A.C.A. said it was informed last week that commercial coastal stations when operating normally received 75 per cent of all distress calls.

"It is shocking", asserted Selly, "that 'bon voyage' messages received more expeditious handling in pre-war days than do distress messages during a time when submarine warfare off our coasts is admittedly one of the greatest threats to the security of our Nation, and the lifeline of the United Nations."

He said the Navy was not equipped to monitor distress calls.

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The Board of War Communications has determined that the successful prosecution of the war demand the removal and impounding of all radio communication equipment in Puerto Rico and the Virgin Islands which is either owned by or in the possession of licensed amateurs or which is not presently being operated pursuant to a license from the Federal Communications Commission.

It was said that one of the reasons Earl Godwin, Washington news commentator, was selected by Henry Ford for the new Blue Network series of Ford news-broadcasts, was that Earl had "a good homefolks sort of voice". Elmer Davis has also been quoted as attributing his great success as a commentator to the "home folksy" sound of his voice.

One report has it that the Office of War Information is working up a plan to reduce the number of press releases issued by Federal agencies and that OWI will encourage the Government to use radio more and the newspapers less.

John Richmond, with the CBS Magazine Division of the Publicity Department of the Columbia Broadcasting System, for the last year and a half, replaces Tom Flanagan, its head, who has been commissioned a Lieutenant, Junior Grade in the Naval Reserve.

The establishment of broadcasting stations in various interior cities, as well as four new short-wave stations, was authorized in 1941 by the Argentine Posts and Telegraphs Department. A large radio chain, Argentina's third, was also formed during the year.

The Farnsworth Television & Radio Corp. reported in New York for the year ended with April net profit of \$642,237, equal to 46 cents a capital share, compared with net loss of \$181,857 in the preceding year (fiscal period).

Gross income amounted to \$10,433,118, against \$5,165,905

in the preceding year.

The American Radio Hardware Company, Inc., New York, has appointed Jasper Lynch & Fishel, Inc., to conduct an institutional campaign in the electrical trade paper field on behalf of its transmitting and receiving equipment for radio and telegraphic communications. The campaign, which is to start in September, is intended as a good-will effort, directed toward executives and engineers in the communications field.

That reorganization of War Production Board isn't over, according to report. It will continue, apparently, as long as there is a WPB. Luther Gulick, who plotted the War Department revamping and last week's WPB shakeup, has been appointed a staff officer at WPB in charge of the administrative study division. Now that

policy and the top layof organization have been fixed, it is said, Gulick will go to work on every unit and division in the big organization. He'll take them on one at a time. Mor changes will be made.

Bill Coyle of the Washington Star's Station WMAL, has been called to active service as a Lieutenant (J.G.) in the Navy and will report to Dartmouth College at Hanover, N.H. for two months training. Lieutenant Coyle broadcast the Star's two daily news programs.

He introduced the patriotic song hit "Wave That Flag, America" which he sang at the White House. Lieutenant Coyle attended Trinity College in Hartford, Conn. and graduated from the Washington College of Law.

"Radio Age" for July published by the Department of Information of the Radio Corporation of America has the following table of contents: NBC University of the Air Opens, by Dr. James R. Angell and Sterling Fisher; RCA and the War, Excerpts from Address by David Sarnoff; Electrons at Work, by R. S. Burnap; Information Pleas! by Anita L. Barnard; Human Engineering Advances, by Forrest H. Kirkpatrick; NBC Opens New Radio City, by Sidney N. Strotz; Blue in New Offices, Network's Quarters are Described; Radio in Education, by Thomas D. Rishworth; Scanning Microscope, New Electron Instrument Perfected; RCAC Training Operators, New Plan of Schooling Starts; Radio's War Role Praised, RCAF Ace Addresses RCA Montreal Workers; Radio Aids Traffic Control, Turnpike Installation Described; "This Program Is Transcribed", Behind-the-scenes Look at Radio Recording; Radiophotos From Cairo; New Service Between U.S. and Egypt; Three Receive Honorary Degress, Jolliffe, Trammell, Schairer Given Awards; Radio and Aviation Thirty Years Ago by George Clark; Science Seen In New Role, Van Dyck Urges Different Approach.

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JOHNSON NEW HYGRADE RADIO TUBE AD MANAGER

P. S. Ellison, Director of Advertising and Sales Promotion of Hygrade-Sylvania Corporation announced last week the appointment of H. C. L. Johnson as Advertising Manager of the company's radio tube division. Until recently, Mr. Ellison had been manager of both renewal tube sales and advertising, and Mr. Johnson had been Assistant Advertising Manager of the Division.

Mr. Johnson was formerly Advertising Manager of Thordarson Electric Manufacturing Company of Chicago. He has been with Hygrade Sylvania for almost five years. Mr. Johnson is a member of the New York Sales Executives Club, Advertising Club of New York and Treasurer of the Northwestern University Club of New York.

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