# HEINL RADIO BUSINESS LETTER

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No. 1466

#### FUTURE OF TELEVISION CHARTED IN NEW BOOK BY DUNLAP

The future of the theater, screen and radio is so definitely linked with television that their destiny comprises chapters in a new book, "The Future of Television" by Orrin E. Dunlap, Jr., published by Harper & Brothers. Television will be one of the great post-war industries, says Mr. Dunlap. It will exert far-reaching influences on entertainment, education, the dissemination of news, sports, advertising, and the arts.

Will television help or hurt Broadway? Will motion pictures in the air challenge Hollywood? Will television make obsolete more than 900 "sightless" broadcasting stations and 55,000,000 home radios? What is television's promise to the school and the church? What is to be the fate of singers, comedians, vaudevillians, political orators, cartoonists and teachers? These and many other important questions, such as showmanship, programming and legal aspects are discussed, as the future of television and its widespread opportunities are analyzed.

"The Future of Television" is Mr. Dunlap's second book on television, his "Outlook for Television" having been published in 1932. Interested in radio since 1912, he is the author of eight books on radio. From 1922 to 1940 he served as radio editor of The New York Times during which time he covered the pioneer television demonstrations and followed every development. Since 1940 Mr. Dunlap has been manager of the Department of Information of the Radio Corporation of America. In this position he has had ample opportunity to observe television's continued growth, to qualify him as an authoritative prophet of its future.

Television is being greatly perfected by wartime research and engineering in radio and electron optics, Mr. Dunlap says in his newest book. Sightseeing by radio is predicted as a national pastime. Homes everywhere will have all-seeing eyes, because the science of electronics will put television within the price-range of the masses, as it has radio sets. Just as transatlantic liners took on radio voices after World War I, so transatlantic planes will see by radio after World War II, while millions of people in their homes will look in on distant cities, across continents and seas. Radio, which made a Whispering gallery of the heavens, is described as preparing to turn the world into a Hall of Mirrors.

Reviewing the progress of television since it was officially launched at the New York World's Fair in 1939, Mr. Dunlap's book pursues a forward-looking theme. New importance is predicted for billboards in ball parks, as the television camera covering sports events sweeps across the big advertising signs to carry their messages to millions of distant spectators. Artist bureaus which manage

singers and bands may be the promoters of heavyweight champions when theater and home television turns the nation into a coast-to-coast sports arena.

Radio progress, as Mr. Dunlap sees it, leads into the ultra-short wave spectrum and to micro-waves measured in centimeters. So significant is the promise of television in education that the author sees the "T" in teaching standing for television. Electronic television in color for the general public is something to look forward to, although many problems are still to be overcome. Large pictures, at least 18 by 24 inches, definitely are in the offing for the home, and in the theater they will fill standard size screens. Whether television will take over Hollywood or Hollywood take over television remains an open question.

Does television hover over the Broadway stage as a menace? Mr. Dunlap says: No. Just as the screen and radio have always turned to the stage for acts and actors, so will television. It will no more "kill" the theater than did radio. To the actor and vaude-villian, television offers the dawn of a new day.

Television can be depended upon to create new art forms and folk art; to develop its own stars in much the same way that the screen has its Mickey Mouse, Donald Duck, and radio its Amos 'n' Andy. Radio characters who have lived in the world of imagination and illusion will come out of hiding, as television adds sight to sound to make radio drama more real than ever.

The book sketches the historical evolution of television, explains non-technically how the electronic eye and camera operate to flash faces through space and within the instant pick them from the air for reassembly many miles away. So accurately will the magic be performed that television owners of tomorrow will make albums of their snapshots of pictures which flash into view on their home television screens. Television is described as an evolution, not revolution. After the war, the pace of this evolution will be speeded and its expansion as a service to the public accelerated.

The book reveals that, in much the same way that the movies became talkies, broadcasting will add the appeal of vision. The broadcasting industry may be expected to go through a gradual transitional period as sight is allied to sound, first in the larger cities and then spreading nation-wide, as radio relay stations link the entire country into a sightseeing network.

Reconversion of radio manufacturing plants to post-war production of civilian receiving sets will mark the opening date of the new television era. At the same time, the increase in number and activity of television stations is seen as essential to provide adequate service to the public. A survey of the field indicates that for many years to come broadcasting and television will be complementary services. There is no prospect that broadcasting will "dry up" overnight. Ultimately, television on ultra-short waves promises an entirely different service.

## RADIO REPLACEMENT PARTS NOT BEING "FROZEN"

Signal Corps procedure, subsequently changed, to secure replacement parts for a large number of amateur receivers taken over from the trade and the public, has led recently to unfounded rumors in radio industry circles that the Government intended to requisition or "freeze" radio distributors' stocks of all replacement parts, the Radio Manufacturers' Association advises. Neither the WPB nor other Federal agencies, according to officials, plan any such summary action, and the Signal Corps has issued new orders, providing for orderly purchase, either through parts manufacturers or distributors, for only the necessary replacement parts needed for the amateur sets acquired. From the Omaha Signal Corps headquarters, and in Kansas City, St. Louis and a few other cities, replacement parts for amateur sets were recently bought in large quantities from parts distributors, causing the unfounded rumors of a wide parts "freeze" policy. Signal Corps orders, since issued, curtailed parts purchases to only the necessary replacements for the amateur sets involved, and through customary channels.

The WPB earlier in the week issued this statement:

"Efficient maintenance of home radios is on the preferential list at the War Production Board."

WPB announced that radio parts, hitherto subjected to sharply restricting orders, could be bought by distributors and dealers from manufacturers on priorities if they were needed to repair home radios.

"The procedure does not require repair shop operators or householders to do anything but makes it easier for large distributors to obtain parts from manufacturers", Linford C. White, Chief of the WPB Distributors' Branch, explained.

"Only items essential to keep receiving sets going will receive preference ratings. Unnecessary radio gadgets and phonographic attachments will not be included."

Prior to this the National Broadcasting Company had put out a story captioned, "Millions of Sets Likely to Become Useless as Stock of Radio Repair Parts Dwindles", which warned:

"With only one year's normal stock of new radid sets now available to replace obsolete receivers, and with the supply of radio repair parts practically depleted, millions of listeners soon will be without receiving facilities unless the Government relaxes its rigid ban on the manufacture of replacement parts and raw materials. Once the rapidly diminishing surplus is gone, according to a survey made by NBC, the radio industry estimates that the number of set owners with "dead" receivers will increase 14,000 daily. This rate of loss, if continued for four years, would affect the majority of radio equipped homes, and make it useless for broadcast stations to continue operations."

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#### SENATE ORDERS FULL STEAM AHEAD IN PETRILLO PROBE

Without a dissenting vote the Senate approved the resolution of Senator Clark, of Idaho, calling for an investigation to determine whether James C. Petrillo's forbidding American Federation of Musicians members to play for recordings of musical programs used by radio stations and juke boxes was in restraint of trade. The Senate likewise approved an expenditure of \$5,000 to make the investigation.

Senator Burton K. Wheeler, Chairman of the International Commerce Committee, described it as a "full fledged" inquiry and said that he would appoint the members of the subcommittee shortly. It is expected they will be, perhaps with some additions, the same group headed by Senator Clark of Idaho, which conducted the recent hearings.

The resolution approved by the Senate follows:

"Resolved, That for the purpose of considering appropriate legislation of the subject matters hereof, the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make, and to report to the Senate the results of a thorough and complete investigation of acts, practices, methods, and omissions to act, by persons, partnerships, associations, corporations, and other entities in interstate and foreign commerce, which may or do interfere with, or obstruct the national welfare, the public morale, or affect the public good originating from or as a result of the actions of the American Federation of Musicians and its president, James C. Petrillo, in denying members of the American Federation of Musicians the right to perform music for recordings and transcriptions destined to be played for reproductions by radio stations and coin-operated phonographs, including among other things:

- "(1) Restraints of trade by foreign or domestic persons, partnerships, associations, corporations, or other entities, whether through monopolies or otherwise affecting the manufacture and production of, or playing for, musical records and transcriptions, and the control of music and music production in the United States.
- "(2) Financial arrangements and demands therefor with respect to profits, salaries, bonuses, or other honorariums, which may have been arranged for, accepted, or demanded by individuals or organizations affecting the manufacture and production of or playing for, musical records and transcriptions and the control of music and music production in the United States."

Senator Clark said he would move as quickly as possible to complete the inquiry and make recommendations "to tighten up" either the Sherman Anti-trust Act or the Federal Communications Law.

He saw a possibility, however, that the investigation would result in a request to President Roosevelt to use his war-time powers

to deal with the situation without legislation. Mr. Clark explained that he thought two weeks of hearings would be sufficient, and said that many radio station executives, compoers and others had asked to appear. He intends to call Mr. Petrillo and other union leaders afterward, he said.

In discussing the possibility of legislation, Mr. Clark pointed out that although the Department of Justice has filed suit against Mr. Petrillo and other officers of the union under the Sherman Act, recent Supreme Court decisions have seemed to indicate its view that labor unions are exempt from the application of the law.

He suggested that either the Sherman Act or the Federal Communications Act might be amended to make it unlawful to do anything "to prejudice the mediums of dissemination of public knowledge by the radio, newspapers, etc." in the event that the President did not invoke his wartime powers.

Attorneys of the Justice Department and the Federal Communications Commission are studying the situation, Mr. Clark said, pending a ruling by the Federal District Court in Chicago, where the suit against Mr. Petrillo was filed.

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#### OWI BUYS RADIO TIME FOR SERVICE MEN IN ALASKA

In an effort to provide American troops in remote stations with the kind of contact they want with home, the Office of War Information announced Wednesday that it would purchase a minimum of eight hours radio time daily beginning about October 1 to pipe news and special programs to service men in Alaska.

Commercial shows taken from the three major radio networks also will be transmitted. The programs will be piped from San Francisco to four Alaskan stations at Fairbanks (KFAR), Juneau (KINY), Ketchikan (KTKN) and Anchorage (KFQD) and rebroadcast over medium wave transmitters.

As equipment becomes available, the OWI, in conjunction with the Army Signal Corps, will install low-powered transmitters at Nome, Dutch Harbor and Kodiak.

The OWI already is broadcasting news and variety programs for the information and entertainment of American troops on overseas duty. The schedule of Alaskan broadcasts was arranged by Murry Brophy, Chief of the Bureau of Communications Facilities of the OWI's Overseas Branch.

#### LOS ANGELES TELECASTS NOW EVERY ALTERNATE MONDAY

Following a survey to determine how and when Los Angeles television lookers can best be served by Station W6XAO, on top of Mount Lee in Hollywood, Thomas S. Lee, owner of the station, the only operating television station on the West Coast, has announced that telecasts will henceforth be made every alternate Monday. They began Monday, September 21, 1942.

Since the current television programs include instructional and educational film and talent presentations that aid Civilian Defense and facilitate participation in the war program, the new telecast schedule will be another W6XAO contribution to unity for victory, Mr. Lee said.

Monday was selected for the bi-weekly programs after a combination radio-television survey showed it to be the "preferred stay-at-home" night among West Coast listeners and lookers.

With the change in schedule, Mr. Lee also announced the installation for regular operation of two new orthicon television cameras. These are the latest type cameras made by RCA on a special order placed by Mr. Lee in June, 1939, and only recently delivered. According to Harry R. Lubcke, Director of the television station, these new cameras use only a small fraction of the light necessary for the iconoscope cameras. Their potential advantages have already been noted in operation, for the new orthicon cameras were tested and proved on a sneak preview on the telecast of September 5.

Visitors will not be permitted on the Mount Lee premises for the duration of the war.

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#### ANOTHER NEBRASKA DAMAGE SUIT FILED AGAINST ASCAP

ASCAP has been made the defendant of another damage suit arising from the statute which outlaws it from doing business in Nebraska. The action was filed last week in Omaha in the Federal Court by Joseph Malec, President of Peony Park and President of the Nebraska Music Users Association. The amount he asks is \$50,708, or three times what he has paid ASCAP in license fees since the statute became effective May 17, 1937. Malec operates an all-season dance spot.

A similar suit was brought by WOW, Omaha, some months ago. ASCAP earlier this year turned back to its writers and publishers the administrative rights of their catalogs as far as Nebraska is concerned. The Warner Bros. publishing group subsequently took steps in the Federal courts to stop various Nebraska music users from continuing to play WB material. A decision on a technicality of the suit is now pending.

## ECONOMIC WARFARE RADIO EXPORT CONFERENCE OCT. 29

A radio industry conference on export problems and procedure will be held in Washington, Thursday, October 29, at the Washington Hotel. The industry conference, one of the first being held by the Board of Economic Warfare with several large industries, was arranged by the Export Committee of the Radio Manufacturers' Association, of which W. A. Coogan, of New York, is Chairman.

An all-day program is being made up. Ten key officials of BEW and also of WPB and the Department of Commerce will participate in the meeting. An open forum of questions and answers on all radio export matters will be a feature. Among the Government official participants being invited are Hector Lazo, Assistant Director of the Warfare Board, in charge of exports, and Warfare officials who direct various export procedures.

Chairman Coogan is preparing an agenda, and all Association members are invited to have representatives attend the conference and the complimentary luncheon.

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#### COMMISSION RELAXES POLICY ON USE OF QUARTZ CRYSTALS

The Commission this week relaxed slightly its interpretation of a Memorandum Opinion of last April in order that applications involving shifts in frequency in which no materials will be utilized other than quartz crystals, may be granted, provided:

- (a) Such applications involve no inconsistencies with Order No. M-146 of the War Production Board relating to quartz crystals;
- (b) Such applications involve no engineering conflict with any other application pending at any time since Feb. 22, 1942;
- (c) Such applications involve no inconsistences with the Commission's Rules and Regulations;
- (d) Such applications tend toward a fair, efficient, and equitable distribution of radio service, are consistent with sound allocation principles and offer substantial improvement in standard broadcast service; and
- (e) Such applications are otherwise in the public interest.

The Committee studying this matter advises that it will make further recommendations relative to the Memorandum Opinion.

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## I. T. & T. TO CONSTRUCT FIRST UNIT OF NEW FACTORY

The International Telephone and Telegraph Corporation announces plans to proceed promptly with construction of the first unit of a new factory to be located in New Jersey, which will eventually become the home of I. T. & T.'s research and manufacturing operations in the United States. The site selected for the project consists of approximately 125 acres in Nutley and Clifton. It is regarded as a very desirable location for a highly skilled process such as telephone and radio manufacturing and is also an especially suitable location for laboratories engaged in telephone and radio research.

The factory will be constructed in units following a fundamental plan which provides great flexibility for expansion. Each unit will be self sufficient and yet will be so designed as to be coordinated with the other units to form an efficient and modern plant.

I. T. & T. expects to take up its option on the property as soon as certain financial and technical details may be completed, including alteration of zoning laws and street arrangements which Nutley has already introduced and which are up for the consideration of the Clifton Municipal Council in a few days. Then construction will be commenced immediately of the first unit of the factory - about 75,000 square feet of operating space.

As the opportunity arises to enlarge the factory, I. T. & T. plans to ultimately transfer all or most of its American manufacturing and its extensive research laboratories to the new site. At the present time the manufacturing activities of the Company's subsidiaries in the United States occupy more than 800,000 square feet of space, mostly rented, and employ approximately 5,500 persons.

Other subsidiaries of I. T. & T. have long been among the largest manufacturers of telephone, telegraph, cable and radio equipment throughout the rest of the world, but the development of I. T. & T.'s manufacturing in the United States has come largely since 1940. Established primarily to supply the telephone and radio needs of Latin America, the factories and laboratories controlled by I.T.&T. in this country have fitted into the war program in a timely manner.

Early in 1941, I. T. & T. organized International Telephone & Radio Manufacturing Corporation and established a telephone and radio factory and laboratories, and in June, 1941, the latter company acquired control of the Federal Telegraph Company, an important producer of radio equipment and radio transmitting tubes. These two companies are soon to operate under one name, Federal Telephone and Radio Corporation which will head up all I. T. & T. manufacturing and research operations in the United States.

## BROOKS, FORMER A.P. MAN, HEADS NBC SPECIAL EVENTS UNIT

William Brooks, executive editor of Forbes magazine and for 14 years an executive of the Associated Press, has been appointed Director of the News and Special Events Division of the National Broadcasting Company. Mr. Brooks succeeds A. A. Schecter, who resigned to join the War Information Office in Washington.

In Kansas City, Washington, New York and, most recently, London, Mr. Brooks served the press association in various capacities - as executive editor of AP's feature service, as executive news editor in New York, as executive assistant to the general manager, and as Managing Director of the Associated Press of Great Britain, Ltd., in charge of photographic coverage and news distribution to Europe, Australia and the Far East.

Mr. Brooks' service with AP was preceded by seven years of general news work, as reporter, news editor and feature writer. He entered journalism in his home town on the Sedalia (Mo.) Capital in 1917, while still in High School. After attending the University of Missouri he worked on several Midwestern newspapers including, finally, the Kansas City Star.

He joined the Associated Press at Kansas City in 1926 and the next year was transferred to Washington, D. C. as feature editor. Later he was brought to New York as News Editor of the feature service, succeeding to the executive editorship in 1929. For six years he visited every State in the union as feature service chief and later as Executive Assistant to the AP General Manager. He also traveled extensively in South America and Europe. He was sent to London in 1937 as Managing Director of the Associated Press of Great Britain, Ltd. He returned to this country last year to become Managing Editor of Forbes Magazine, later taking over the executive editorship.

Mr. Brooks is 39 and a member of the National Press Club.

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## P. K. EWING ENJOINED IN WAGE-HOUR DISPUTE

Federal Judge Wayne G. Borah, in New Orleans, last week signed a permanent injunction restraining P. K. Ewing, Sr., Commercial Manager of Station WDSU, and who does business as WGRM in Mississippi, from violating the provisions of the Fair Labor Standards Act of 1938, commonly known as the wage-hour law. Specifically, he is restrained from paying any of his employees less than the minimum rates of compensation established by the Act, and from failing to pay his employees the proper overtime compensation. Ewing is also ordered to maintain adequate records as required by regulations of the wage-hour administrator.

The suit was filed by Abe Kupperman, Louisiana attorney for the Wage-Hour Division after an investigation of the firm's business by the Mississippi State Office of the Division.

Mr. Ewing offered no defense or objection to the injunction, and the decree was issued upon motion for the attorney of the administrator, plaintiff in the suit.

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#### FCC ACTION

WOOD, King-Trendle Broadcasting Corp., Grand Rapids, Mich., granted modification of construction permit as modified, which authorized increase in power, installation of new transmitting equipment and directional antenna for night use, and move transmitter and studio, for extension of completion date to November 23, 1942; KITE, First National Television, Inc., Kansas City, Mo., granted petition for a continuance of hearing in re application for renewal of license, now set for September 21, 1942, and continues hearing until September 24, 1942; W8XO, The Crosley Corp., near Mason, Ohio, granted further extension of developmental broadcast license upon a temporary basis only, pending determination upon application for renewal of license, in no event later than November 1, 1942.

Applications Received - WAGA, Liberty Broadcasting Corp., Atlanta, Ga., license to cover construction permit which authorized change in frequency, increase power, installation of new transmitter and directional antenna for night use and move transmitter; also authority to determine operating power by direct method; W9XER, Midland Broadcasting Co., Kansas City, Mo., construction permit to install new transmitter and increase power from 1½ KW to 3 KW; WTZR, Zenith Radio Corp., Chicago, Ill., modification of construction permit as modified which authorized construction of new television broadcast station requesting extension of commencement and completion dates.

Also, <u>W49D</u>, John Lord Booth, Detroit, Mich., modification of construction permit which authorized construction of new high frequency broadcast station for extension of completion date to Jan. 11, 1943; <u>KGER</u>, Consolidated Broadcasting Corp., Ltd., Long Beach, Calif., modification of construction permit which authorized increase in power, installation of new transmitter and directional antenna for night use and move of transmitter for extension of completion date to 11/12/42.

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Known as the "Weekly Digest of Radio Opinion" a condensation of views on important public affairs broadcast by professional radio commentators, occasional speakers and participants in forums and news-dramatizations, published by Radio Reports, Inc., 220 East 42nd St., New York, N.Y.

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TRADE NOTES

The Advisory Committee on Transmitting Tubes of the War Production Board will meet in Washington Wednesday, September 30, and the Receiving Tube Committee will hold a meeting in the Capital on Thursday, October 8, both for further consideration of replacement production problems, according to the Radio Manufacturers Association.

During the period from July 16 to July 31 inclusive, NBC broadcast 86 commercial and sustaining shows to further the war effort for a total time of 29 hours and 49 minutes. This compares with 23 hours and 35 minutes allotted to the same objective in the first half of July.

Continental Radio & Television Corporation is to sponsor "World News Today", beginning Sunday, October 4 - its first program on the Columbia network.

The 1942 World Series will be broadcast exclusively over WOR and the Mutual Network on more than 300 stations in the United States, Canada and Hawaii starting Wednesday, September 30, under the sponsorship of the Gillette Safety Razor Co. It is reported that proceeds of the radio rights, estimated at \$100,000, will be donated to the USO.

Government radio excise taxes last August, largely covering July sales, by manufacturers and after complete suspension of civilian production, totaled \$813,349.86. This compared with collections during the previous month of July of \$1,249,005.12, and with radio taxes in August, 1941, of \$752,689.89.

With the departure, in August, of 21 additional employees for the armed forces, the total number of NBC men and women on leave for military service now is 353.

The American Communications Association has inaugurated a campaign in New York City to recruit 500 men for training as radio operators to man merchant vessels. Harry A. Morgan, Vice-President of A.C.A., radio operators' union, who made the announcement, said the program is being sponsored by the union, the American Merchant Marine Institute and the United States Office of Education.

He said modern radio apparatus has been obtained and is now being installed in Public School No. 20, at Rivington and Forsythe Streets, where the classes, calling for a maximum of 900 semester hours, will be held, beginning next Thursday.

The semi-annual report of the Stewart-Warner Corporation and its subsidiaries, shows a net profit for the six months ended with June of \$767,125 after depreciation, \$6,432,174 provision for Federal income and excess profits taxes based on the contemplated laws and \$250,000 for the contingencies. The result is equivalent to 60 cents a share on 1,273,027 shares of capital stock.