

# HEINL RADIO BUSINESS LETTER

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No. 1558

August 31, 1943

## PRESS ATTACKS ON OWI MAY AGAIN TOUCH OFF CONGRESS

Surely no Government official or agency have had a worse lambasting from the press than Elmer Davis and the Office of War Information. Instead of dying down as time goes on, the criticism seems to keep up with the result that it appears to be paving the way for another OWI Congressional investigation or maybe something worse when that august body reconvenes two weeks hence. Already Representative Barry (D), of New York, has announced that he will introduce a bill to abolish the OWI and transfer its activities to the State Department. Representative Ditter says he will introduce a bill to lop off the Overseas Branch.

In the meantime, the press continues its barrage. One of the few kind words this writer has seen, and that was for Mr. Davis personally and not for OWI, was by Raymond Clapper, of Scripps-Howard, who wrote:

"When Elmer Davis came to Washington only a year ago, he was one of the most respected of all radio commentators. He had worked hard for years to win the confidence of people in his integrity, judgment and ability as an analyst of events. After having achieved notable success by a lifetime of work, Mr. Davis was drafted to become Chief of OWI.

"Now, a year later, Davis is bruised, discouraged, held up to savage attack in Congress and in the press. And his chief who brought him here gives him the rough brushoff, and leaves him standing alone and exposed to every political brickbat.

"Doesn't Mr. Roosevelt know that he is the real target of these brickbats? Yet men like Davis must stand out in front and take them - and with no protection, no support, no thanks from the chief they serve. You would not find a better man to head OWI, but that would never be suspected from the treatment Davis receives.

"Davis means nothing to me. But he ought to mean something to the Government."

Arthur Krock in the New York Times attached considerable importance to the fact that Davis was not at Quebec.

"In this capital where, as in any other, political courtiers thrive better if they know who is falling from high favor and who is entering it, the absence of Elmer Davis from the Conference of Quebec has attracted great attention", Mr. Krock observed. "Various reasons - none ominous - can be assigned for the President's failure to channel his information department there through the



Director of the Office of War Information. But the political courtiers detect bad omens; and some disinterested observers are disposed to agree with them.

"When it became known that Mr. Davis was not to be a part of the President's Quebec entourage, there was a good deal of private eyebrow-raising. But after The Washington Post editorially asked the reasons for the omission, and remarked that the President seemed deliberately to have foregone a chance to restore prestige to "the battered OWI", the discussion became open and general. The omens assumed a heavier shadow when the nearest approach to an opposite number Mr. Davis has in Great Britain, the Minister of Information, Brendan Bracken, arrived in Quebec and was as helpful to the press as the circumstances permitted him to be.

"Mr. Bracken is both skilled and forthright in the business of imparting official information, and his unbarred intimacy with the Prime Minister - a facility Mr. Davis does not enjoy with the President - gives special authority to what he says.

"The President, if he chooses, can disperse the cloud that has fallen over the OWI in this particular, and send the professional courtiers on other scents of favor's decay. With a few words of reasonable explanation, should he wish to take notice of the episode, he can remove from Mr. Davis the shadow of the doghouse. If he wishes to lift the OWI from the slump of morale which the Quebec incident and certain plainer misadventures have produced - notably Mr. Roosevelt's reprimand of its overseas branch's broadcasts after the fall of Mussolini - the President should say those few words or authorize them to be said for him. Congress is in no friendly mood toward the agency, and when new appropriations are considered the OWI will need all the help it can get."

Referring to the Nicholas Roosevelt withdrawal, the Washington Post said:

"In the discussion on the appropriation for OWI the assertion was made that Mr. Elmer Davis had done yeoman service in getting war news from the Army and Navy. That assertion seems to have been propaganda having no substance. The proof is afforded in Mr. Nicholas Roosevelt's resignation from OWI. Mr. Roosevelt as Deputy Director of OWI was daily responsible for getting news out of the armed services. His letter of resignation is a long note of frustration. He has failed to develop the working arrangement with the armed services which was the object of his appointment. All that he has to show for a nine-month assiduity for which there is general testimony are minor concessions.

"It is usually an excuse with the Army and Navy that liaison officials at OWI do not inspire confidence. Clearly such a charge could not be sustained at Mr. Roosevelt's expense. Mr. Roosevelt came to the OWI with the highest credentials. An editor of repute, a former Minister to Hungary, a Roosevelt, he was an ideal choice by Mr. Davis. Mr. Davis must have been pretty sure that the armed services would yield their confidence to such a man

as Mr. Roosevelt. But the Army and Navy are not easily cajoled - and cajoled is the word. They would not admit Mr. Roosevelt into their councils on information, nor would they amplify and expedite the flow of news for OWI distribution.

"Mr. Roosevelt, in consequence, has passed the task back to Mr. Davis. Evidently he feels he is wasting his time and energies. 'So long', he writes, 'as the relations of the Office of War Information with the War and Navy Departments rest solely on the basis of petition and suggestion you, and only you, in the Office of War Information can do anything further to improve the public relations policies of the Army and Navy.'"

The Washington Daily News said:

"Future of OWI is being debated backstage here. One plan calls for putting the Foreign Branch under the State Department, or War or Navy. Another calls for setting up OWI as an independent agency with more authority instead of less, after the manner of the British Ministry of Information."

Saying that Mr. Davis is getting ready to cushion new Congress blows with a reorganization of his Bureau, Helen Lombard of the Bell Syndicate writes:

"President Roosevelt's broadminded attitude toward the vagaries of his subordinates stretches very far. But it is likely to stop suddenly short when they show signs of becoming real political liabilities."

"With Congress already hot on the heels of the OWI, Mr. Davis cannot afford to miss another opportunity to demonstrate the usefulness of his agency."

"The new system should be of educational value to some of Mr. Davis' collaborators, demonstrating as it does that the American point of view must take precedence over the furthering of personal ideological slants."

The Washington Star said there was a growing belief that Foreign Branch of the OWI sooner or later would have to be placed under the direction of the joint chiefs of staff. The Washington Times-Herald reported that Brig. Gen. William J. Donovan had captured the Foreign Branch of the OWI for his secret Office of Strategic Services.

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In 1942 there were 41 broadcasting stations in operation in Szechwan Province, China. The largest of these stations, with an international hook-up, is located in Chengtu.

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## HELPING HAND HELD OUT TO RELAY BROADCAST STATIONS

Upon consideration of a further report of its Committee on Critical Radio Materials, the Federal Communications Commission announced that under certain enumerated conditions it would be in the public interest to authorize judicious use of idle equipment to increase the power of relay broadcast stations when existing power is insufficient, to make other changes in relay equipment to render improved service, and to construct new relay broadcast stations for the following purposes:

- (a) To be used as an emergency program link between the studio and the main transmitter in case of failure of the normal wire lines.
- (b) To facilitate the transmission of programs in connection with the war effort, particularly from camps and other places where adequate telephone line facilities are not available or where the cost is prohibitive.
- (c) To facilitate the broadcast of programs from remote points where the shortage of lines has made it impossible or extremely difficult to obtain these facilities.

Applications for authorizations to change facilities or to construct new relay broadcast stations for the purposes set forth herein may be granted upon a satisfactory showing that:

- (1) All required materials may be obtained without priority assistance for either construction or maintenance;
- (2) Such applications involve no inconsistencies with the Commission's Rules and Regulations;
- (3) Such applications tend toward a fair, efficient, and equitable distribution of radio service, are consistent with sound allocation principles, and offer substantial improvement in relay broadcast service; and
- (4) Such applications are otherwise in the public interest.

Applications to change facilities or to construct new relay broadcast stations, which have been dismissed without prejudice pursuant to the policy announced in Memorandum Opinion of April 27, 1942, may be reinstated for consideration in the light of the new circumstances upon the filing of petitions within thirty (30) days of this date showing (1) that such applications are in conformity with the foregoing conditions; and (2) any and all changes with respect to facts and circumstances given in original applications.

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## JULY MILITARY ELECTRONICS OUTPUT \$234,000,000; NOT ENOUGH

Electronics equipment requirements in the war program are mounting steadily and the electronics industry faces a fresh challenge in the form of higher production schedules proposed for the remainder of 1943, Ray C. Ellis, Director of the Radio and Radar Division of the War Production Board, said last Saturday.

The actual output of military electronics equipment for July of this year was \$234,000,000 and to meet future requirements the rate of production of electronics equipment will have to be stepped up to the rate of four billion dollars annually between now and the end of December, 1943, Mr. Ellis said. This figure would jump the monthly dollar volume of production to approximately \$333,000,000 per month, or nearly \$100,000,000 per month increase over the July total.

As a further indication that no "plateau" in production totals for electronics is in prospect, Mr. Ellis estimated that war production needs to be supplied by the industry will be 30 to 40 per cent greater for 1944 than for this year.

"The production curve on military electronics equipment continues on the upswing, but producers, suppliers and contributing agencies must not relax their splendid efforts if the requirements of the armed forces are to be met", Mr. Ellis said.

"Output must be maintained and increased despite difficulties in the field of critical components, experienced labor and the other problems facing us", he added. The electronics industry in general has done a fine job, but it must be prepared for even greater efforts in the drive for victory.

"Electronics equipment is serving in every sector and in every phase of the war. Ships, guns, planes, tanks and communications all are dependent on the material produced by the electronics industry, and our job is to keep these vital products flowing in ever-increasing volume to the war fronts."

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## NEW RADIO COMPASS AIDS WITH PLANES

A newly invented radio compass (Patent 2,327,640) also may be of assistance with airplanes. Its inventor is Frederick J. Hooven, of Dayton, O., and the patent has been assigned to the Radio Corporation of America.

The compass operates through a system including a directional receiving means, a non-directional receiver and a modulator responsive to the combined outputs of the receivers. By a method of computing the differences of voltages inducted by the mechanism, tabulations may be made by which directions from an airplane may be found. This kind of compass has an advantage over magnetic compasses in that, as long as a plane is within range of sending stations, it can establish its position and direction, and provides an added check against the gyro compass all large planes carry.

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## DRAFT FRAUD CHARGES STIR UP ANOTHER BIG FLY-COX ROW

The House FCC investigators at a subcommittee meeting Monday in Washington, presided over by Representative Louis E. Miller (R), of St. Louis, got another big rise out of Chairman James L. Fly of the Federal Communications Commission when Committee Counsel Hugh Reilly charged Mr. Fly's request for deferment of 1,069 of his employees a "fraud and misrepresentation". When this list was sent to the President, the White House was said to have cut it down to 218.

FCC Counsel Charles R. Denny disputed the Committee's figures, asserting that many named as draft dodgers were family men and that "the total number of deferments in the entire Commission on occupational grounds in the true sense is 271", while more than 300 of the total of 1,468 male employees are serving in the armed forces.

A statement by Chairman Fly that the Committee had descended "to a new low in this latest, unprincipled attack on loyal, hard-working employees" was termed "contemptuous of the committee and Congress" by Attorney Reilly. Chairman Miller said he hoped the FCC would refrain from trying its case in the newspapers and promised that a full hearing would be given the agency when "its turn came to bat."

Mr. Denny said that while the FCC regretted resorting to the press, it would do no good to wait six months or more to get a hearing before the Committee. "We want an opportunity to answer the charges as they're made", he said.

Mr. Miller then told Denny that "most assuredly" an opportunity would be given to the FCC to testify before a report was made. Later, however, he told reporters that an interim report might be made to the House shortly after Congress returns from its recess next month, but added that the FCC would be heard before any "final report".

Representative Miller declared that the names of the Government employees that the FCC asked to have deferred should be made public:

"If any man now in a bombproof Government position is hiding from military service, the country ought to know his name in fairness to the boys fighting and dying on the battle front. I see no reason for immunity of identity in connection with anyone intentionally escaping military service."

But Committee attorneys referred to the numerous cases presented only by number.

The case of the chiropodist was presented as typical. Twenty-five years old and single, he was a chiropodist with his father when the draft board put him in Class 1-A. He fought

induction, asserting his father and mother were dependents but the Board, after a lengthy investigation, ruled that his father was supporting him.

The young foot-doctor applied for a job with the FCC, was hired January 12, 1942, and on January 13, the following day, the agency sought his deferment stating that "considerable time and effort had been expended in training this man for confidential work".

A frantic appeal to the FCC was wired by the young man and the agency went over the heads of the draft board to national headquarters of Selective Service in Washington. Letters and memoranda in the files of the FCC showed that the case was battled over for a year but the FCC was finally victorious in gaining their protege a classification in 2B.

A third case involved another 21-year-old youth, single with no dependents, whose only previous employment had been as a shipping clerk. The FCC asked for his deferment as a specialist and technician although the agency's own files complained that he did not "know what it was all about".

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#### PAY OF RADIO STAFFS RAISED BY WLB

The War Labor Board last Saturday granted a 10% salary boost to announcers, singers and actors on the commercial programs of the National Broadcasting Co., WOR Program Service, Inc., the Columbia Broadcasting System, Inc., and the Blue Network, Inc., all of New York; Don Lee Broadcasting Co., Hollywood; WGN, Inc., and Agricultural Broadcasting System, Inc., both of Chicago. The increase is retroactive to March 8th.

The pay rise was worked out under the "Little Steel" formula because the parties in submitting their agreement for approval stated that no increases in rates for artists and announcers employed on commercial programs had been given since 1940.

The American Federation of Radio Artists, American Federation of Labor, represents the employees who work in the companies' studios in New York, Chicago, Los Angeles, San Francisco and Hollywood.

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Newspaper editors to be heard in NBC's second nationwide roundup of editorial opinion, "The Editors Speak", on Sunday, September 5 (NBC, 4:30 P.M., EWT), are Frank Ahlgren, editor of the Memphis (Tenn.) Commercial Appeal; Eugene Meyer, editor of the Washington (D.C.) Post; Louis B. Seltzer, editor of the Cleveland(O) Press, and Chet Shaw, Managing editor of Newsweek.

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## CIO INTERVENES IN BLUE NET SALE; FLAMM LOSES WMCA CASE

The Federal Communications Commission has granted the request of the CIO to be allowed to intervene in connection with the hearings on the projected transfer of the three stations WJZ, WENR and KGO in the sale of the Blue Network to Edward J. Noble, the candy king, and head of the newly organized American Broadcasting System, Inc. The CIO hearing is scheduled for tomorrow (Wednesday, September 1st) in Washington.

The CIO asked that during the hearings on the Blue Network transfer, which are scheduled for Friday, September 10th, that the FCC afford the labor organization time to present its grievance against the National Association of Broadcasters and the radio industry for not giving CIO all the radio time it wants.

In reply to this, Neville Miller, President of the National Association of Broadcasters, had declared that American Labor is entitled to and has the same access to the facilities of American broadcasting stations as any other individual or group.

The NAB president pointed out that organized labor was given more than 100 broadcasts on the networks in 1942 and this gesture by radio to labor was heartily commended by William Green, A. F. of L. president, and Philip Murray, CIO president.

In New York Monday the Supreme Court denied a motion to rescind the sale of Station WMCA to Edward J. Noble, in an action brought by Donald Flamm, former owner of the station, who had charged that he was "an unwilling seller and was coerced" into agreeing to the sale.

The radio property was sold Jan. 17, 1941, for \$850,000, to Mr. Noble.

Mr. Flamm, in suing for the return of the station and an accounting of profits, charged that "the defendant and his agents represented to the deponent that the defendant, Edward J. Noble, was a man of such influential stature and so powerfully connected politically that unless your deponent entered into such a sale and transfer he would \* \* \* lose his license to broadcast and his entire investment."

In denying the motion Justice Peck said:

"The trouble with the plaintiff's case is that he knew all the elements of the fraud except the participation of his employees, and he suspected that, before he transferred the station, and still he has waited two and a half years before seeking a recession."

Justice Peck said that the law is clear that an action for recession of a sale must be brought "promptly after discovery of the fraud."

At the hearing Mr. Noble said that his necessity to divest himself of WMCA "seems to have suggested to Flamm an opportunity to catch a bargain in the name of 'equitable' recession by asserting a nuisance cloud upon my title."

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## NAB HIRING SAM RAYBURN'S NEPHEW SEEN AS POLITICAL

Appointing Robert T. Bartley, nephew of Speaker Sam Rayburn, of Texas, to an executive position in the National Association of Broadcasters, was seen as a political move on the part of the broadcasters. Although Mr. Bartley has been identified with radio, having been with the FCC and a vice-president of the Yankee Network and his new duties will be to coordinate war activities, there seemed to be a distinct impression that his addition to the NAB staff at this time might prove helpful in keeping in touch with Capitol Hill.

Also the NAB has just appointed Karl A. Smith, Washington attorney, to act as the Association's legislative counsel.

Mr. Bartley, who is 34, was assistant to Walter M. W. Splawn, Special Counsel to the House Committee on Interstate and Foreign Commerce in 1932-33 when the Communications Act of 1934 was being written. His uncle, Speaker Sam Rayburn of Texas, was then Chairman of the Committee.

Mr. Bartley, upon formation of the FCC in 1934, served as the first and only director of its Telegraph Division. In 1937, when the division system was abolished by the then Chairman Frank R. McNinch, Mr. Bartley left the FCC. Afterward, he became senior securities analyst with the Securities & Exchange Commission in Washington, but left in March, 1939 to join Mr. Shepard as Executive Secretary of the Yankee Network.

Mr. Bartley was elected a Vice President of Yankee in August, 1942, and has served in that capacity since. He has resigned from the network effective September 25th, and will terminate four and a half years with that organization.

Mr. Smith will replace Russell P. Place, former counsel, now in the service. He was an attorney with the Federal Radio Commission before entering private practice with the firm of Hogan and Hartson in Washington.

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## PETRILLO HYDE PARK CONCERT IN TWO WEEKS; TRAVEL CUT

James C. Petrillo, President of the American Federation of Musicians, was quoted as saying that the first of his free symphony orchestra concerts for people in small places would be given by the New York Philharmonic at the home of President Roosevelt in about two weeks.

At the same time Mr. Petrillo said that because of shortage of transportation, they had to cut a concert which the Chicago Civic Opera Company hoped to give at Rockford, Ill. about a hundred miles from Chicago.



"The Mayor of Rockford", Mr. Petrillo said, "sent me a telegram and it was very, very bitter. He said that all arrangements had been made for the concert and that more than 100,000 people would be disappointed. But what can I do? I can't carry those musicians down there piggy back. I wired the Mayor he could have the musicians if he could find a way to get them down there."

Mr. Petrillo added that an interchange of telegrams with Joseph B. Eastman, Director of the Office of Defense Transportation, brought the verdict that it would be impossible "to accord priorities of any type to the travel of orchestras". He said, however, that he had wired another plea for help to the O.D.T.

Mr. Petrillo said that the union had agreed to the five conditions laid down by Marshall Field, President of the New York Symphony Society, for the use of the orchestra.

These conditions, which were contained two weeks ago in a letter to Mr. Petrillo, were that none of the free performances be broadcast or recorded and that programs presented by the Society's orchestra be approved by the Society.

In the same letter, Mr. Field urged Mr. Petrillo to lift his year-old ban on the recording of symphony music. Mr. Petrillo said yesterday that the issue of the recording ban was separate from the use of the orchestra for the free concerts. He disclosed that he would invite Mr. Field and a group of several other symphony orchestra officials to attend the union's executive board meeting in three or four weeks to discuss the symphonic record ban. He said that Mr. Field asked to attend such a meeting.

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#### G.E. SUCCESSFULLY RECORDS 66 MINUTE SPEECH ON WIRE

Sixty-six minutes of continuous speech can be recorded on 11,500 feet of hair-like steel wire on a spool no larger than the ordinary doughnut, in a new type of wire sound recorder being built by General Electric Company.

Operating under a license of the Armour Research Foundation in Chicago, engineers in General Electric's laboratory are now engaged in redesigning the apparatus so that it can be manufactured in mass production to meet the demands of both the Army and Navy.

The recorder, itself, is contained in a small box, weighing about 9 pounds. It has many wartime uses, but perhaps none more important than in observation planes. Instead of the customary pad and pencil now used by pilots in making notes of what they see on scouting trips, they can dictate into a small microphone just as the busy office executive now uses a dictaphone. Instead of the observer's words being recorded on a wax cylinder they are recorded magnetically on wire which is but four one-thousandths of an inch in diameter.

Unlike the wax cylinder which is breakable, there is no apparent wearout to the wire. In fact, 100,000 reproductions have failed to alter its quality in any respect.

When there is no longer any use for the recordings, the speech can be readily "wiped off" magnetically, and the wire is as good as new for future recordings.

Magnetic steel wire recording is not a new idea. As early as 1898 Valdamar Poulson, a Danish scientist, introduced the method and used it to record high-speed arc radio signals. However, suitable amplifiers were not available at that time and the quality was poor. With the new method developed by Marvin Camras, Assistant Physicist of the Armour Institute, many changes have been made and the quality improved so as to compare favorably with the ordinary phonograph records.

A recent report from England stated that the sound recorder is now being used in the war zones and that "a fight talk of a Flying Fortress crew, attacking Nazi airfields in France, was recorded on a small spool of wire."

This was brought back to England, and according to Major H. L. Nussbaum, "All the conversation of the crew inside the Fortress as well as the sounds of battle were brought back as an oral record of the 66-minute flight."

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#### 14 WASHINGTON BROADCASTERS TO AID WAR LOAN DRIVE

Fourteen representatives from the six local radio stations will comprise a Radio Committee to aid in raising the District's quota of \$94,000,000 for the Third War Loan campaign which opens September 9th.

The representatives and their stations are Elinor Lee, Bailey Axton and Howard Stanley, of WTOP; Carleton D. Smith and Fred Shawn of WRC; Kenneth H. Berkeley and Bryson Rash of WMAL; William Dolph and Charles Zurhorst of WOL; Bennett Larson and Norman Lee of WWDC, and Lawrence Heller, Sam Lauder and Jerry Strong of WINX.

Many other programs by each station as well as a 'round-the-clock broadcast of special events on the opening day, are being planned. Listeners will hear again and again throughout the campaign the slogan of the Third War Loan drive, "Back the Attack With Extra Bonds". Other slogans to be heard are "Every One a Bond Buyer and Bond Seller" and "Buy an Extra \$100 Bond in September."

In addition to aiding in the local drive, it is felt that radio will also help in raising the \$15,000,000,000 which is the national quota, through its daily contact with millions of persons.

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