

# HEINL RADIO BUSINESS LETTER

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FRANK E. MULLEN

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No. 1555

## G.O.P. TO FIGHT TO GET ITS SIDE TO SOLDIERS BY RADIO

It has been learned that Harrison E. Spangler, Chairman of the Republican National Committee and his colleagues will put up the biggest kind of a fight to combat the fourth term short-wave radio campaign among the soldiers. The necessity for this was brought home to the Republicans by President Roosevelt's recent outline of post-war benefits for service men. The War Department explained that only 200 words of the speech were broadcast to the soldiers but the Republicans quickly countered by asserting that these 200 words covered the President's program of aid for the soldiers when they are mustered out. Chairman Spangler made a heated protest but up to now it apparently has gone unheeded. The Republicans obviously were caught napping and in some confusion but campaign strategy with regard to reaching the boys by radio in the future in whatever part of the world they may be will be one of the important topics of discussion when the Republican Postwar Policy Advisory Council meets at Mackinac Island, Mich., Monday, September 6th.

This may even be one of the subjects included by Mr. Spangler in his address which will be broadcast over the NBC and possibly other networks when the Mackinac convention opens.

When queried about the demand of Mr. Spangler that he be allowed to answer President Roosevelt, Elmer Davis passed the buck by saying that broadcasting to troops is now in the hands of the Army. Secretary Stimson, himself a Republican, as yet, however, has not only refused to make amends for the President's alleged fourth term appeal to the soldiers, but has kept mum as to what might happen if another such speech were made. Nor has Secretary of the Navy Knox, also in a strategic position with regard to overseas communications, and himself likewise a Republican, been heard from.

Newspaper commentators in the meantime have kept the pot boiling.

"The episode excited much political acrimony", Mark Sullivan wrote. "This acrimony will recur when the President makes his next radio address. And it will recur with especial bitterness if and when the President becomes a candidate for a fourth term.

"The war creates a special condition. Soldiers abroad are not ordinarily reached by the regular radio networks, nor by newspapers. They are cut off from the ordinary sources by which public opinion is made and communicated.

"But it is necessary that there be means of reaching them for military purposes, for what is called 'indoctrination', for

morale, for amusement and the like. To do this special facilities are set up by the Government. These facilities are operated and controlled by Government officials.

"If soldiers abroad are to be enlightened about the matters that compose political issues, they cannot be restricted to hearing speeches from the President; they must also hear what is said by the Administration's critics."

Said Gould Lincoln in the Washington Star:

"Chairman Spangler of the Republican National Committee issued a statement at the time denouncing the President's address as an attempt to make political capital with the armed forces.

"He requested that his statement be sent to the armed forces, making the request of both Secretary of War Stimson and Secretary of the Navy Knox, both Republicans, by the way. So far as is known, the request has not been and will not be granted. If such a policy is continued, it will be a lopsided political campaign next year so far as the armed forces are concerned, with the Democrats holding all the cards."

Much along the same line George Rothwell Brown of the Washington Times-Herald added:

"Secretary Stimson did not cause to be broadcast to the fighting forces the Republican protest that the President in outlining this program at this time had plainly indulged, for his own political benefit, in fourth-term propaganda.

"Mr. Stimson's action thoroughly confirms the charge of political motive in the President's radio address, if any confirmation were needed.

"But if Mr. Harrison Spangler, the Republican National Chairman, thinks he can accomplish anything at bawling out the President for being what he is and long has been, a clever and resourceful politician, he is going to find himself sadly mistaken."

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#### ARMY NEEDS AND WILL BUY CIVILIAN RADIO EQUIPMENT

Hundreds of short wave sets and other items of amateur radio equipment are now being used by Signal Corps units of the Army Service Forces. There is need, however, for even greater quantities of this type equipment. The Emergency Purchase Section, Philadelphia Signal Corps Procurement District, 5000 Wissahickon Avenue, Philadelphia, Pennsylvania, is charged with the purchase of such items from civilians desiring to aid the war effort by offering them for sale.



Insofar as radio equipment is concerned, purchases are confined to certain high grade or scarce instruments which are no longer manufactured or which are needed in greater quantities. The list of "wanted" instruments ranges from standard and commercial short wave sets to ordinary meters. The greatest need, however, is for testing equipment, such as oscilloscopes, signal generators, tube-checkers, etc. All material is shipped to troops overseas, to Army training schools or allocated to the Federal Bureau of Investigation. The Army will buy the following radio equipment from private individuals:

Standard and commercial built short wave transmitters (such as Hallicrafters HT-1, etc.; Temco and Collins Model 32 and 30) and Standard and commercial built short-wave receivers (such as Hallicrafter, National, RCA, RME, Hammarlund or Howard); AC and DC Voltmeters, Ammeters, Milliameters, Radio Frequency Meters and Volt-ohm-milliameters; Oscilloscopes 2-3 inch; Audio signal generators, 30-15000 cycles; RF signal generators 15-215 megacycles; late model tube checkers and other test equipment.

It is emphasized that owners who wish to sell radio equipment to the Army Signal Corps should not send it in without prior request from the Emergency Purchase Section, Philadelphia Signal Corps Procurement District. A letter to that office listing the equipment that individuals wish to dispose of will receive prompt attention and full details of how the transaction is consummated will be supplied.

Price consideration is based upon your net cost less reasonable depreciation for use, age and condition of equipment. Inasmuch as all equipment is being purchased FOB Philadelphia, cost of packing and shipping can be shown separately so that an allowance for the costs can be made when material is accepted.

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#### WEISS POLITICAL CENSORSHIP FIGHT ATTRACTS WIDE NOTICE

Lewis Allen Weiss, Vice-President and General Manager of the Don Lee Broadcasting System and Vice President of the Mutual Broadcasting System, refusing to be bluffed by the political censorship threats of the Los Angeles County Democratic Central Committee and his expose of their attempt to muzzle West Coast radio stations attracted country-wide attention.

As reported in our last issue, George Myers, Committee secretary, in whose name the ultimatum was delivered, was quick to call the incident a "misunderstanding with no intention to intimidate anyone". However, Mr. Heiww, whose network operates 33 stations on the Pacific Coast had received the threat in black and white and didn't mince words in denouncing the attempt of Myers and the Committee in its effort to kill off anti-New Deal comment.



A lengthy dispatch to the New York Times from Los Angeles describing the battle for free speech said, in part:

"The Democratic Committee adopted a resolution asserting that a condition existed in the broadcasting industry 'by which a large number of commentators are expressing views diametrically opposed to the ideals and aims of the Democratic party and its leader, President Franklin D. Roosevelt.'

"A copy of the resolution was sent to Mr. Weiss, followed a few days later by a copy of a letter sent to the sponsors of the Fulton Lewis broadcasts. This second letter stated that the sponsors must accept equal responsibility for 'misstatements' by the commentator.

"It called upon the sponsors to instruct Mr. Lewis, when 'misstatements' were made in his critical remarks about government bureaus, to devote 'five times as much of his radio program to acknowledging and correcting his errors as he used erroneously presenting his misstatements as facts.'

"Radio executives asserted that the letter carried implications of a secondary boycott, as in its notice that if the sponsors concurred in the demands this would be evidence that 'your company merits support.'

"In reply to the letters, Mr. Weiss wrote:

"I became aware of the device that your Committee evidently intends to employ by intimidating, if you can, all personalities on the air who do not happen to hold the same political beliefs that you do.

"I need hardly to point out to you how undemocratic and even brazen the implications of your communications are, and do not believe that it would redound to the credit of your committee if I were to expose the threats to free speech contained in them."

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#### RADIO TO PLAY IMPORTANT PART IN CAPITAL WAR EXHIBIT

Equipment of the Army Signal Corps including the latest radio devices will be displayed at the 18-day War Department Exhibition in Washington, beginning Thursday, September 9th. It is described as the biggest public exhibition ever attempted by the Army and will be held to promote the war bond drive.

There will be a grandstand seating 10,000. The show will be spread out over an area of approximately six blocks on the Ellipse and Mall just back of the White House. It will extend from Fourteenth Street to what would be Sixteenth Street if it were cut through and from Constitution Avenue to a depth of about three blocks.

There will also be personal appearances of some of the leading radio and screen artists.

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## BROADCASTERS WOULD RE-DEFINE FCC'S POWER

The broadcasting industry is strongly united in the demand for new legislation re-defining the powers and scope of the Federal Communications Commission, Neville Miller, President, National Association of Broadcasters, said this week, following a meeting of the NAB Legislative Committee in Washington last Tuesday. Reports from meetings in nearly half the 17 NAB districts, the first since the Supreme Court FCC network decision of May 10, were reviewed.

"Most of the meetings have resulted in the passage of resolutions and the appointment of District Legislative Committees. Recognition of the industry's peril is evident in these moves", Mr. Miller concluded.

Continued formulation of plans and policies occupied the Committee during its all day session, including discussions of the White-Wheeler bill, scheduled for hearings in September, and the Holmes Bill, recently refiled in the House of Representatives.

Committee members present were: Nathan Lord, WAVE, Louisville, Ky.; Clair McCollough, WGAL, Lancaster, Pa.; Joseph Ream, CBS, New York; William Barlow, appearing for James D. Shouse, WLW, Cincinnati, Ohio; Ed. Yocum, Billings, Montana; and G. Richard Shafto, WIS, Columbia, S.C.

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## FLY GETS MORE PUBLICITY THAN IF ALLOWED TO TESTIFY

If Chairman James L. Fly of the Federal Communications Commission had been allowed to testify in the regular way in the FCC Investigation, he would have been in the newspapers a day or two and then out. With Representative Cox slamming the door in his face and Fly flying back every day or so with a press statement although he has never been on the witness stand, he has been continually buzzing around Cox and getting as much if not more publicity as Congressman Cox.

A typical example was last Wednesday when the Federal Communications Commission was charged with having caused the dismissal of George Brunner a German language announcer on the foreign language station WBNX in New York. W. C. Alcorn, Manager of the station, was said to have let Mr. Brunner out after hearing from Lee Falk of OWI.

Henry F. Wolfgang was charged with supplying information about Brunner to the FCC prior to Falk's action. Wolfgang, described as a narcotic addict, according to the evidence, was listed by the New York City police as a potential Nazi spy. He had posed as a refugee, it was brought out, and was employed by the publication PM for two months, to write special articles.



Under the usual procedure, Chairman Fly, desiring to enter a denial, would have done so a day or so later on the witness stand but instead issued a denial to the press so speedily that it almost got into the same edition of the newspapers with the original charges.

"The FCC had nothing whatsoever to do with the dismissal of George Brunner as an announcer for Station WBNX", the FCC Chairman declared.

"FCC's interviews with Henry H. Wolfgang had nothing whatsoever to do with the dismissal of Mr. Brunner.

"Mr. Brunner was dismissed in June, 1942 - one whole year before any representative of FCC ever met Henry Wolfgang.

"It was in May, 1943 - one year after the Brunner dismissal - that Wolfgang came to the FCC legal office in New York and told the sensational story concerning alleged Nazi radio activities. FCC agents in conjunction with the FBI investigated his charges immediately. They discovered the New York police record which listed Wolfgang as a potential spy with definite indications of working for the Gestapo, and his history as a narcotic addict, and dropped the man at once.

"The record will substantiate each of these facts."

Making the point that Capital opinion is not flattering to the FCC Congressional investigation, Variety had this to say:

"Whether or not Rep. Eugene Cox's probe of the Federal Communications Commission is a 'washout' as Chairman Fly of FCC suggests, on Capitol Hill the undercurrent of opinion is that Congress sacrificed some integrity by placing the Georgia member in charge of the inquiry. The Washington Post, a liberal Republican paper, has been bitter in its condemnation of a Congressional inquiry where the chairman serves as judge and jury over a Federal agency that has frankly accused him of irregular practice.

"Speaker Rayburn and House Majority leader John W. McCormack could have blocked the appointment of Congressman Cox had they been so disposed, and a petition to the House Judiciary committee pointed out the weaknesses in having a man under charges by the FCC conduct an inquiry into its administration. Nothing was done about the petition and those who defend Cox say that the Washington Post is dealing in politics with its purpose to discredit a Democratic House committee.

"In the Senate and House press galleries, the comment is that Congressman Cox picked a real master in public relations when he knocked the chip off Fly's shoulders. Although the Cox committee has been guided in its procedure by a recognized publicity expert, Chairman Fly has been able to compete with him for newspaper headlines and frequently beats him to the printed punch. Fly has a strong supporter in Drew Pearson, whose syndicated column 'Washington Merry-Go-Round' circulates in some 600 newspapers, and who is continually



prodding Attorney-General Biddle to take some action on the charges preferred against Congressman Cox, now pigeon-holed at the Department of Justice. Biddle seems reluctant to cross swords with the anti-administration and Republican bloc in Congress."

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## FCC SETS SEPT. 10 FOR PUBLIC HEARING ON BLUE NET SALE

As had been expected, there will be a public hearing by the Federal Communications Commission on the proposed \$8,000,000 sale to the American Broadcasting System, organized by Edward J. Noble, the Lifesaver Candy king. This announcement came from the Commission earlier in the week:

"In view of the national importance and general public interest in the proposed sale of the Blue Network, Inc., licensee of three radio stations and operator of a major network, the Federal Communications Commission has designated for public hearing on September 10 next, the application for consent to transfer control of the Blue Network Company, Inc., from Radio Corporation of America to the American Broadcasting System, Inc.

"Under Section 310(b) of the Communications Act, the Commission must act upon the transfer of control of the three stations - WJZ (New York City), WENR (Chicago), and KGO (San Francisco) which are licensed by the Blue Network, Inc. Also involved in the transfer and subject to Commission approval are 48 relay stations licensed to the Blue and authority to transmit programs to Canada.

"The procedure of public hearing on this application, it was noted, will provide opportunity for presentation of all material evidence and enable the Commission to obtain full information regarding the proposed transfer. The full Commission will preside at the September hearing."

By way of acquainting the executives and department heads of the Blue Network with Mr. Noble, Mark Woods, President of the Blue Network, gave a luncheon for him at the Waldorf-Astoria in New York last Thursday.

The new American Broadcasting System, with a Delaware charter, has Mr. Noble as President; Earle A. Anderson of Upper Montclair, N.J., as Vice-President and C. Nicholas Priaulx, Yonkers, N.Y., as Secretary-Treasurer.

The application shows that Mr. Noble personally put up \$1,000,000 of the \$8,000,000 involved in the sale and will hand over the rest when the FCC gives its approval. He is believed ready to put up another \$3,000,000 and has arranged to borrow \$4,000,000 from three New York banks. The new corporation has a capitalization of 500,000 shares of common, with \$10 par value. Four hundred thousand shares will be issued when the deal is closed.

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## CHARGES OHIO STATION USED SMITH-CONNALLY ACT TO CENSOR

Richard T. Frankenstein, Vice-President of the United Automobile Workers (CIO), reported to Washington that an Ohio station had used the Smith-Connally anti-strike act to keep him from making political references.

The speech, prepared for delivery over Station WHKC at Columbus, Ohio, Frankenstein said, included a criticism of Senator Robert A. Taft (R), of Ohio, and Representative John M. Vorys (R), of Ohio, "for their antilabor, anti-Roosevelt, anti-farmer voting records in the Seventy-eighth Congress." Frankenstein had planned to praise Senator Harold H. Burton (R), of Ohio, for a "far-sighted approach" to American foreign policy.

"I was advised by the program director of the station, John Moses, that all references to political figures must be deleted", Frankenstein said in a statement. "This is the first known instance of a radio station using the Smith-Connally law to prohibit a union official from making a political speech."

The CIO official said he was turning the censored copy of the speech over to the Federal Communications Commission, asking that the FCC authorize station WHKC to allot time for a reading of the uncensored script.

Mr. Moses based his interpretation of the Smith-Connally Act on a syndicated newspaper column by David Lawrence, Frankenstein said. In a letter to the FCC, Frankenstein said "we trust that the Federal Communications Commission will not permit the radio stations of the United States to base their broadcasting policy on David Lawrence's column."

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## CLAIMS FCC GAVE LICENSE ONLY WHEN 2 ANNOUNCERS FIRED

Only after foreign language Station WGES in Chicago had discharged two announcers at the request of the Federal Communications did the Commission renew the station's license, Arnold B. Hartley told the Cox FCC Investigation sub-committee in New York Thursday. The names of the announcers who thus allegedly had to walk the plank were Stefano Luotto and Remo Conti.

Hartley, now a program director at Station WOV, New York, testified the owner of the Chicago station, Dr. John Dyer, sent him to Washington last October to find out why the FCC would not give the station a renewal of its license.

He said two officials of the FCC's War Problems Division, Jerome H. Spingarn and Nathan David, told him the FCC had received complaints about the two announcers.



Eugene L. Garey, counsel to the subcommittee of the Cox Congressional Committee, read into the record a letter Hartley said he wrote to Dr. Dyer after talking to Springarn and David.

"Luotto and Conti will have to go. They will have to get off the air.

"If we don't clean up, it is possible that we will be called to account on two purely technical charges, since the FCC will not in all likelihood fight the case of the Luotto issue."

He said he was aware at the time that the FCC had no authority to ban station personnel, but that the two announcers were dismissed last March, and afterward Station WGES received a renewal of its license.

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For Release Tuesday Afternoon, August 24, 1943.

### FTC CITES ANOTHER SHORT-WAVE DIATHERMY CONCERN

Charles Shapiro, trading as Modern Home Diathermy, 505 W. 8th St., Los Angeles, selling and distributing diathermy machines designated "Vitatherm Short Wave Diathermy", is charged in a complaint issued by the Federal Trade Commission with misrepresentation and false advertising.

In advertisements in newspapers, pamphlets and other media, the respondent has made the following representations, among others, concerning his product:

"VITATHERM Short Wave Diathermy In Your Home!"

"Electro-Magnetic Waves generated by the oscillator of the Vitatherm produce a thorough, regulated heat directly within and throughout the body part under treatment. . ."

"These physiological responses of the body to Short Wave Diathermy have aided in relieving thousands of medically diagnosed cases of arthritis, asthma, bronchitis, lumbago, neuralgia, neuritis, rheumatism, sinusitis and many kindred disorders. Eminent medical practitioners regard Short Wave Diathermy as a great contribution of modern science to the treatment of disease and the alleviation of pain."

The complaint charges these representations are grossly exaggerated, false and misleading, and that individual self-application of the device by the unskilled lay public in the home, under conditions prescribed in the advertising or under such conditions as are customary or usual, is not an effective treatment nor does its use constitute a competent remedy for any of the ailments enumerated.

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The Chicago Theatre of the Air (WGN and MBS) will try out a new radio operetta Saturday, September 11th, written by Kent Cooper, General Manager of the Associated Press. Its scene is laid on the new Alaska Highway.

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The Board of Directors of the American Guild of Musical Artists, has voted in favor of merging with the American Federation of Radio Artists. Lawrence Tibbett is President of both unions, which are affiliated with the American Federation of Labor. The radio union is scheduled to act on the merger proposal at its annual convention next Saturday in Chicago.

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According to a report of the Blue Network's progress in 1943 made to Fred Thrower, Vice-President in Charge of Sales, the sales curve will shoot sharply upward during the second half of the year, in view of the ten additional programs signed up for July, August and September and the six regular programs due back on the air in the Fall after a Summer hiatus. The outlook for the second six months of the year promises an even more favorable record than the first half, when one-quarter of the Blue's lineup of 36 sponsored programs were newcomers to the network.

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The Federal Communications Commission has denied without prejudice the application of R. O. Hardin and J. C. Buchanan, doing business as Nashville Broadcasting Co., for a permit to construct a new local broadcasting station at Nashville, Tenn., to operate on a frequency 1240 kilocycles, with power of 250 watts, unlimited time.

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Ensign John Robertson, son of Mr. Hugh Robertson, Executive Vice-President of the Zenith Radio Corporation of Chicago, was married last week to Miss Marjorie Davidson of River Forest. Lieut. Hugh Robertson, Jr., also of the Navy acted as best man. Ensign Robertson is in the Naval Air Force and recently returned from active duty in the South Pacific war theater.

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The Philco Corporation announced this week that its consolidated net income last year of \$2,209,992, or \$1.61 a share, remained unchanged following final renegotiation of its war-production contracts for 1942. Under the agreement, the company said, it had been necessary to make a net adjustment of \$220,350, but this was provided from the \$1,000,000 reserve for contingencies established last year. The reserve for contingencies established now is \$779,650. Directors have declared a dividend of 20 cents a share on the common stock; previous payments this year were a similar amount in June and 15 cents in March.

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The Federal Communications Commission designated for hearing the application for renewal of license of Georgia School of Technology (Station WGST), Atlanta, Ga. Chairman Fly and Commissioner Craven voted "no". This case has attracted considerable attention because of the interest in it by former Governor Townsend of Georgia and Representative Eugene Cox, Chairman of the present FCC Investigation.

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Following the resignation of Oscar Turner, Program Manager of NBC's Radio-Recording Division, who goes to the Office of War Information, Norman Cloutier has been appointed Manager of Thesaurus programs and will have charge of all matters pertaining to the programming of Thesaurus. He will also continue to be responsible for all recording copyright matters. Morris W. Hamilton will become Program Manager.

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Zonite Products Corp., Chrysler Bldg., New York, engaged in the sale of Forhan's Toothpaste, a cosmetic preparation, and Erwin, Wasey & Company, Inc., 420 Lexington Ave., New York, advertising agency, which has participated in the preparation and dissemination of advertising matter for Forhan's Toothpaste, are charged in a complaint issued by the Federal Trade Commission with misrepresentation, in advertisements in newspapers and periodicals, by radio continuities and other means.

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Finch Telecommunications, Inc.; Four months to April 30: Net profit, \$120,199, equal to 52 cents each on 231,100 shares, which is in contrast to the deficit of \$12,462 reported for the year ended December 31, 1942.

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Station KOAM, The Pittsburg Broadcasting Co., Inc., Pittsburg, Kansas, denied request for Special Service Authorization to operate unlimited time, power of 500 watts night, 1 kilowatt day, for the period ending February 1, 1944.

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First step toward the construction of the new WJZ transmitter was taken Wednesday when Mark Woods, President of the Blue Network, broke ground at the site on Route 17 in Lodi, New Jersey.

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The official ground-breaking was the high point of a gala celebration attended by representatives of the Blue and WJZ, the Mayors of five New Jersey cities and officials of Bergen County. The new transmitter building will be completed within the next four months and the 640-foot tower will be reconstructed and in operation by the end of the year.

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The last three paragraphs which were inadvertently omitted as the continuation of the story "Calls It The 'Cox Persecution Committee'" in the issue of August 17th, are as follows:

"As soon as he stepped out of the room, Hilmer stopped testifying. So after more scurrying and telephoning, Congressman Louis Miller, St. Louis Republican, arrived. But he also was either busy or bored, and refused to stay to hear Hilmer testify.

"So from 2 P.M. until 4 P.M. Hilmer had to sit, twiddling his thumbs, waiting for the Cox Committee lawyers to drum up another Congressman. Finally at 4 P.M. they got Miller to come back.

"That is just one example of how Cox's 'persecution committee' is operating."

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