

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

NATIONAL BROADCASTING COMPANY, INC.
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No. 1476

NBC STANDS ITS GROUND IN REFUSING CO-OP PROGRAM

The following is a reply by Niles Trammell to a request by the Federal Communications Commission that the National Broadcasting Company state the facts relevant to its refusal to carry the alleged controversial program "Let's Get Together, Neighbor!" of the Cooperative League of the United States of America:

"The representatives of The Cooperative League of the U.S.A. approached NBC in an endeavor to purchase time over stations WTAM, Cleveland, and KDKA, Pittsburgh, only, and not over the NBC network. NBC is the operator of WTAM, and acts as national spot sales representative for the licensee of KDKA. The programs were to be rendered by means of electrical transcriptions.

"We were advised by the League that it is 'a nonprofit, non-political membership organization established in 1916 and is chartered under the laws of the State of New York. It is the national federation of consumer cooperatives comprised of twenty regional and national associations with one and one-half million family patron members in 46 states. . . . The league is financed by dues of seven and one-half cents per year for each individual member of associated organizations. Special activities like radio are financed by additional contributions of members and member associations. Our bank is Amalgamated Bank New York. National offices are maintained in Chicago, New York and Washington. Purpose of league is to coordinate national activities and to promote additional business and membership in existing co-ops and to encourage the organization of neighbors to help themselves through cooperatives."

"When the League approached us, the program for which they proposed to buy time was obviously designed not only to sell the cooperative movement generally, but to obtain additional members for its member cooperatives. In our opinion, the script for the first broadcast violated NBC program policies in many respects and would not have been acceptable to us for broadcasting in the form in which we received it. The particular NBC program policies which seemed to us to have been violated by the script are as follows:

"Statements which tend to undermine an industry by attributing to its products generally faults and weaknesses true only of a few, and statements which are derogatory to an individual, an institution, a group or an industry must be avoided.

"Commercial programs shall not refer to any competitor, or his products, directly or indirectly.

"Statements of prices and values must be confined to specific facts. Mis-leading price claims or misleading comparisons tend to challenge the integrity of all advertising and must not be used."

"Assuming, however, that the script might have been re-written to comply with the above policies, still the primary purpose of the program, from the League's advice to us, was to acquire additional members for the consumer cooperatives which are members of the League. NBC has had a very long established policy which prohibits the acceptance on a commercial broadcast basis of any planned campaign that solicits or promotes membership drives. Under that policy we would not sell time for membership drives on behalf of any organizations. The counterpart of this policy is another NBC policy under which we do not sell time to promote the purchase of specific stocks, bonds, properties, etc.

"Furthermore, so far as the proposed program purported to further the 'cooperative movement', as opposed to other methods of distribution followed in the United States today, it was controversial in nature. NBC has long had a policy of not selling time for the broadcasting of controversial issues, except in the case of political broadcasts during campaign periods. This policy is the rule of the broadcasting industry.

"In light of these obvious violations of NBC program policies, we had no alternative but to refuse the business as applied to WTAM. Under instructions from the licensee of KDKA, which advised us that the program likewise violated similar policies of that station, we declined to sell time for the program over KDKA as well.

"At the time the program was turned down, we made clear to the League that we had no policy against selling time to them, or their members, subject to our policies, for the purpose of selling products or the services of particular cooperative stores. The fact of the matter is that we have often sold time to various cooperatives for the purpose of selling their various products.

"Furthermore, I believe it will interest you to know that in balancing our program content, we have from time to time made sustaining time available to the proponents of the various phases of the cooperative movement, during which they discussed the merits and methods of functioning of cooperatives. In fact, we have given sustaining network time to The Cooperative League of the U.S.A. itself.

"It is interesting to note that the NBC policies and those of the industry against selling time for membership campaigns and for the broadcasting of controversial subjects have stood the test of time."

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Four Rochester, N. Y. industries, Kodak, Bausch & Lomb, Consolidated Tool and Gleason Works, went on the air Navy Day night over WHAM to tell the country that they had received the Navy "E" pennants.

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SEE POLITICS IN WMUR NEW HAMPSHIRE BROADCASTS

Political discrimination was charged in the following telegram sent from Concord, New Hampshire, to each of the Commissioners of the Federal Communications Commission by United States Senator Styles Bridges, of New Hampshire:

"The Radio Voice of New Hampshire, Inc. with a principal place of business at Manchester, New Hampshire, operating radio station WMUR, whose principal stockholder and director at the time of incorporation and presumably still is Francis P. Murphy, of Nashua, N. H., a candidate for election to the United States Senate broadcasts daily in supposedly news broadcasts, political statements wholly designed to promote the candidacy of Mr. Murphy and to discredit other candidates.

"These broadcasts are not confined to an impartial broadcast of the news as announced. Furthermore people over this station in the interests of Mr. Murphy's candidacy have been guilty of making numerous slanderous statements tending to degrade other candidates for political office. Freedom of speech is being daily transgressed by these grossly false utterances obviously intended to wilfully, wantonly and maliciously misinform and misguide the citizens of New Hampshire by this false propaganda.

"I demand in the interests of common decency for the people of New Hampshire an immediate full and complete investigation of all broadcasts issuing from this radio station and that proper steps be taken at once by the Commission to stop this false and malicious propaganda and that the Commission use its power of suspension or withdrawal of license if necessary."

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BURKLAND, MINNESOTA MAN, HEADS WJSV, WASHINGTON

Carl J. Burkland has been appointed General Manager of CBS' owned and operated Station WJSV, Washington, D. C., Frank Stanton, CBS Vice President, has announced.

Mr. Burkland replaces A. D. Willard, Jr., whose appointment as General Manager of WBT, Charlotte, was announced last week in a realignment of CBS owned and operated station executives that moved A. E. Joscelyn, WBT's Manager, to WCCO, Minneapolis, and brought William E. Forbes, Manager of WCCO, to New York as an Executive Assistant to the management.

Mr. Burkland is the third WCCO man to win a place for himself in WJSV. The first was the late Henry Bellows, former CBS vice-president. Recently Earl Gammons came in to take the place of Lieut. Commander Harry C. Butcher, when the latter was called into service.

Mr. Burkland was born in Buffalo, Minnesota, and attended the University of Minnesota. His radio career began in 1929 when he joined WCCO as an announcer. After work in the station's production department and as a salesman, he was for four years Sales Manager of WCCO. He came to New York as a member of the staff of Radio Sales in October, 1941.

10/30/42

SOLON NAMES WRONG MAN AS "PRAISE THE LORD" COMPOSER

When Representative Luther Patrick (D), of Alabama, sponsored a resolution in the House to honor the man who wrote the popular patriotic song now sweeping the country, "Praise the Lord and Pass the Ammunition", he incorrectly named Kay Kyser, the radio band leader, as the composer. It should have been Frank Loesser, noted song writer on the West Coast.

Representative Patrick was straightened out in the matter by the following letter from Robert L. Murray of the American Society of Composers:

"It has come to my attention that you recently introduced a resolution to authorize the President to present a gold medal of award to Kay Kyser for the service he has rendered to the nation in writing the song, 'Praise the Lord and Pass the Ammunition'.

"Mr. Kyser is not the author of that song. The man who wrote both the words and music to 'Praise the Lord and Pass the Ammunition' is Mr. Frank Loesser of Hollywood, one of the prominent members of the American Society of Composers, Authors and Publishers. I am sure you will want to rectify this error, and I know that no one will be more embarrassed should a correction not be made than Mr. Kay Kyser who gave the now famous war song its first radio hearing, and whose recording of this number is on the best-seller list from coast to coast. For your further information, the chaplain who inspired Mr. Loesser's song is Father William Maguire, Chaplain of the United States Navy.

"Mr. Loesser is the author of many splendid popular songs, including 'Jingle, Jangle, Jingle'. His address is 1737 Whitley Avenue, Hollywood, California."

Unless vigorously pressed, there is not much chance for consideration of Representative Patrick's resolution until after election. Even then there would have to be fast work to get it through before this session of Congress ends at which time the measure would automatically die. Inasmuch as Representative Patrick was defeated in the primaries and therefore will not be a member of the next Congress, the resolution would have to be re-introduced by someone else if further considered.

If the memory of this writer is correct, it took years to get a similar resolution through Congress honoring George M. Cohan for writing "Over There", the great song of World War I.

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WINX COMES BACK AT TRAFFIC COURT BROADCASTS CRITIC

In answer to a letter written to the Washington Star by Samuel Soloman, a listener, protesting against the broadcasts from the District Traffic Court, Lawrence J. Heller, President of Station WINX in Washington, D. C., produced what he said was an unsolicited letter of commendation written to Mr. Heller by Howard F. Wentworth, noted traffic official of Washington, which read:

"As secretary of the Commissioners' Traffic Advisory Council and in behalf of Traffic Director William A. Van Duzer, I have been instructed to extend to you and your staff at WINX an expression of sincere appreciation for your daily broadcast from District Traffic Court.

"Your regular programs from the courtroom and rebroadcast of the proceedings at night are contributin in no small measure to the city's traffic safety promotion efforts. Station WINX is rendering a real public service which truly merits its signature of 'Washington's Own Station '.

"With best wishes for continued success in all your undertakings, I am, very truly yours, Howard F. Wentworth, Secretary, Traffic Advisory Council."

This letter, according to Mr. Heller, was post-marked October 21 - one day earlier than the letter of Mr. Saloman appeared in The Star.

"Mr. Saloman's letter to the Star follows:

"We have a constitutional provision against 'cruel and unusual punishments', even in capital offenses, yet blandly tolerate like punishments in minor traffic violations, and that before conviction.

"I refer, of course, to the questionable practice of one of our radio stations, still in vogue, of entertaining its radio clientele every morning with cases coming before our Traffic Court - those accused of exceeding the speed limit by a fraction, jump-starting on the yellow signal, going wrong on a one-way street, double parking, even for a split minute, and the hundred and one other traffic violations some few of our auto brethren occasionally are guilty of.

"I seriously question whether this fits in with good radio practice and good taste, and whether it should be permitted to continue. I know that if I were thus publicly pilloried - I have been driving for more than a score of years and have yet to get a ticket for a traffic violation - I certainly would not like it."

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10/30/42

TO SPEND \$1,325,000 ON RADIOS FOR MERCHANT SHIPS

That over a million dollars is to be spent on radios for merchant ships was made known Thursday.

Radio programs, news broadcasts, events of world-wide interest, and news from home soon will be heard by all American merchant sailors at sea, the War Shipping Administration has announced.

It stated that an order had been placed for 2,600 of the latest specially designed type of seagoing radio receiving sets which are to be installed for the benefit of the crews of ships under the control of the War Shipping Administration and on new vessels being built by the Maritime Commission.

The standard broadcast receiver, whenever the set is in use, radiates a signal which can be picked up by enemy vessels and submarines with the aid of a loop antenna radio direction finder and can be used by them as a guide in locating the ship on which such a receiver is located. For this reason the use of all ordinary broadcast and short-wave receiving sets has been prohibited aboard merchant vessels.

Recently a receiving set has been perfected that eliminates this hazard. After exhaustive tests, conducted by the Federal Communications Commission, which proved the new sets as non-reradiating, their installation aboard merchant vessels was approved.

The new precision built sets, which are capable of bringing in both broadcast and short wave programs, are to be installed immediately on American merchant ships in port and others as soon as they return to their home ports. Loud speaker connections from the master set will be placed in the officers' and crews' mess.

With our ships sailing daily through the war zones, and with the strain and nervous tension of being at sea under present conditions, the reception of programs from home will be an important factor in keeping up the morale of the men of the merchant marine, Admiral Emory S. Land, War Shipping Administrator and Chairman of the Maritime Commission, stated in sanctioning the expenditure of \$1,325,000 for this equipment.

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Philco Corporation, Lockheed and Vega Aircraft Corporation, and R. J. Reynolds Tobacco Company have announced that they would shortwave their CBS programs to our troops overseas. This brings to seventeen the number of individual commercial CBS shows now being shortwaved to the AEF.

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RCA-NBC FILE ANSWER TO OPTION TIME SUIT CLAUSE

The answer of Radio Corporation of America and National Broadcasting Company, Inc., to the triple damage suit filed earlier this year in the Federal District Court in Chicago, by Mutual Broadcasting System, Inc., and the operators of certain stations affiliated with that network, was filed last week.

Mutual had claimed damages allegedly resulting from the affiliation contracts between NBC and the stations on its network. Mutual complained especially of the so-called option time clauses which usually provide that, upon twenty-eight days' notice, NBC may exercise the option to use a part of the time of its affiliated stations.

The answer of RCA and NBC denies that there has been any violation of the law or that the plaintiffs have been damaged in any way. It asserts that national advertisers will not use national broadcasting as an advertising medium unless a network is able to guarantee circulation in the markets contemplated by the advertiser and for such an extended period of time as the advertiser may desire to option.

The answer likewise asserts that the complaint fails to state a claim upon which any relief can be granted. It points out that Mutual itself, in its contracts with its stockholder stations and other affiliates, has recognized the necessity of exclusive option time in the conduct of network broadcasting, but has seen fit to limit the use of option time only in so far as such limitation would injure the advertising revenue of NBC, Columbia and Blue Network Company, Inc., and protect and augment the present advertising revenue of Mutual.

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NEW RADIOGRAM AND RADIOPHONE TAXES START SUNDAY

Effective Sunday, November 1st, the tax rate on telegraph, cable and radio dispatches or messages will increase from 10 to 15 percent.

The tax rate on telephone and radio telephone toll charges of 25 cents or more has risen from 5 cents for each 50 cents of the charge to a straight 20 percent rate. Local telephone service is increased from 6 percent to 10 percent.

Another change made by the 1942 Revenue Act was to increase the rate of tax on coin-operated gaming devices from \$50 to \$100 a year. The change is not effective until July 1, 1943. The manufacturers' excise taxes applicable to rubber articles, electric signs, optical equipment and commercial washing machines have been repealed as of November 1.

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FURTHER ELECTRONIC EQUIPMENT CONTROL ESTABLISHED

Further control over the production of electronic equipment is established by Limitation Order L-183-a, announced Thursday by the Director General for Operations.

Producers are ordered, after January 1, 1943, to schedule, within any single priority rating, production and deliveries of electronic, communication, detection, and signalling equipment according to numerical designations assigned by the "Precedence List" of the Joint Communications Board of the Army and Navy.

The "Precedence List" designations - which set forth the relative urgency of deliveries of certain types and quantities of electronic equipment - operate only within any one priority rating category. They do not affect the scheduling of purchase orders having different priority ratings nor purchase orders not included in the "Precedence List". Producers of electronic equipment were directed to transmit to their suppliers or fabricators of components or parts "Precedence List" designations with quantities and delivery schedules. The designations, however, do not affect raw materials.

Although the Order becomes effective January 1, 1943, producers are requested to reschedule their deliveries before that date, where feasible, and where they can be rescheduled without disrupting production efficiency. It was emphasized, however, that rescheduling resulting from the provisions of L-183-a, must not cause a delay in the delivery of purchase orders of equal or higher priority ratings not bearing "Precedence List" designations.

The "Precedence List" is restricted and is not available for publication. On it each item assigned a numerical designation, beginning with PL-A1, which is the highest order of urgency, and running through a series of letters and numerals covering more than four hundred items.

All reports to be filed in connection with communications, appeals, etc., concerning the Order L-183-a should be addressed to: War Production Board, Radio and Radiar Branch, Washington, D. C.

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CENSORS FIGHT SHY OF WILLKIE'S SPEECH

Even President Roosevelt did not know exactly what Wendell Willkie, the Hoosier Marco Polo, was going to explode over the radio last Monday night. Although it was the widest radio coverage ever afforded a private citizen in time of war, the President evidently decided to keep hands off. The result was that along with dinner guests, especially invited to the White House for that particular purpose, Mr. Roosevelt heard the speech over his radio like anybody else.

By the same token the censors accepted it as a "hot potato". It is said that neither Elmer Davis at the Office of War

Information nor Byron Price, Director of Censorship (though fellow Indianians and close friends of his) saw a copy of Mr. Willkie's speech before he broadcast it.

Likewise, the speech went out to the world on short-wave without being censored and Variety had this to say about that part of it:

"Wendell Willkie's frank-speaking radio address last Monday night put various branches of the U. S. Government in a peculiar position so far as short-wave airings of it were concerned. All the DX outlets - which will be privately owned and operated for only a few more weeks - naturally contacted the Office of War Information and the Coordinator of Inter-American Affairs to find what special steps were being taken to obtain world-wide airing of the speech. Inasmuch as it was treated domestically just as a presidential address is, that is, carried on virtually all stations, DXers thought foreign handling also would be similar.

"OWI and CIAA immediately got in touch with the White House and State Department for instructions. Word they got was that the Government favored world-wide broadcasting of Willkie's talk, but that OWI and CIAA should not take extraordinary steps to achieve it. Latter entails the sending of scores of cablegrams and wireless messages to stations and point-to-point relay transmitters throughout the globe, in order that they pick it up and rebroadcast it.

"It then developed that Government agencies - apparently including the White House - had not seen a copy of the speech in advance. OWI and CIAA, which wanted texts, as they get of presidential addresses, for translation into foreign languages in order to achieve simultaneous coverage, were told that 'Mr. Willkie is still working on the speech'. Reason for his reticence at giving advance copies was interpreted as being tied up with the implied sharp criticism of experts (presumably State Department, Army and Navy) for their resentment of typewriter strategists. Especially delicate were his jabs at State Department condescension.

"Despite the fact they hadn't seen the address, official sources notified the DXers that contrary to general practice, Willkie's speech would not have to be submitted to the Office of Censorship prior to being put on the short waves. Willkie was said to be 'an authority', which apparently put him above censorship.

"Excerpts of the Willkie talk were widely carried. In addition, at least one Latin American station, Radio Mundo in Buenos Aires asked for and received the talk in English direct. It was carried point-to-point through facilities of R.C.A. Communications, arranged with the cooperation of the CIAA after the station had made specific request."

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Station KVOB, Bellingham, Wash., has granted a modification of construction permit for extension of completion date to April 30, 1943, of construction permit to install new equipment, directional antenna, move transmitter, increase power from 250 watts to 1 KW using directional antenna, and change frequency from 1230 kc. to 790 kc. Denied request for special service authorization to operate on the frequency 790 kilocycles.

The Office of Strategic Services has announced that it had received 800 letters in response to the recent "Army Hour" (NBC Sundays, 3:30 P.M., EWT) plea for pictures taken abroad. (The Army, through the Office of Strategic Services, is collecting snapshots taken by American tourists abroad, since global warfare may carry U.S. troops to any corner of the earth and the most seemingly insignificant snapshot may reveal important military information.)

The May Department Stores Co., Physicians Electric Service Corporation, and Solomon E. Mendelsohn, individually and as an officer of the corporation, all of Los Angeles, have been ordered by the Federal Trade Commission to cease and desist from misrepresentations concerning a short-wave diathermic device advertised as "Psecor Shortwavatherm".

The device is manufactured by the Physicians Electric Service Corporation and a substantial portion of its sales has been effected through the May Department Stores Co. The Commission finds that the May company and Physicians Electric Service Corporation collaborated in preparing advertisements of the device.

The American Society of Composers, Authors and Publishers (ASCAP) has expressed its gratification to Toscanini and the National Broadcasting Company for the maestro's recognition of native composers by scheduling an all-American program, including George Gershwin's Rhapsody in Blue for the opening of the NBC Symphony season, Sunday, November 1, at 5:00 P.M., EWT.

Station WPDQ, Jacksonville Broadcasting Corp., Jacksonville, Fla., was granted a license by the FCC to cover construction permit which authorized a new station to operate on 1270 kc., 5 KW, unlimited time, DA-night, and for approval of studio site at Gulf Life Bldg., 125 West Church St., Jacksonville; also authority to determine operating power by direct measurement of antenna power.

A 30-second appeal to buy war bonds, which started as a "consequence" on Ralph Edwards' "Truth or Consequences" repeat program last Saturday night, ended with over \$100,000 in actual sales.

Mrs. Jeanette Brenner, mother of two sons in the service, was the unlucky participant who turned out to be a super-saleswoman. As a special reward for her one-woman bond sale drive, Mrs. Brenner was given a prepaid round trip to Camp Shelby, Miss., to visit the son stationed there. The second son is in Honolulu.

On the Commission's own motion, it continued WLW's (The Crosley Corp. Cincinnati, Ohio) hearing until November 26, 1942 for modification of license to operate with 500 KW until local sunset, 50 KW at night, using transmitter of experimental station W8XO.

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