

HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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RMA TO KEEP SETS WORKING; NEW WPB COMMITTEE FORMED

Two important steps have been taken by the Radio Manufacturers' Association. One was the authorization of the organization of a new Service Bureau to develop and conduct an all-industry program for continued operation of civilian receivers, including adequate servicing personnel and replacement of parts. Another was the organization of a new WPB radio industry Advisory Committee, to discuss broad, general policies with WPB Radio and Radar Branch and possibly other Government agencies. Ray C. Ellis, Deputy Director, WPB Radio and Radar Branch, is the Chairman of the new and small Industry Advisory Committee, which consists of the following seven members: Messrs. W. P. Hilliard, Bendix Radio Company, Baltimore, Md.; A. S. Wells, Wells-Gardner & Co., Chicago, Ill.; E. E. Lewis, RCA Manufacturing Company, Camden, N. J.; W. F. Hosford, Western Electric Company, Chicago, Ill.; Percy L. Schoenen, Hamilton Radio Corporation, New York, N. Y.; Max F. Balcom, Sylvania Electric Products, Inc., Emporium, Pa.; and Monte Cohen, The F. W. Sickles Company, Springfield, Mass. Included are five representatives of both large and small radio and radar manufacturers, with one representative each of the tube and parts manufacturing groups. Six of the seven companies represented are RMA members, and the Advisory Committee includes three members of the RMA Board of Directors - Messrs. Balcom, Hilliard and Wells.

The new Industry Committee has been organized to deal only with general policies relating to the military radio program, and will not act in connection with civilian radio or replacement parts matters. The Committee has already met and discussed such subjects as the new "Controlled Materials Plan" for distribution to war contractors of critical materials; the new WPB order, 183-a, relating to the "Precedence List"; draft deferments, and other important general matters relating to the war program.

An experienced Manager will be engaged for the new RMA Bureau to keep the civilian broadcast receivers working. The various activities of this Service Bureau will include plans for the training of sufficient radio service operators, probably including women, Boy Scouts, etc., and also the securing of materials for replacement tubes and parts. A simple text book covering fundamentals of radio servicing also recommended, and other features of the project will be developed, following selection of the new Bureau's Manager and formulation of a definite program for the Bureau's activities. The project contemplates activities by manufacturers, broadcasters and also other groups, with a broad publicity plan.

The former and larger Industry Advisory Committee, which operated under the Consumers Durable Goods Division of WPB and which was appointed in 1941 during the industry transition from civilian

to war production, was abolished a few months ago. The new committee, according to WPB officials, will be much more effective, through its limited size, and will be able to present the industry viewpoint on many fundamental policies and procedures of the military radio program.

Another change contemplated in the Industry Advisory Committee organization of WPB is to reduce the present Advisory Committee on receiving tubes from 9 to 3 or 5 members.

Five initial sections of the new RMA Transmitter Division, to deal with specific product lines, are being organized as follows:

(1) Radio transmitter and other radio tubes not normally employed in radio receivers; (2) Broadcast transmitters, AM and FM, picture and sound, including antennas, studio equipment, etc.; (3) Emergency service communication equipment; (4) Aircraft and Marine equipment; and (5) Piezoelectric quartz crystals.

G. W. Henyan of the General Electric Company at Schenectady is Chairman of the Section.

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NEBRASKA COMMENTATOR CAUSES DEFEAT OF SENATOR NORRIS

The refusal of Foster May, Station WOW's 37-year old commentator at Omaha, Nebraska, and Democratic senatorial candidate to withdraw from the race sealed the doom of the veteran Senator Norris of Nebraska, who had represented the State in the U. S. Senate for 30 years and the House for ten years previous to that - longer than the entire lifetime of the commentator.

With Senator Norris running as an independent and Mr. May remaining in the race, the old-timer got caught in a three-way contest allowing K. S. Wherry, a Republican, to romp into the senatorship. According to the latest figures available at this writing, Mr. May received 51,412 votes, almost as many as Senator Norris, who polled 63,589. Mr. Wherry had 107,664.

In the defeat of Senator Norris, the Cooperative League, which is endeavoring to make it hot for the National Broadcasting Company and the Columbia Broadcasting System for turning down its advertising, loses one of its principal champions. Whether the resolution to go into this situation, introduced by Senator Norris, will be pressed by Senator Bob LaFollette if it does not pass at this session, remains to be seen.

Almost equalling the long record of Senator Norris, but retiring as a victor and for his fifth term is Senator Arthur Capper, owner of Station WIBW and wealthy publisher of the Topeka, (Kans.) Capital.

The Committees in the Senate and the House having to do with radio were hit very lightly by the landslide. Senator H. H. Schwartz (D.), of Wyoming, on the Senate Interstate Committee was defeated by E. B. Robertson, a Republican. Senator Edwin C. Johnson (D.), of Colorado, was returned after a hard fight, as was Senator C. Wayland Brooks (R.), from his triumphs in Illinois. Senator Wallace White (R.), of Maine had been reelected in September.

There will be vacancies on the House Merchant Marine and Fisheries Committee due to the absence of Representatives John B. Sullivan, of Missouri, John A. Meyer, of Maryland, and James C. Oliver, of Maine.

Representative Richard B. Wigglesworth (R.), of the House Appropriation Committee was returned and will no doubt continue to plague Chairman Fly on certain matters. Incidentally Mr. Fly being an ardent New Dealer probably will not have quite as easy sailing with the new heavily weighted Republican Congress.

At last reports, former Senator Clarence Dill (D.), of Washington, co-author of the Communications Act was trailing and badly defeated. He tried to stage a comeback to the House where he had served before going to the Senate. Mr. Dill's New Deal views and vote against entry into the War in 1917 rose as a campaign issue against him. Walt Horan, Wenatchee Republican, piled up an ever increasing lead against him.

Representative Jared Y. Sanders, Jr. (D.), of Louisiana, author of the bill to rewrite the Communications Act, was defeated in the primaries. It is expected the bill will be reintroduced into the new Congress by Representative C. F. Lea (D.), of California, who was nominated by both parties in that State and therefore among those who approached the election without fear of the axe.

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CHARGES PETRILLO WITH SETTING UP A PRIVATE WPA

At the regional meeting of the National Association of Broadcasters in Atlanta, Neville Miller declared:

"We don't feel that we can make a bargain with him (Petrillo). There is no unemployment today among musicians who make their living by music alone. Radio men do not feel that they can set up a privately-financed WPA for Petrillo's AFM members. And that's what he wants us to do."

There was a vote of confidence for the NAB at the Atlanta meeting for the way it had handled the fight with the head of the American Federation of Musicians.

The Executive Board of the A. F. of M. met in Chicago last week and affirmed its determination to maintain the ban on

phonograph records and transcriptions until a plan for increasing employment among musicians has been adopted by commercial users of these products. The meeting in a general review of the situation made note of the fact that the recording companies themselves have not made any move toward finding a solution for their present predicament.

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BOSTON S-W STATION DENIES PROFIT HOLDOUT

In reply to a rebuke from the Government for refusing to lease International Station WRUL of Boston to the United States for war propaganda work, as did the other short-wave stations, Walter S. Lemmon, principal stockholder in WRUL, and Prof. Harlow Shapley of Harvard, with which the station has been cooperating, issued this statement:

"We emphatically deny that the question of any financial consideration is holding up the subject of leasing the facilities of WRUL 24 hours a day as proposed by the Government. The negotiations have been delayed because of the attitude of certain officials who refuse to discuss maintenance of certain valuable programs and program policies. . . they requested that WRUL should first lease all of its time after which they would discuss these policies that are vital . . . It (WRUL) now represents the last free shortwave radio voice in the entire world and it is the desire of its trustees to safeguard this trust for the listener's to a station located in the world's greatest democracy."

The Office of War Information and the Coordinator of Inter-American Affairs challenged as "not accurate" an assertion by Mr. Lemmon that he had not signed a contract "because no provision has yet been made to safeguard the station's tremendous audiences built up in all parts of Europe."

"Mr. Lemmon has not yet signed because of a disagreement over the sum which the Government should pay for the facilities of WRUL", the statement continued. Station WRUL is presumably a non-profit corporation. But, in the opinion of the Office of War Information, the Coordinator of Inter-American Affairs, and the Federal Communications Commission, the sum demanded by Mr. Lemmon from the Government would give the corporation a substantial annual profit."

It was said that OWI planned to use about two-thirds of the time of the short-wave stations taken over by the Government and Rockefeller the remaining third - the evening hours for the latter and daytime hours for the former.

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U.S. EXPECTED TO HAVE STRONGER VOICE IN S-W BATTLE

The United States which has just taken over the major short-wave stations, hopes soon to have a much stronger and more effective American voice in the battle with the Axis short-wave stations, James L. Fly, Chairman of the Federal Communications Commission, declared, addressing a radio audience over the National Broadcasting Company from Washington.

"Government control of American short-wave radio transmitters now engaged in international broadcasting has become necessary. The close relation between our conduct of the war and the character of broadcasts directed to the enemy and to other foreign nations is readily obvious. In time of war the Government must exercise a thoroughly coordinated control over these shortwave transmitters which have heretofore been under the varying controls of the private companies owning them. The propaganda war is as real as the military. Singleness of purpose is an obvious essential. This move does not constitute ownership, and the physical facilities will continue in the hands of the private companies. The arrangements have been entirely voluntary and are indicative of the general cooperative attitude of all of the communications companies toward the Government in this period of stress. I must say also, that this limited transaction is not to be taken as reflecting a conclusion that the Government should take over domestic broadcasting or other domestic communications.

"Because propaganda is a notable part of Axis strategy, it is important to record and analyze the radio broadcasts directed to the world by Axis nations. Military events frequently cast their shadow of propaganda before them. A department of the Federal Communications Commission, called the Foreign Broadcast Intelligence Service, operates throughout the twenty-four hours and records over a million words a day. It gathers a store of valuable material, which is made available to government departments and military services by teletype, a daily report, and a weekly analysis.

"Another activity of great wartime importance is policing the ether. This is done to ensure that no illicit radio operation is being carried on within our own borders, and to determine the location of stations engaged in such operation elsewhere. By taking bearings on the transmitter from several different spots the station can be traced, by successive stages, to a place within a radius of 50 miles, to a city block, and finally to a room within a building. A constant watch on the radio spectrum, moreover, enables Federal Communications Commission listening posts to pick up the radio signal from a Navy plane down off the Galapagos, and to intercept enemy messages."

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RADIO ENGINEERS CUT MEETING DOWN TO ONE DAY

The annual Rochester Fall meeting, sponsored jointly by the Engineering Department of the Radio Manufacturers' Association and the Institute of Radio Engineers, will be held in Rochester, N.Y. Monday, November 9, but has been cut down to a one-day, war-radio conference.

The Rochester meeting will be presided over by Dr. W.R.G. Baker, of General Electric, and there will be several meetings of RMA engineering committees on military standardization problems.

The program is:

Morning Session - Symposium on Radio Production and the War Effort

Opening Address: Dr. W.R.G. Baker, Director of RMA Engineering Department

Addresses by: Lt. Comdr. A. B. Chamberlain, Radio Branch,
Bureau of Ships, Navy Department
Capt. Billings MacArthur, Army-Navy Communica-
tions Expediting Agency

"German Aircraft Radio Equipment" - F. S. Barton, British Air Commission

Afternoon Session - Technical Session on Radio Equipment Production

"Flexibility in Communications Equipment Production" - J. J. Farrell, General Electric Company

"Radio Production Test Methods" - Harry Rice, Sperry Gyroscope Co., Inc.

"Photographic Templates" - Messrs. E. C. Jewett and C. D. Tate, Eastman Kodak Co.

Dinner - Address by Charman James L. Fly, Chairman of Federal Communications Commission and Board of War Communications.

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ELMER DAVIS SEEN AT THE CROSSROADS

Elmer Davis will not go on the air after all, Variety reports, and continues:

"There were a new crop of rumors about Elmer Davis last week, these averring he was frustrated by Army and Navy leadership and might resign his directorship in disgust. No tangible facts are available on this issue and some observers see the rumors as manufactured to create disunity and to further discredit officialdom in the eyes of the people."

That observation was written before the election and it is just possible the injection of new Republican blood into the situation may cause Elmer to change his mind if he had any idea of throwing up the sponge. Mr. Davis has consistently advocated telling the truth to the public about everything. Numerous critics have blamed

war news hold-outs and alleged manipulation of news bulletins for creating distrust in the people's minds of the Government and thus being partially responsible for the Republican landslide. Although Mr. Davis is himself a New Dealer, it is believed the incoming Republicans would back him up.

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SAYS OWI EAGER TO CONTINUE COMPETITIVE S-W POLICY

In announcing that the National Broadcasting Company is now placing all its experiences and research in the short-wave field at the disposal of the Office of War Information and the Coordinator of Inter-American Affairs, John F. Royal, Vice-President, said:

"We have been assured that the OWI is eager to continue the competitive programming policy which has been the foundation of the American system of broadcasting and which has made the shortwave programs from the United States the most eagerly listened to of any country in the world.

"The plans of the Government engineers and those of the private companies give every indication of equalling and even surpassing what is being done by Axis countries. This means more high-powered transmitters and frequencies which, I understand, have been arranged for, and close coordination between practical radio operators and those of the Government agencies who can give proper directives.

"It is with better programs that America will get a world audience. The United States has a story to tell and we have the greatest supply of talent in the world. In fact we have more talent of universal appeal than the rest of the world combined.

"All the talent of our network has been placed on our short-wave programs and many American radio advertisers have made available their programs for the purpose of aiding this propaganda effort and also to entertain the troops abroad. This will now be continued on a greater scale than ever before. With well planned programs and with proper signals, it is my feeling we should capture the larger part of the world radio listeners.

"Our contracts call for five years' lease but may be cancelled by the Government before that period. The contracts for the leasing of the transmitters have been signed by us and we agreed to start working on program coordination at once while we continued to work out details of the programming contract. Because our experts have explained the great importance of the time factor, we were most anxious to have the United States radio effort functioning as soon as possible. We know that the Axis nations are planning even greater efforts through radio. It is one of their most important fronts. American broadcasters and the Government are now cooperating to speedily overtake the Naxis with the weapon of radio."

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GENERAL TAKES FALL OUT OF WILLKIE AT SYLVANIA FETE

Lieut. Gen. Joseph T. McNarney, Deputy Chief of Staff, U. S. Army, enlivened the ceremonies marking the awarding of the joint Army-Navy "E" pennant to the Emporium, Pa. plant of the Sylvania Electric Products Company by calling Wendell Willkie "an armchair strategist". The pennant was made jointly by General McNarney, himself a native of Emporium, and Rear Admiral C. F. Fiscner.

"Numerous commentators, many of our political figures and a great number of armchair strategists are exerting a very great influence on the public's opinion of how the war is being fought", said General McNarney. "Unfortunately, none of these spokesmen is acquainted with all the facts. Many of their observations are highly superficial, and are opinions proceeding from incorrect premises."

In an interview following his prepared address, General McNarney said he was referring to Mr. Willkie in his criticism of "armchair strategists".

"Such individuals are not fully cognizant of the problems facing the Army. Nothing would please the Army and Navy more than the opportunity to tell the American people the whole story and to repudiate the half-truths and superficial observations which are being circulated in abundance. Were the Army and Navy to yield to the tempting prospect, the success of present and future operations would be jeopardized and the lives of our soldiers and sailors would be endangered."

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NAB TO VACATE QUARTERS TO RFC

Thirty tenants of the Normandy Building at 1626 K Street, N.W., in Washington, D. C., including the National Association of Broadcasters, are awaiting a moving deadline from the Federal Government following notice that the nine-story structure will be taken over by the Reconstruction Finance Corp.

When the RFC plans to take over the building could not be learned. It is understood the offices are to be occupied by a staff of the corporation assigned to the synthetic rubber program.

C. E. Arney, Jr., Secretary-Treasurer and Assistant to the President of the NAB, said he had made no move to find new quarters.

"We realize the Government need for office space for expansion of war agencies and want to do everything we can to cooperate", he said. "It is necessary that we maintain offices in Washington so that we can remain in close contact with the Office of War Information, the Marine Corps and other sources of this nature."

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::: TRADE NOTES :::

Sales of phonograph records by the Recording Laboratory of the Library of Congress yesterday were exempted from price control by the Office of Price Administration. The Recording Laboratory is planning to sell records of American folk songs to educational institutions. The exemption, contained in Amendment 38 to Supplementary Regulation No. 1 of the General Maximum Price Regulation, effective November 10, was made because the records are to be sold at cost. It allows the prices to be changed without the necessity of OPA authorization when costs vary.

All priority assistance and allocations of scarce materials have been withdrawn by the WPB for a period of three months from J. B. Roxburgh, who does business as the Crescent Electric Co., San Francisco.

The twin 60-foot television towers near Wheaton, Md. just outside of Washington, D. C., long a familiar landmark in Montgomery County, will be torn down in the scrap drive. The towers were built by the late C. Francis Jenkins of Washington, noted scientist and inventor, about 15 years ago. The television station was said to be one of the first to be established in the country.

General denial of the charges of a complaint issued by the Federal Trade Commission against Ulrici Medicine Co., Inc., and Trans-Pac Services, Inc., New York and Long Island City, N.Y., is made in answers filed by the corporations. The complaint alleged that in advertisements in the Spanish language contained in newspapers and by radio continuities and otherwise the respondents falsely represented that a medicinal prepared designed "Ceregen" is a concentrated food for the nerves and blood; that its use will strengthen the organic system, restore and calm the nerves and that it is effective in relieving neurasthenia and all nervous ailments.

Columbia Broadcasting System, Inc., reported for 39 weeks, ended October 3 profit of \$2,893,669, equal to \$1.69 a share on the capital stock, compared with \$3,815,434, or \$2.22 a share for 40 weeks ended October 4, 1941.

Leon Henderson's voice is about to become as well known to the American public as the cigar-punctured countenance which has been beaming at citizens from countless magazine and newspaper stories these past few months.

Starting last (Thursday) night, the OPA Chief will take to the air in the first of a series of weeks, 15-minute broadcasts in which he'll answer questions on price-fixing, rationing and other matters falling within the jurisdiction of his office. The programs will be aired by Station WJSV and the Columbia network.

A highly accurate time system is now in operation in vital NBC studios and control rooms at Radio City. Electric clocks con-

nected to this precision system will not vary more than one-third second a day. This new equipment has been under development for over six months and similar installations are now being made at NBC divisional headquarters in Chicago, Hollywood, San Francisco, Washington, Cleveland and Denver. Affiliated stations on the NBC network may, if they wish, compare their own clocks with the Radio City precision system by using the NBC time signal which is transmitted twice daily from Radio City.

An announcement by WPB is scheduled next week of a new "Controlled Materials Plan", which has been developed to allocate critical materials in accordance with specific production schedules. Vice Chairman Eberstadt and his staff have virtually completed the new system, which will largely succeed the present priorities system. Basically the plan, which it is reported will become fully effective July 1, 1943, with prior preliminary steps, will provide for establishment of a bill of materials on essential war production, with "A" and "B" lists of manufacturers, and allocation will be coordinated to contract deliveries, combining features of PRP as well as some of the present priority system, and also the "Production Control Plan" and the steel budget quota system.

Newspaper advertising is now increasing in Great Britain not because many firms have products in sufficient quantity to meet the demand but because, with an eye to the home markets after the war, they wish to retain the public's good-will.

A big advertiser has been the British Government itself which between Sept. 1939 and June, 1942, spent 3,805,000 pounds promoting such campaigns as war savings. This expenditure was exclusive of other outlays through the mediums of the motion pictures, radio broadcasting and advertising posters.

The biggest declines were in household equipment, food, drink, automobiles, smoking, toilet and beauty preparations, radio and music. In some cases the advertising of certain articles dropped as much as 80 per cent. Cigarettes and pipe tobacco plunger from 1,800,000 pounds to 500,000 pounds a year.

Forecasting a Selective Service for War Work at Home which must distribute the nation's manpower and womanpower "fairly, firmly and efficiently", Harry Hopkins, Special Assistant to the President, writes in a signed article in The American Magazine, the number of workers in each major industry who will be shifted to direct war production.

Mr. Hopkins cites a long list showing the number of workers in various industries who will be placed in war work, including radio. He gives the total number employed in radio in April, 1942, as 68,400 and states that 63,000 are to be employed on war work.

The first women pages to invade the hitherto strictly male personnel of NBC's guide and page staff, started work this week. They are, Mrs. Rebecca Shaw, formerly on the staff of WFLA, Clearwater, Florida, as a stylist; Mrs. Kathryn Cole, wife of an Army chaplain, and Miss Gertrude Vander Poel, a Captain in the Red Cross Motor Corps.

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RCA 9 MONTHS' CONSOLIDATED NET PROFIT DOWN \$1,453,502

The consolidated statement of income of the Radio Corporation of America and subsidiary companies for the third quarter of 1942 and the first nine months of the year, with comparative figures for the corresponding periods of 1941, was issued this week by David Sarnoff, President. It shows, for the first nine months of the year, consolidated net profit of \$5,158,058. This result was after taxes and all other charges, and compares with \$6,611,560 net profit in the nine months to September 30 last year, a decrease of \$1,453,502.

Provision for Federal income and excess profits taxes for the first nine months of 1942 amounted to \$15,811,400, compared with \$9,803,600 for the corresponding period in 1941, an increase of \$6,007,800.

Total gross income from all sources amounted to \$136,523-433 in the first nine months of 1942, compared with \$109,598,947 in the same period in 1941, an increase of \$26,933,486.

This year, after payment of Preferred dividends, nine months' earnings applicable to the Common stock were equivalent to 19.8 cents per share, compared with 30.2 cents per share in the first nine months last year. Net profit after taxes for the third quarter of 1942, was \$2,133,937, compared with \$2,510,464 in the same quarter of 1941.

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JESS WILLARD HONORED AT FAREWELL LUNCHEON

Tributes and gifts were lavished on A. D. (Jess) Willard, Jr. Manager of the Columbia Broadcasting System's station in Washington, at a testimonial luncheon given in his honor by the Advertising Club of Washington, at the Raleigh Hotel. He has been transferred to manage Station WBT, CBS's 50 kw station at Charlotte, N.C.

Representatives of all Washington radio stations and newspapers praised Mr. Willard for his contributions to business and civic enterprises and wished him success. He joined Station WJSV in 1932 and won promotions until he became Manager in 1937. He is a past Vice President of the Ad Club, a former Director of the Kiwanis Club and a former President of the Tri-State Golf Association. He was co-founder and instructor of the Radio Division, School of Speech of the University of Maryland, and for several years has been a member of the National Radio Committee for the Celebration of the President's Birthday.

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