

HEINL RADIO BUSINESS LETTER

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No. 1452

August 4, 1942.

TIRED OF BEING KICKED AROUND, SAYS ANTI-RADIO PRINTER

"Let's stop being kicked around. "

That was the keynote of an address made to his members by John B. Haggerty, of Washington, D. C., President of the International Allied Printing Trades' Association, the man who would advocate a tax of millions of dollars on broadcasting because of his claim that radio has put thousands of printers out of business.

Mr. Haggerty again swinging into action at this particular time is significant in that his renewed attack upon the broadcasting industry follows so closely the cracking down of James C. Petrillo, President of the American Federation of Musicians.

"The latest evidence of this picking upon and kicking around of labor was the recent attempt on the part of alleged friends of labor in the Ways and Means Committee of the Congress to saddle a tax of some 90 millions of dollars on those employed in and engaged in the production and distribution of Magazines, Periodicals and Newspapers", Mr. Haggerty declared.

"The same Congressmen, who voted so cheerfully to impose this undue burden on those employed in the Printing Industry, this year, refused to vote for an excise tax on the highly profitable radio networks and commercial broadcast stations, despite their own knowledge of the unusual profits those in the radio industry secure, plus the fact that these profits are secured through the holding of a Government franchise for which the Government receives nothing.

"You will recall that last year, after the Treasury Department had reported that the radio industry, especially the networks, after paying a proposed Excise Tax of some ten millions of dollars yearly, in addition to other taxes, would still have yearly net profits on their investments of from 100 per cent to 600 per cent, the Ways and Means Committee levied a tax of some \$12,500,000 on radio networks and the larger radio broadcast stations.

"It would be worthwhile to ascertain from some members of the Ways and Means Committee why these gentlemen this year, allegedly seeking new avenues of taxation, refused to levy at least the same tax on the radio industry that they voted for last year.

"Printing trades workers should definitely ascertain from candidates for high public office, especially those seeking election to the Congress and the Senate of the United States, how the candidates are going to stand on matters directly affecting the jobs of those in the Printing Industry and then support those candidates, who, when elected, will not give us the boot, as has happened so often in recent years. "

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DCB TAKES OVER CBS SAN FRANCISCO LISTENING POST

That the Defense Communications Board has taken over the Columbia Broadcasting System's West Coast listening post was made known by Chairman James L. Fly at his press conference Monday.

"We have assumed the operation of the Columbia Broadcasting System's listening post in San Francisco", Mr. Fly said. "That listening post had been in operation for a considerable period and recently had been operated in cooperation with the Office of War Information, but it was thought best generally to combine the various listening services and so CBS facilities are being made available to the Commission, and we shall take over the operation of them - I think we took them over as of August 1st. This, of course, is useful to us in increasing the coverage of the Pacific area. This you understand has to do with the coverage of the broadcasts of various foreign countries and particularly those of the Pacific and Far East."

"What is the significance in taking over that post? Is it the only one, or the first of that kind?" the Chairman was asked.

"Well, we are not taking over the ownership of it", he replied. "From the standpoint of the Government taking it over - from that angle, there is really no significance. The significance is only that the CBS itself is in effect going out of the listening business there and that work is to be carried by the Commission and coordinated with all of the other listening and reporting activities which are handled by our Foreign Broadcast Intelligence Service, formerly known as the Foreign Broadcast Monitoring System."

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PROBE OF BROADCASTERS' BACKGROUND PROPOSED

Investigations of the ancestry and personal background of the personnel of radio broadcast stations by another governmental intelligence unit to be set up within the Federal Communications Commission has been recommended to that body.

The proposal was offered to the Commission by its Law Department. It calls for an appropriation of approximately \$190,000, a part of which would be used for the employment of investigating agents. The proposal to create its own agency came, it was said, when the Commission was informed that the FBI could not undertake such an investigation, due to the heavy burdens of other features of wartime activities.

In the beginning, it was said, the investigators would seek the personal history of workers in the foreign language and international broadcast stations.

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SARNOFF URGES WORLD RADIO MERGER

Commending the New York Times on an editorial, "International Communication", David Sarnoff, President of the Radio Corporation of America, wrote:

"There is pending in Congress a bill to permit the merger of companies engaged in domestic telegraph communications. Chairman James Lawrence Fly of the Federal Communications Commission has urged that the bill be broadened to permit as well the merger of companies in the international field. Your editorial subscribing to the principle of merger, informatively pointed out the economic and engineering considerations which favor merger in the communications field. However, you seem to have misunderstood the scope of Chairman Fly's proposal with respect to merger of international communications.

"In foreign countries the business of international communication is conducted either as a government or private monopoly. In the United States nine private companies compete in that field. Chairman Fly has not urged a merger of the foreign monopolies and the American companies. His proposal is confined to a merger of the American companies only. Thus understood it becomes apparent that he is in order in suggesting that such a merger should be 'fully under American control and direction'.

"Uniquely in the recent experience of government-industry relationships, the principle of merger of the American companies has been approved not merely by those companies themselves; it has been approved as well by the Federal Communications Commission.

"The American companies engaged in international telegraph communication operate duplicate and competing services. When they come to deal with a foreign monopoly upon such a vital issue as the division of tolls for messages jointly handled the foreign monopoly is able to play one of the American companies off against another and thus to drive a bargain at the expense of the American companies and ultimately of the American public.

"We should not face that day without having prepared and adopted an American policy in the important field of international communications. To find ourselves at the peace table without such a policy would be most unfortunate, for it would throw away the opportunity now available to our country to formulate a national policy which would enable us to meet on equal terms of strength and prestige the foreign countries with which we must maintain communications."

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New York City radio stations have been pressed into service by the Army, Navy and City authorities to broadcast suggestions by the New York Edison Company for dim-outs to cut out the sky glow.

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PRESS CONTINUES TO HAMMER PETRILLO

A surprising thing is the way the press has taken the side of the broadcasting stations in the Petrillo fight - papers such as the New York Times, New York Herald Tribune, the Washington Post, and others which do not own radio stations. Life, which also has no interest in any station, this week devotes six pages profusely illustrated to Mr. Petrillo. Extracts of the article follow:

"A year and a half ago, to promote interest in national defense, the Mutual Broadcasting System scheduled a series of variety programs from Fort Dix, using Army talent. Petrillo announced that Army bands couldn't be allowed to play over the air - at least not until he and Secretary of War Stimson had had a chance to talk it over and mark out terms. 'Sure, Stimson', he explained. 'Why fool around with these little guys? We got to get this thing straightened out.' As it turned out, Stimson was busy with other matters and Petrillo was reduced to negotiating with some generals. 'You know how them generals are', he remarked later. 'Pin a couple of tin medals on 'em and you can't do a thing wit' 'em.' Petrillo soon had them eating out of his hand, however. The upshot was that Army bands could play, provided Petrillo was notified and gave his consent beforehand."

"When pleased, Petrillo has a benign, grand-fatherly look set off by crinkly gray hair and a high, balding forehead. Ordinarily, however, his mouth turns down in a querulous line, and behind his rimless spectacles his pale blue eyes are cold and suspicious. He has a dazzling command of profanity which he delivers rapidly in a rasping voice out of the right side of his mouth. Although he is only 5 ft. 6 in. tall, he weighs almost 180 lbs. Sitting at his desk, he suggests an elderly frog that has just eaten a big and somewhat bitter dragonfly."

"Most notably of all, Petrillo service has been directed against mechanical devices which put live musicians out of work. After he became head man of Local 10, he forced both political parties in Chicago to give up sound trucks in favor of van loads of union musicians. Later, in 1936, he forbade Local 10's members to make radio or phonograph recordings. The ban lasted 18 months and cost the Chicago musicians an estimated \$275,000 in recording fees, an example of such nobility that finally the A.F.M. convention passed a blanket anti-recording resolution. The radio and recording companies didn't wait for this resolution to be put into effect. After negotiating with the union, the record firms agreed to pay bigger fees to musicians. And at the same time the radio chains and their affiliates agreed to take on an extra 1,000 musicians, at a cost of more than \$2,000,000 a year. The bargain lasted until a few weeks ago, when Petrillo refused to renew the recording companies' licenses and started the current battle."

"As might be supposed, all this service was not performed without opposition. Petrillo has been bombed, sued, investigated by the Department of Justice and reprimanded by the courts. With

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equal lack of success so far his opponents have tried reason, threats, bribery, religion and tears. Throughout it all, Petrillo has remained physically indestructible and emotionally unmoved."

"Last week two branches of the Federal Government came to the simultaneous conclusion that James Caesar Petrillo himself was being unreasonable. The Justice Department filed a bill under the anti-trust laws to restrain him from enforcing his ban on recordings. At the same time the Federal Communications Commission, spurred on by Senator Vandenberg, demanded 'a full statement of the facts' from him as to why he canceled the Interlochen broadcasts.

"It looked at last as if Petrillo had collided with a power greater than his own. But the wise men of the amusement business were making no bets. Petrillo has tangled before with units of the Government, including the anti-trust division of the Justice Department. He has always won."

The Washington Post Monday morning devoted another editorial to Mr. Petrillo, which it captioned "J. Caesar Dixit":

"It is now quite evident that Mr. Elmer Davis' appeal to the nobler instincts of Mr. Jimmy Petrillo was a sad mistake. The New York Herald Tribune the other day compared it to the appeal sent by President Roosevelt to the Japanese Emperor just a day or so before the dirty work at Cavite, Pearl Harbor and elsewhere.

"All the same, though Jimmy has allowed himself to be maneuvered into a logically, morally and perhaps legally indefensible position - although we dare say that causes him no serious loss of sleep. His union has gone on record as declaring music to be indispensable to morale, and very probably it is. It has also been pretty generally agreed that morale is one of the indispensable ingredients of victory, and very likely it is. Very well: Jimmy has decided that if America needs music to win a war it will get it on his terms or not at all. Thus Jimmy is in solitary control of an absolutely essential war industry. If that doesn't suffice to bring Jimmy and his union under the jurisdiction of the War Labor Board, instead of the sadly ineffectual Labor Relations Board, we shall abandon our last faint hope of ever again living in a rational universe.

"Meanwhile, we hear that Mr. Petrillo is a big indignant about being called a 'dictator'. Come to think of it, very few dictators since Roman times have actually called themselves by that name: it seems to be pleasanter to think up a brand-new title like 'Duce', 'Fuehrer', 'Caudillo', 'Chef d'etat', or what not. As a matter of fact, we can think of a lot of other names to call Mr. Petrillo and so, we have no doubt, can Mr. Elmer Davis."

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ADVISES ELMER DAVIS TO LAY OFF BROADCASTING

Opposing the suggestion of Senator Lucas, of Illinois, that Elmer Davis, War Information Director and a former CBS commentator return to the microphone twice a week "to counteract a bunch of radio strategists", the Editor and Publisher, and the New York Times advise against this. The Editor & Publisher says:

"Much as we have admired the work of Elmer Davis as a newspaperman, and more recently as a news broadcaster, we hope that he does not heed the call of Congressmen and Senators to return to a broadcasting schedule. The fact that he excelled both as a writer and as a radio man was responsible for his selection as Director of the Office of War Information, which we regard as a full-time job, one of the most important in the conduct of the war. His attention should not, in the public interest, be diluted by the necessities of preparing and delivering regular broadcasts. It is needed for the production of news about America's war, and we believe that we are safe from contradiction when we say that the few weeks of his directorship have produced more genuine war news than we had had in the previous six months.

"Mr. Davis is being called upon to go back on the air as an antidote to the outgivings of less gifted broadcasters, who, the Senators say, give their programs life by interposing 'punch words' in the official releases. There are some who do, and they make us extremely tired - just as tired as newspapers make us when they put an eight-column studhorse head over the sinking of a Jap destroyer or the defeat of a minor air detachment. There isn't any quick or ready answer to those departures from strict truth and balance. We have to take them along with the steady and factual performance that is rendered by the best of our newspapers and radio stations. Public opinion, in the long run, will catch up with the liars and the people who have to rely on big headlines and extra-punchy words and screaming staccato over the air. They don't last. The screamers come and go, but chaps like Davis either go forward doing their own jobs well or are called to larger spheres of employment."

The Times follows through with:

"Congressional leaders and earnest organs of opinion clamor for Director Elmer Davis of the War Information Office to go on the air again, this time on all the networks, to give the country news of the war in his canny and dispassionate way. It is argued that the sound of his calm Hoosier voice at stated intervals would have a salutary effect on the national morale. Members of the opposition in both House and Senate go even so far as to promise that, if he will perform this patriotic service, they will not raise the cry that the Administration is trying to propagandize the electorate.

"While Dr. Davis' public duties are thus being arranged for him, readers of superior fiction rise to suggest that he might also be drafted to dash off a novel from time to time, preferably in the vein of his 'Friends of Mr. Sweeney'; or at least an occasional

short story. A briefyarn from him the same kind of victory and one taking less time than the seven years to 1783.

"Then, as now, the Spitfire spat the same wrath, the wrath of the righteous, and our British allies of today have readily remarked the likeness of the cause."

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MILLS BACK IN THE HARNESS AS SPA GENERAL MANAGER

The appointment of E. C. Mills, for so many years identified with the American Society of Composers, as General Manager of the Songwriters' Protective Association was announced by Sigmund Romberg, President of SPA, at a dinner in New York last week. Reviewing the 10 years' accomplishments of SPA, Mr. Romberg said:

"The time has come for the next great step forward. When Mr. Mills recently resigned from ASCAP, I regarded it as an exceptional opportunity to persuade him to put his unusual talents at our service. For a quarter of a century he has been the premier tactician and strategist, first for the publishers and later for the publishers and writers jointly, in numberless campaigns for the betterment of the art and industry of music.

"His reputation as an organizer, negotiator, copyright authority and business executive is international. He is known to be a fair and just man. Publishers, no less than writers, have been the recipients of millions of dollars in royalties from sources which were non-productive of revenue until Mills showed us how to get the money."

In his speech of acceptance, Mr. Mills stated that the open meeting was not the place for a discussion of plans, but that he would go into them at the next SPA meeting, schedule for August 11. He did state, however, that in their dealings with music publishers 'we songwriters will accept in the future no less than is our fair due and will demand no more than is coming to us'.

'A lot of the rules are going to change', he stated. 'The old order, the control-and-compel policy of capital, will inevitably yield to a new rule of fairer and more generous rewards to the actual producers and creators of the world's products, both material and intellectual. I propose that the songwriters, as one very important segment of the producing and creating class, shall under the new order come into their own.

"Improvement in contractual relationships between writers and publishers, certain amendments of the Copyright Law, establishing a close affiliation with other protective groups of creative workers, organizing the songwriters into a world-wide group, establishing the United States after this war as the new center of world culture in music are just a few of the objectives toward which I hope the SPA can successfully lead the American songwriters in the near future."

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FEDERAL HEARING FRIDAY SETS STAGE FOR PETRILLO TEST

With the Government filing its suit against James C. Petrillo, President of the American Federation of Musicians Monday, and the hearing scheduled for next Friday (August 7) before Judge Michael L. Igoe in Chicago, the stage is set to test the power of the man now dubbed the modern musical "Caesar".

The complaint filed in the U. S. District Court in Chicago charged that Mr. Petrillo's order forbidding Union members to make phonograph records for "juke" boxes and radio stations will eliminate competition between music produced by mechanical means and that produced by live musicians and deprive the public of "inexpensive means of entertainment over the radio, in restaurants, hotels, music halls and in the homes".

The eight charges enumerated in the Government complaint alleged that the conspiracy was designed:

"(a) To prevent the manufacture and sale of all phonograph records and electrical transcriptions.

"(b) To eliminate from the market all manufacturers, distributors, jobbers and retailers of phonograph records and electrical transcriptions.

"(c) To prevent radio broadcasting stations from broadcasting musical compositions recorded on phonograph records and electrical transcriptions.

"(d) To prevent the use of phonograph records in so-called 'juke boxes' located in hotels, restaurants and dance halls.

"(e) To prevent the use of phonograph records in homes.

"(f) To prevent the sale of phonograph records to radio broadcasting stations and 'juke box' operators by requiring manufacturers to boycott all distributors, jobbers and retailers who sell such records to radio broadcasting stations and 'juke box' operators.

"(g) To eliminate all musical performances over the radio except those performed by members of the American Federation of Musicians, and

"(h) To require radio broadcasting stations to hire unnecessary "standby" musicians, members of the AFM, whose services are neither necessary nor desired, by requiring radio networks to boycott affiliated stations which refuse to meet the defendants' demands for the hiring of 'standby' musicians."

It was alleged that ban really fell upon three companies which manufacture 99% of the records - RCA Manufacturing Company, Columbia Recording Company, and Decca Records, Inc.

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The Government also accused the Union of ordering all its bands to boycott all radio stations in Southern California affiliated with the Don Lee Broadcasting System. This the Government charged was "for the purpose of forcing radio station KFRC of San Francisco, an affiliate of the Don Lee System, to hire a larger and more expensive orchestra, although no dispute of any kind existed between the A.F.M. locals and any radio station affiliated with the Don Lee Broadcasting System except radio station KFRC".

The Government also struck at Mr. Petrillo's order banning from the air the 12-year-old series of school children's concerts from the national music camp at Interlochen, Mich. The series for this Summer was to have begun July 11, with the boys and girls of the camp's symphony orchestra playing each Saturday afternoon over the National Broadcasting System.

In reply to Mr. Petrillo's contention that 50% of his men were out of work, the Government asserted that not more than 50 per cent of the members of the Musicians' Federation are dependent solely upon music for a livelihood. The assertion was further made that Mr. Petrillo draws two salaries - one of \$26,000 a year as President of the Chicago Federation of Music, and \$20,000 as President of the American Federation of Musicians.

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BRAGDON "OF THE SUN" IS NEW NBC TRADE NEWS EDITOR

Everett L. Bragdon, for nearly two decades one of the Nation's leading radio editors, has joined the National Broadcasting Company as trade news editor in the network's Press Department.

During his 19 years as radio page editor of "The New York Sun", Bragdon acquired a national reputation for his authoritative interpretations of all aspects of radio. Radio "hams" have found his reports on technical advance in wireless, broadcasting and television both concise and readable. Bragdon also contributed regular articles on popular aspects of broadcasting, many of these appearing under the pseudonym of "K. W. Strong".

The new NBC trade news editor recently revised "The Radio Amateur's Handbook", authoritative manual on radio circuits and construction principles.

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 ::: TRADE NOTES :::
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By action of the Federal Communications Commission, the name of the Foreign Broadcast Monitoring Service was changed to Foreign Broadcast Intelligence Service. It was believed that the term "monitoring" describes the single operation of listening, whereas the service also involves news intelligence and news analyses.

 No radio station in Argentina will be allowed to broadcast local Argentine news unless it is supplied by an Argentine agency. An Argentine agency is defined as one whose owners or share-holders are native Argentines or persons naturalized at least ten years ago.

Either by chance or design, the only agency that will be affected by this new rule is The United Press. It is believed probable that the measure was prompted by the fact that this news agency distributed some news that gave grave offense to the government.

 International Station KGEI at San Francisco has been authorized by the Federal Communications Commission to add frequencies 7250, 9550, and 15210 kilocycles.

 Walter G. Tolleson, will become top account executive for the new A. E. Nelson Company when that organization has its formal opening in San Francisco, early in August. For the past 18 months Mr. Tolleson has been a senior account executive with the National Broadcasting Company in San Francisco and has been of important service to business men of San Francisco and Oakland in the development of hundreds of effective sales and advertising campaigns.

 Designed to fill the war need for a guide to the student of radiotelegraph code - a fast growing need now that many themselves in dot-dash communication as valuable training in the war effort - a special booklet entitled "Learning the Radiotelegraph Code" has been published by the American Radio Relay League at West Hartford, Conn.

 Bert Silen, NBC's Manila correspondent, who has been missing since the fall of the Philippine capital, has been interned there by the Japanese, according to word received which also confirmed earlier reports that Don Bell, associated with Silen in NBC's broadcast of the bombing of Manila, had been killed and mutilated by his Japanese captors.

 Station KMPC, The Station of the Stars, Inc., Beverly Hills, Calif., has been granted a modification of construction permit as modified, for increase of power, installation of directional antenna for day and night use, new transmitter and move of transmitter, for extension of its completion date from Aug. 2 to September 2, 1942.

 Two more European languages have been added to the CBS Shortwave News Department schedule - twice-daily broadcasts in Czech and twice-weekly broadcasts in Slovenian.

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Another blow at phonograph record making was a war order virtually halting civilian use of shellac. It was said that it is possible that no shellac will be allocated for record making. Record manufacturers had been able to obtain 30% of shellac they formerly used.

T. D. Christian, NBC engineer for the last seven years will become plant supervisor of the Brazilian Telephone Company at Rio de Janeiro. Before entering NBC employ in 1935, Mr. Christian was associated with the International Telephone Company in Central and South American posts for several years.

Armed services of the United States claimed 130 NBC staff members during the month of July, raising the total of NBC men in service to 332, it was announced this week. Of these the New York division departments have sent 217. The totals do not include figures for the network's affiliate stations.

To acquaint adult America with the "School of the Air of the Americas", CBS is to broadcast three special programs, typical of those heard regularly on the air school, on Fridays, August 14, 21, and 28, 8:30 P.M., EWT.

The "School of the Air", said to reach 8,000,000 children always is broadcast during school hours as a classroom aid. The evening programs are to give parents an idea of what they are like.

Completing a 10-month course in radio engineering, 33 men received diplomas from the Capital Radio Engineering Institute in Washington.

Dean S. S. Steinberg, Dean of the College of Engineering at Maryland University, and Regional Supervisor for the engineering science and management war training program of the U. S. Office of Education, spoke to the graduates and presented the diplomas.

The next class, sponsored by the University of Maryland, with tuition paid by the Federal Government, starts this week.

Edwin Kraft of Ketchikan, Alaska, has applied for a license for a new station to broadcast on 930 kilocycles, 1 kilowatt, unlimited time, the facilities now assigned to KGBU at Ketchikan.

Lt. Barron Chandler, USNR, former member of NBC's page staff at Radio City, has been killed in action somewhere in the South Pacific according to word received at Radio City. Lieutenant Chandler, commander of a motor torpedo boat, was previously reported missing. He was the fourth NBC man officially reported killed in action.

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