

# HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

HEINL BROADCASTING COMPANY, INC.  
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December 29, 1942.

## MC DONALD WARNS ON "ELECTRONICS MISNOMER"

The radio industry should not allow itself to be swallowed up by the designation "electronics" the use of which is becoming so general Commander E. F. McDonald, Jr., president of the Zenith Radio Corporation declares.

"We've had a lot of misnomers in the radio industry", Commander McDonald said. "Take television, for instance. 'Tele' means distant and 'vision' means sight. By that token, if I looked through a pair of binoculars I'd be using television.

"Now comes another misnomer -- electronics. Pretty soon someone will be asking you if you are going to make your Radio Business Letter cover the subject of the new industry "Electronics." You have an investment in "radio" and so have all the rest of us.

"Last Friday at the annual banquet of the Chicago Chapter of the Institute of Radio Engineers Dr. Arthur F. Van Dyck was supposed to be one of the speakers but, being unable to be present, he sent a telegram and in this telegram he advocated the use of 'radionics' rather than 'electronics'. Dr. Van Dyck's wire read:

"The whole field of electronics is in the process of broadening, although not quite so prismatically as advertising copyrighters occasionally describe the picture, but we are concerned only with those fields which involve radio frequency. Recently, I heard a new term for these now radio fields which seems apt. It is 'Radionics'. That seems to be a good term if we want to find one which will win friends and influence people."

"Frankly", McDonald commented, "there is one point in what Dr. Van Dyck said that I am not in agreement with ... but we are concerned only with those fields which involve radio frequency."

"By 'we' I assume that he means the radionic industry. And we are certainly interested in public address, electric eye controls, etc., which do not involve radio frequency. In adopting radionics I hope we will make it no more limiting than the British term electronics. It should encompass the whole industry, and I am so writing Van Dyck."

Finally Commander McDonald sent the following letter to several key men in the broadcasting industry in the hope of arousing their interest in what he believes to be the danger to the industry in the continued use of "electronics":

"The first syllable of electric, electricity, electronics springs from the Greek root meaning amber which they discovered had certain properties when rubbed. Ion comes from the Greek meaning to

wander, therefore, I take it 'electronics' is wandering amber. Is that descriptive?

"The term 'electron', as thought of today, is of British origin having been first used by G. J. Stoney in 1891. Since we did not adopt the British word, 'wireless' and we haven't yet accepted the British term 'valve', why should we adopt 'electronics' for our new industry?

"According to the American Standards Association, the British term 'electronics' means, 'the branch of science and technology which relates to the conduction of electricity through gases or in vacuo.' I don't know how electricity can be conducted through gas or vacuum without accompanying radiation in some form, but of course I'm not a technician.

"'Radionics' sounds better to me as we know radio springs from the Latin to radiate and certainly it would be more descriptive of our new industry to the public than 'electronics.' At least I don't believe that if we adopted the word 'radionics' that the public would be asking you and me whether we are going into that new business, 'electronics'.

"I've got a big investment in the word 'radio' and so have you."

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PHILIPS EINDHOVEN PLANT BOMBED BY R. A. F.

In a mass raid carried out by 100 R.A.F. planes tons of high explosives were dropped on the plant and broadcasting station of the Philips Radio Company at Eindhoven, Holland. Photographs show a heavy pall of smoke over the establishment in which a great fire seemed to be raging.

The Philips plant captured by the Nazis was manufacturing radios for the Axis nations.

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RADIO OMITTED FROM EDUCATORS' ADVERTISING BAN

Newspaper publishers are up in arms because radio and magazines are omitted in a letter urging Secretary Morgenthau, Donald M. Nelson and James M. Byrnes to adopt a drastic curtailment in advertising volume. The publishers want to know just why the newspapers have been singled out as the target.

"The letter purports to have been signed by 150 educators, and several of the names appended to the release were of people known in peace times to have been associated with anti-advertising movements", the editor and publisher states. "The Amherst dateline may be explained by the fact that the secretary of the group, which seems to have acted by mail, is Prof. Colston E. Warne, of Amherst College. Prof. Warne will be remembered as an active protagonist of Consumers' Union and as strongly opposing many of the uses to which advertising was put in pre-war days."



"The final point in the letter reads: 'Undoubtedly, such a restrictive advertising program would bring sacrifices in particular cases and would lower the income of advertising media. We would urge that, in an all-out war, essential sacrifices must be made; furthermore, that the freedom of the press may well be enhanced if newspapers are less dependent upon advertising and more dependent upon collecting the true cost of publication directly from the readers.

"Please note that only newspapers are referred to in that final touch. Neither radio nor magazines are subject to corruption, it seems, through the investments of commercial advertisers. And yet it ought to be obvious to even the casual reader or either newspapers or magazines that the latter are carrying far more "institutional" advertising than can be found in the daily press.

"First the group letter opposes war-time advertising because there is now little need to stimulate current consumption, and that to the extent that advertising accelerates present buying, it is running in direct opposition to the efforts to check inflation.

"Second, it cites TIDE statistics showing that the current volume of advertising is some 21 per cent above the level during the years 1935-1939. That is a thoroughly deceptive comparison but it serves the present purposes of this group. It does not make plain that while 1935 and 1936 might have been considered "normal" years during the past decade -- that is years in which both advertisers and the publishers of advertising media did a volume of business that assured reasonable profits -- the years 1937, 1938, and 1939 were times of comparative depression, when many business firms and publishers failed to break even.

"We fully appreciate," the group letter says, "that among these are advertising messages that the government needs to carry to the public. Where these exist, let them be paid for directly by the government rather than associated with the private trade names of commercial companies. We urge, therefore, that, through administrative order, commercial companies be permitted to include as a deductible cost (for tax purposes) only that minimum of advertising absolutely essential to secure the same of actual current output.

"Such a ruling would make it unnecessary for the Federal government, as at present, to be paying the bulk of the advertising cost of those companies now subject to high excess profits taxes. If in highly competitive fields all concerns which advertise are, for the duration silent with respect to their trade names, their relative competitive position will be maintained fully as well as if they were all to be reminding customers of their existence."

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The NBC-Northwestern University Summer Radio Institute will be continued next summer. The Institute, launched as an experiment in training broadcast personnel, was so successful that every graduate was placed in radio broadcasting. The excess of requests for graduates was 150 above the first class.



## FEDERAL RADIO CELEBRATES RECEIVING "M" PENNANT

Beneath a giant tent erected for the occasion at the corner of Mount Pleasant Avenue and Gouvernor Street in Newark the Maritime Commission "M" Pennant and Victory Fleet Flag for outstanding performance in the development and production of radio equipment was formally presented last week to Federal Telephone and Radio Corporation, a manufacturing subsidiary of International Telephone and Telegraph Corporation. The awards were made by F. E. Hickey, Director of the Maritime Commission's Division of Purchase and Supply, and were accepted on behalf of the company by its president, Col. Sosthenes Behn. Mr. Hickey also presented Maritime Merit Badges to employees of the firm.

Federal Telephone and Radio Corporation is a large producer of radio units for the Maritime Commission's Liberty Fleet. Senator Albert W. Hawkes was guest of honor and principal speaker.

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## IS FCC SEEING THE LIGHT?

Although there was said to be no connection between it and the Senator Byrd drive on questionnaires, unnecessary government reports, and red tape generally the Federal Communications Commission adopted an order relieving the American Telephone and Telegraph Co. and the New York Telephone Co. of the necessity of filing additional periodic reports, regarding the coaxial cable installed. Since no further experimental or construction work on this project is now being carried on, the Commission said, there is no occasion at the present time for periodic reports. The Order provides, however, that in the event any further use is made of this cable for any experimental purpose, including television, prompt notice shall be given this Commission.

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## DIES AND KNOX BATTLE OVER RED RADIO OPERATORS

The Dies Committee was about to unloose a hot blast against Secretary of the Navy Knox, the other day, accusing him of keeping Communists as radio operators on wartime ships, Drew Pearson writes in the "Merry-Go-Round". "Behind this mystery is an interesting insight on how the Dies Committee operates." Mr. Pearson continues.

"Martin Dies, chairman, was in Texas at the time. How much he knew of the proposed blast against Secretary Knox is problematical. No other member of the Dies Committee was in Washington except Jerry Voorhis of California and he knew nothing about the matter. However, Robert Stripling, secretary of the committee, was going to blast the Secretary of the Navy anyway.

"Here is the inside story of what happened. Some time ago, the Radio Officers Union, an A. F. of L. organization, submitted evidence to the Navy and the Dies Committee that members of a rival C. I. O. union were Communists, but were employed as radio operators on merchant ships used by the Navy.

"As a result, 7 of these C. I. O. radio operators were discharged, and about 13 others blacklisted. Later the matter came to the personal attention of Secretary Knox, and he, anxious to be fair, asked that Wayne Morse, former Dean of the University of Oregon Law School and now a member of the War Labor Board, review the case.

"Morse found that charges against the radio operators were groundless, that their worst offense was membership in groups labeled 'radical' by the Dies Committee, such as the defunct League for Peace and Democracy. He even found that some of the blacklisted operators had made outstanding contributions to the war. For instance, Wayne Paschal of New York, a member of the C. I. O. American Communications Association, had worked out a fool-proof recording device, now used on merchant ships, to prevent espionage by radio men. Yet he and the others had been branded by the Dies Committee.

"On receiving Morse's recommendations, Knox reinstated the discharged operators. However, the Dies Committee's secretary, Bob Stripling, learned of the reinstatements through Fred M. Howe, head of the A. F. of L. union, and the fur has been flying ever since.

"Knox, anxious to avoid a public brawl with Dies, had his aides contact Jerry Voorhis, another member of the committee, who has promised to keep Stripling under control. However, Voorhis has made no promises regarding Dies himself when he returns to Washington."

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#### SAYS SOME COMMERCIALS REAP REWARD IN OBLIVION

The editor and publisher taking a rap at certain radio commercials, says:

"A few months ago Robert Littell in READER'S DIGEST started a campaign which won our admiration. He requested readers to carry on a public battle against offensive radio plugs, and the response within the ensuing two months promised more than trifling success.

"The effect upon the broadcast commercials, however, seems to have been zero. News is cluttered up with treacly blurbs for cosmetics, cheese, soap, and what have you, and, for our part, we've never been able to welcome such interruptions to information of the most solemn, often tragic, significance.

"The folks who write radio scripts, including commercials, presumably have studied their art and believe that they know what the listeners want, or at least what kind of plug sells the most goods. Maybe they do, but we can't help wondering how long the present variety of sales exhortation, lacking dignity and appreciation of listeners' sensibilities, will produce results that will satisfy the sponsors. Selling practices that assume a moron intelligence as the basis of their appeals will soon or late reap their reward -- oblivion."

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## OLD TUBES TO BE TURNED IN FOR NEW ONES.

Radio owners will be required to turn in their old tubes at the time of purchasing new ones, WPB announced Monday. WPB said the rule will probably go into effect as early as 1943 and was being announced now to enable persons who might object to this procedure to enter their dissents.

Government officials said the system of turning in old tubes for new ones will permit the salvaging of tube bases and will control the number of tubes distributed.

WPB also said the number of tube types being produced for civilian use would be further reduced to fewer than 120. Originally there were approximately 700 types produced, but an order last April reduced the number of types to 375.

The 120 types to be produced, WPB said, would satisfy 90 per cent of existing requirements, the remaining 10 per cent coming from existing stocks.

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## CROSLEY HITS FCC DENYING WLW 750,000 W

Vigorous protest against the FCC's action denying WLW's application for authority to experiment with 750,000 watts during early morning hours, and at the same time terminating the existing WLW 500,000-watt experimental authorization Jan. 1, was lodged with the FCC last Monday by the Crosley Corp.

The company, licensee of WLW and its experimental adjunct WSXO, filed with the Commission a petition for rehearing, alleging the Commission had violated its own regulations in denying the 750 kw. developmental authorization.

WLW's present 500,000-watt transmitter unofficially is said to be slated for the Government's warfare program. Consideration now is being given to use of the transmitter either for international shortwave broadcasting from the United States or for standard band broadcasting to Axis-controlled countries. So far as could be learned, final decision has not yet been reached regarding its ultimate disposition, though the Crosley Corp. was said to be collaborating with OWI and other Governmental agencies with respect to its ultimate disposition.

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## BLUE FIRST NETWORK TO MAKE PROFIT FIRST YEAR

It was the proud assertion of Mark Woods, as he finished his first year as skipper, that the Blue Network was "the first network to make a profit in its first year of operation." In other words, Mr. Woods stated colorfully that the Blue would finish its first year in the black. In making his annual report Mr. Woods said:



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"We realize that a broadcasting organization, be it station or network, is judged in the final analysis by the quality of the programs it presents. Therefore, during our first year we have plowed back into sustaining programs all available money. Incidentally, it is interesting to note that only 20% of BLUE Network time is commercial, but that this small amount of total time is the source of revenue which provides the many fine sustaining programs line of success, while the businesses filling the remainder of the broadcast schedule."

At present the BLUE commercial schedule includes 40 sponsored programs of which 24 are new accounts, the network's sales department reports, also pointing out the steady rise in the average number of stations used by sponsors from 70 in February to 91 in December.

The report attributes the BLUE's commercial success in its first year to such innovations as its daytime package rate for across-the-board sponsors, its special discount structure with progressively increasing discounts as the number of stations is increased and to the BLUE being the first network to introduce a 2% cash discount. The BLUE also has stimulated a new type of institutional advertising, one-time programs celebrating special awards won by companies, according to the sales dept. There have been 14 such broadcasts this year, many sponsored by companies new to radio, and in some cases by companies new to all types of consumer advertising.

During the year the BLUE has grown from 116 to 146 affiliated stations which, together with power increases, the BLUE estimates to have added 910,000 radio families to its coverage.

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PHILCO NETS \$1.02 A SHARE IN FIRST NINE MONTHS

Philco Corp. reported last Monday net income of \$595,853, or 43 cents a share, for the third quarter of 1942, compared with \$644,039, equal to 47 cents a share, for the same period last year.

The third quarter earnings boosted net income for the first nine months to \$1,398,280, or \$1.02 a share. Net income for the similar period in 1941 was \$1,502,146, equal to \$1.09 a share.

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PICTURES SEEN USING MORE RADIO ADVERTISING

The tendency towards more extensive use of radio time for picture exploitation by major companies is providing field publicists with a lever to pry open daily newspaper columns for additional space, VARIETY submits, adding:

"Exploitation men now point to excellent results achieved through radio in various key openings and argue that the reduction in daily newspaper space for picture material (likely to continue as a result of curtailed newsprint supply) is forcing film companies to turn to the air for relief.

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"In several hinterland situations publishers who have cut picture copy to a minimum since the outbreak of war are reported reopening columns to the trade in order to circumvent loss of revenue to radio.

"Publicists complain that, though theatre advertising revenue in smaller cities and towns is tantamount to 'payroll' money for newspapers in many cases, show business copy has been the first to be axed.

"Recent newspaper delivery strike in the New York area, when theatre grosses continued booming despite the absence of regular advertising, also provided ammunition for exploiters despite that the temporary stoppage could not be considered as a barometer of daily advertising values. Though a number of theatres bought radio time during the strike period (March of Time reportedly spent \$5,000 to plug 'We Are the Marines' at the Globe theatre, N. Y.) normal newspaper advertising budgets for the holiday season continued.

"Radio exploitation for pictures is likely to affect national rather than local advertising budgets due to the uncertainty of release schedules."

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#### HARBORD SAYS OUR PRODUCTION WILL OVERWHELM ENEMY

Lieut. Gen. J. G. Harbord, Retired, Chairman of the Board, Radio Corporation of America, who was General Pershing's Chief of Staff in World War I says the United Nations should look forward to 1943 as a year bright with promise in the war against the Axis, and continues: "Here in the United States, after long, hard months of preparation, we are getting results scarcely believed possible a year ago. Millions of men are being equipped and trained in modern warfare. Our industrial capacity has been geared to a speed that will eventually overwhelm the enemy with its weight and power. With all its implications for final victory, this power should come into full force during 1943.

"Real fighting is ahead. Wherever the battle lines are drawn, radio will be in the thick of the fight, for it is the lifeline of wartime communications on land, sea and in the air.

"The war map today reveals that American soldiers, sailors and marines are lined up at more than sixty places on the world-wide fighting front. To unify them in communications is a mighty task. Without radio it would be a slow, almost impossible task. Every outpost, whether in jungles or on glaciers, no matter how remote, is linked to headquarters. American fighting men, almost a million of them, are focused in action by radio - the global lifeline of communication.



"In World War I, the center of action lay in France. From that battlefield radiated the communication lines. Wireless was being given its first wartime test, but at no time did the demands upon it remotely approach those of World War II. In the intervening years, the development of the electron tube, of short waves, and of many other devices and services of radio have tremendously increased the efficiency of communications. The result has been that in 1942, radio was ready to play the vital role assigned to it on the many far-flung fronts.

"These long-distance fighting fronts are bulwarked by the home front. In this war the military front and the home front are parallel. The home front is the production front and it runs through every street in the nation. Munitions and food, airplanes and tanks, rifles and radio, all move up to the front lines from the home front. Today, eighteen Americans stand behind every American fighting man. His success and the winning of this war depend upon the workers at home, for only one American in every nineteen will have a job directly in the combat forces in this war.

"The road ahead to winning this war is rough. Every mile toward victory must be fought for with an all-out effort. The rapidity of the march, the turn in the tide of battle, hinge upon science and production, as well as upon direct combat with the enemy."

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#### BEHIND THE SCENES OF THE BBC CHRISTMAS HOOK-UP

The linking up of all parts of the Empire in the great Christmas Day broadcast that is the big feature both of the Home and Empire Services of the British Broadcasting Corporation requires much skill and ingenuity behind the scenes. (It is broadcast from 13.00-14.15 GMT in the Eastern Service, the transmitters being beamed for world coverage.) It is here that the BBC engineers come into their glory, if not into the limelight, for without intensive labour on their part, this complex programme would be impossible. Planning begins at least five or six weeks before Christmas. As soon as the producers have roughed out their ideas of the various contributions to come from different sources, the engineers decide what apparatus will be needed at every centre concerned and arrange that adequate staff will be available to deal with studios, control rooms, and outside broadcast points.

The Overseas Engineering and Information Department is responsible for ordering transatlantic and other circuits from Empire countries--just one of their countless duties. In Britain, lines connecting various BBC centres have to be booked and alternative 'routes' arranged to cope with any hitch.

Another complication is that of pre-recording. Each contributor to the programme makes his contribution 'live,' but in case of accidents a recording has to be made. There may have to be several



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rehearsals before a perfect recording is obtained. Should there be any hitch in the programme, the recording is used instead of the live voice from Canada, New Zealand, or wherever the overseas contribution comes from. A hitch is a very rare occurrence, but precautions must be taken. This complex jigsaw of contributions from all over the world has to be timed to a split second.

"When you hear the Christmas Empire broadcast" says the BBC "think for a moment of the BBC engineers who have put in weeks of patient work and planning to make it run so smoothly. From midnight on Christmas Eve till nearly breakfast time on Christmas Day the programme has been rehearsed while you slept. The engineers themselves take it philosophically enough. 'It's a bit of a headache,' they frankly admit, 'but it's worth it.'"

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### SIGNAL CORPS HEAD IS SELF-STYLED "HARD MAN"

The following article appeared in the Washington Post about the wartime head of the Army Signal Corps:

"This is a war of communications and we don't overlook any communications possibilities."

"Maj. Gen. Dawson Olmstead explains briefly the scope of his Army Signal Corps, which concentrates on everything from the most highly technical of radio developments to the human-interest-filled carrier pigeons.

"General Olmstead styles himself as a 'hard man', a self-reputation concurred in by men who have worked under him. 'When he gives you something to do, he expects it to be done yesterday, and to be done right,' avers one of his subordinates.

"When asked about his technical knowledge of the complicated mechanisms with which he deals, the general tells this story. 'A short time ago, the Under Secretary of War, Robert Patterson, and I, were inspecting some extremely complex machines. He turned to me and asked if I could take them apart and put them together again. I told him, 'I have trouble hanging a screen door straight but I have a lot of men who can.'"

"He has a story to illustrate every point and doesn't believe in conversational frills and furbelows. Typical of this characteristic is his attitude toward the highly regarded poetry written by his wife. 'I don't read it,' he confesses. 'I can't understand it. Seems like a long, confused way to say what you want to say.'

"If official duties permit, he is in bed before 8 o'clock, getting up at an early hour to be in his office before his staff arrives. Once in a long while he and Mrs. Olmstead will go out to a dinner but only if their hosts understand their leaving early. No ash trays are evident in the office of this nonsmoking, nondrinking general. The flags of his corps and of his country stand just behind his desk and a 24-hour clock ticks off the minutes on one wall.

"Born in Corry, Pa., this two-star general was appointed to the Military Academy from his home State and graduated in 1906. During the first World War the general saw action in France, serving in the Office of the Inspector General at Chaumont."

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William C. Ackerman, Director of CBS Reference Library, announces a new exhibit on display in the library. On display are Latin-American coins collected by Guy Hutcheson, CBS Engineer in charge of International Broadcasting. Hutcheson gathered the coins during a 24,000-mile trip to consult with engineers of the 76 stations affiliated with the CBS Network of the Americas. Twenty-one Latin-American countries are represented by the coins ... among them Argentina, Brazil, Trinidad, Peru and El Salvador.

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Albert D. Lasker, principal owner of Lord & Thomas, said the firm would discontinue operations at the end of business on Dec. 31. Lasker is retiring from advertising but under the name of Foote, Cone & Belding his former associates will operate as advertising agents. The new firm heads -- Emerson Foote, Fairfax M. Cone and Don Belding -- have been executive vice presidents respectively in charge of the Lord & Thomas offices.

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Says the Washington Post: "C.I.O. and A.F. of L. leaders are preparing a campaign for the retention of Paul A. Porter, former Washington lawyer for C. B. S., as deputy administrator of the Office of Price Administration, in charge of rent control ... Porter, under Leon Henderson, is credited with saving American rentpayers a few hundred million dollars this year. He never has lived in a rented house."

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Three new radio stations are to be erected in northern Bulgaria, and one in southern Bulgaria, according to the Axis press. These stations will supplement the one now operating in Sofia, but will be less powerful. Construction of a strong short-wave station is also planned.

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As a result of the song "Praise the Lord and Pass the Ammunition" being broadcast to Japan by short-wave, Rev. Hugh C. Craig of Magna, Utah said: "When the Japs interpreted the words of the song and gained the impression that a chaplain had handled weapons, closer restrictions were placed on all priests and other ministers held prisoners."