


HEINL RADIO BUSINESS LETTER

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No. 1560

CONGRESS MAY HOBBLE FCC; COX TO FIGHT \$2,500 CHARGE

With the return of Congress to Washington next Tuesday (September 14), numerous pressing radio matters will come up for attention. The first of these will be the interim report of the House Committee investigating the Federal Communications Commission headed by Representative Eugene Cox (D), of Georgia, which it is believed will recommend that all war work now being done by the FCC be transferred to the Army and Navy. This would just about cut the Commission in half. Maybe more than that. Furthermore - though this is apt to come later - the Cox Committee is likely to declare that Congress never intended to give the FCC control over programs and business policies of stations and networks, as interpreted by the Supreme Court, and suggest that something be done about it.

It is also reported with the return of Congress that Representative Cox will demand a showdown on the charge of Chairman James L. Fly, of the FCC, that the former is guilty of taking a fee of \$2,500 from a Georgia broadcasting station in violation of the United States Constitution. This charge has been made repeatedly and it is said that Mr. Cox will now assume a "put up or shut up" attitude. His stand is reported to be based on Attorney General Biddle telling Speaker Sam Rayburn that the Justice Department had investigated the matter and found that it had "no case" against Representative Cox.

In the meantime, the Washington Post, the most widely read morning paper in the Capital, keeps Cox before official Washington in a most embarrassing way. A Post editorial this week reads:

"In its 'investigation' of the Federal Communications Commission, the Cox Committee has now managed to dig down to a new level of meanness and banality. All of the charges it has made so far have been in the form of epithets. Considering the Committee's record, no one need be in the least surprised that it has now stooped to an accusation that the FCC has engaged in draft dodging. This particular form of name-calling, though now somewhat hackneyed, is always good for a sneer. It deserves no more credence or consideration than the other 'revelations' dredged up by the unsqueamish counsel for the Committee, Eugene L. Garey.

"The simple fact is that the FCC, like every other Government agency, submits its draft-deferment requests to a central review committee. It is governed by the rigorous standards for deferment of Federal personnel which the President laid down some months ago.

"Perhaps, when Congress reconvenes, it will put a stop to this travesty on its investigative procedures. But the legislative

branch of the Government has been encouraged in its apathy about the situation by the irresponsible indifference of the executive branch. The Chairman of the Cox Committee has been publicly charged with having received a \$2,500 fee for representing a Georgia radio station in proceedings before the FCC. The charge involves an outright violation of Section 113 of the Criminal Code. Yet the Department of Justice has made no effort to indict Congressman Cox. The criminal division of the Department has recently been placed under the direction of Assistant Attorney General Tom C. Clark. A prompt probing of the Cox case should have a top priority in his order of business. He will be judged by the manner in which he meets this test."

Likewise Chairman Fly will no doubt be heard from when Representative Cox makes his report to Congress. Asked at his press conference last Monday if there was anything new regarding the Cox Committee, Mr. Fly replied:

"There's something new every day, but I think it is all about the same character. They seem to have taken on a consistent pattern and idea without offering any word in the record or any scrap of paper to be able to present our side of the case, going ahead and doing a devastating job on us without ever giving us any hearing. I think as time goes on this predominant position comes clearer and clearer."

Of great importance to the broadcasting industry is the bill introduced by Senator White (R), of Maine, and Senator Wheeler (D), of Montana, which would sharply restrict regulatory functions of the FCC. It would divide the Commission into two divisions of three members each - one to handle broadcasting and the other common carrier service. It is believed that between action in Congress on the Cox Committee report and the White-Wheeler bill, the present Communications law may be entirely rewritten and the Commission reorganized. Thus the sweeping Supreme Court decision may be circumvented.

No date has been set for the beginning of the hearings on the White-Wheeler bill. Senator Wheeler said before Congress adjourned that they would start soon after recess. At his office this week it was said that the Senator would probably make a definite announcement on the subject upon his return to Washington.

Also, as is pretty generally known, Elmer Davis and the Office of War Information, including its Overseas short-wave "little moronic King" activities, will come in for another Congressional spanking. Representative Barry (D), of New York, has gone even further by declaring that he will introduce a bill to abolish OWI and transfer its work to the State Department. Representative Ditter (D), of Pennsylvania, will foster a bill to end the Overseas Branch.

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FCC APPROVES SALE OF WLOL, MINNEAPOLIS, TO RALPH ATLASS

The Federal Communications Commission last Tuesday granted consent to acquisition of control of the Independent Merchants Broadcasting Station, license of WLOL, Minneapolis, by Ralph L. Atlass, of Chicago, from Mrs. Beatrice L. Devaney, widow of the former operator of WLOL and her sons David Winton and Charles J. Winton, Jr.

Station WLOL is affiliated with the Mutual Broadcasting System and uses 1000 watts power. The total consideration in the sale given by the FCC is \$6,319.

Mr. Atlass is one of the pioneer broadcasters of the country and President and General Manager of WIND, a 20,000 watt station at Gary, Indiana, and WJJD, 5000 watts in Chicago.

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COWLES' NEW WNAX TOWER DWARFS WASHINGTON MONUMENT

Believed to be the highest in America, the new 927 foot radio tower of WNAX, the Cowles' station put into commission at Yankton, S.D. last Saturday, tops the Washington Monument, which is only 555 feet in height.

Dedicated to the Middle West farmers, the exercises were participated in by the officials of five States.

The speakers were Gardner Cowles, Jr., of Des Moines, formerly Assistant Director of the Office of War Information; Rear Admiral A. B. Randall, Commandant of the Maritime Service, and Clifford Townsend, representing the War Food Administration.

Mr. Cowles made the dedication and rally the occasion for announcement of a \$30,000 scholarship fund to help boys and girls of the Middle West to study agriculture and economics. The scholarships were in the agricultural colleges of Iowa, Nebraska, Minnesota, North and South Dakota, and awarded to a farm boy or girl from each State on the basis of his contribution to the war effort.

A farmer to be chosen as the "Typical Midwest Farmer" will be sent with his wife by WNAX, to Portland, Oregon, where the Maritime Commission has arranged for them to sponsor the launching of a Liberty ship named "Midwest Farmer". WNAX plans to send a newsman and transcription equipment with the ship on its maiden voyage to bring listeners details of Merchant Marine activity.

During the dedication of the tower, "a human fly" ascended to the top and released balloons carrying orders for \$25 and \$100 war bonds. Gala broadcast programs were in charge of Phil Hoffman, General Manager, and Jack Paige, Promotion Manager.

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FIRST PHOTO RADIO SERVICE BETWEEN U.S. AND BRAZIL

The first radiophoto service between the United States and Brazil was inaugurated on September 7th by the Mackay Radio and Telegraph Company, an associate of the International Telephone and Telegraph Corporation. In Brazil the operating unit will be the Companhia Radio Internacional do Brasil at Rio de Janeiro, another International Telephone and Telegraph Corporation associate. Opening of the service will be coincident with and mark the celebration of the Brazilian Independence Day.

The service, which has been arranged through the cooperation of the Coordinator of Inter-American Affairs, will provide for the international transmission of radiophotos under the name "Mackay Radio-Radiophoto Service".

In making the announcement, Admiral Luke McNamee, President of Mackay Radio, pointed out that the inauguration of the new service on the Independence Day of the great Southern democracy is in itself significant, since it is a further extension of the Good Neighbor policy of the Western Hemisphere, and marks another important step in the ever-increasing bonds between the United States and Brazil.

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PETRILLO GETS TOUGHER - MORE STATIONS MUST HIRE HIS MEN

Instead of easing up a little or offering some compromise at the hearings before the special War Labor Board panel in New York trying to settle the dispute over manufacturing of records for use by broadcasting stations, James C. Petrillo, President of the American Federation of Musicians, delivered the ultimatum that within 60 days he would require 160 network stations to employ AFL musicians. Mr. Petrillo left almost immediately thereafter for Chicago. The next session will be held next Friday, September 17th.

Milton Diamond, attorney for Decca Recording Company and the World Broadcasting System, had previously told the panel he found no difference between broadcasting by transcription or by wire networks, and if one was permitted to operate despite the ban, the other should also be permitted to operate.

"I cannot believe the A. F. and M. means seriously to interfere with this little industry of making transcriptions", said Mr. Diamond, explaining that many "little stations" have need of such transcriptions as sources of programs where musicians were not available. The transcription business, he went on, "is so small", and the difference between broadcasting and transcription "resolves itself into a mere question of nomenclature."

Mr. Diamond volunteered that "perhaps the transcription makers should be treated as a network and employ musicians as a network does. "If so", he went on, "it seems to me the union is attempting to regulate the networks. See us as a network and this whole problem with the union would disappear, barring the need for negotiations to establish details."

It was at this point that Mr. Petrillo announced his new demand that "within sixty days", the Union would require 160 network affiliated stations (not within jurisdiction of union locals) to employ musicians. Such stations, he said, hitherto have confined their musical programs to network broadcasts and have not engaged musicians.

"By God we can settle this if we can all sit around the table together", Mr. Petrillo ejaculated. "Mr. Diamond is no pal of mine but he's got a business and we have a business and it would be so nice to hear a plan to sit down and discuss them. If these other 'birds' had some kind of a plan like this there wouldn't be any problem today."

A. Walter Socolow, counsel for the six largest transcription companies, said that Union musicians were paid a total of \$30,000,000 a year for radio broadcasting. Mr. Petrillo said the ban on making recordings has already cost the musicians \$7,000,000.

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DR. KEPPEL, NOTED EDUCATOR, DIES ON WAY TO CBS MEETING

Dr. Frederick P. Keppel, former dean of Columbia University, and a Director of the Columbia Broadcasting System, died Thursday while enroute from Washington to New York to attend a CBS Directors' meeting. Dr. Keppel was stricken on the train and death followed at the office of his physician in New York shortly thereafter.

Dr. Keppel was Dean at Columbia University from 1910-18. He also was formerly President of the Carnegie Corporation in 1941. At the time of his death he was serving as a member of the State Department's Board of Appeals on visa cases.

In a letter to Dr. Keppel's widow, Secretary Hull praised him as "an outstanding citizen who rendered highly useful and meritorious service to the community and to the country. In the field of education, philanthropic enterprises, and in government, his work was of an unusually high order, and his record is one fully in keeping with his sterling qualities of character and mind."

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BELIEVES PEARSON, IF NOT GUILTY, SHOULD HAVE REDRESS

The following editorial on President Roosevelt's denunciation of Drew Pearson, columnist and radio commentator, appeared in the Editor & Publisher:

"The President of the United States, 100 per cent proof against libel suits, the other day branded a newspaper columnist as a 'chronic liar'. He didn't name the man, but there was no doubt in the mind of any of his hearers as to who was indicted. Drew Pearson, who has been a consistent critic of the State Department's Russian policy, accepted the accusation and countered it with a forthright rebuttal.

"Editor & Publisher hopes that the matter does not end at that juncture. If a man can be justly branded as a chronic liar, he has no place as a newspaper writer or radio commentator, and Mr. Pearson has had an honored place as both for several years. If a man is a chronic liar on matters affecting the national interest, he is no better than a traitor, and the law provides ample measures for dealing with traitors. If Pearson is a liar on matters of state, he is open to charges of treachery, and his acts should be dealt with by legal processes. If he is not a liar, not a traitor, he should have legal redress and the opportunity to clear his name.

"The alternative is that any writer, columnist, or broadcaster who finds it necessary to disagree with Administration policies is open to accusations that blacken his character and destroy his usefulness as a journalist. That isn't in the American tradition. It is not in the spirit of the Constitution. It is certainly not in the spirit of the men who drafted the 'Four Freedoms' - especially freedom from fear. The essence of the First Amendment is that the press shall disagree with government whenever disagreement is indicated by events.

"After all, is it the fact, or the publication of the fact, that really affects the course of history?"

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GRIMES, OF PHILCO, KILLED IN OVERSEAS PLANE CRASH

United States 8th Air Force headquarters in London, has announced that David Grimes, Vice-President in Charge of Engineering of the Philco Radio Corp., and Pilot Loren L. Myles, 44, of Los Angeles were killed in the plane crash near Belfast last week-end in which Commodore James A. Logan lost his life.

Mr. Grimes at the age of 29 was a leading radio engineer. In recent years he developed a number of radio and phonograph innovations that added to electronic progress.

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RADIO REPAIR MEN AND OTHERS MAY PURCHASE COPPER WIRE

Retailers, electricians, radio repair men and others who sell copper wire to the general public may purchase limited quantities and sell it to the public without restrictions, under CMP Regulation No. 9, just issued by the War Production Board.

Any retailer or repair man may order up to \$100 worth of copper wire for delivery during any calendar quarter. If he needs more, he may determine as accurately as practicable the dollar value of the copper wire he sold as a retailer or used as a repair man during 1941 and he may buy in any calendar quarter one-eighth this amount.

Three million pounds of copper per calendar quarter have been earmarked for this program. Civilians must use this with care, WFB officials pointed out, as it will be needed to cover all essential repairs for general public use.

In selling copper wire under the new regulation, retailers need not pay attention to any preference rating other than AAA or a farmer's certificate under Priorities Regulation No. 19.

Retailers and repairmen may buy copper wire from other retailers or repairmen without certifications or other formalities. They may not use the procedure established under the new regulation to obtain copper wire in excess of inventory limits established. Retailers are requested not to sell to persons who may buy it under other CMP procedures.

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WHITE SAYS CBS WILL PUT FOOT DOWN ON EDITORIALIZING

Paul W. White, News Director of the Columbia Broadcasting System, said in Chicago Friday that CBS was going to stop commentators from "expressing editorial opinions on the air" on controversial issues.

He made the announcement at the meeting of The Associated Press Managing Editors' Association.

Mr. White said that the real meaning of freedom of the press, as far as radio was concerned, was to have all sides of a controversy presented and that this did not include the commentator who dwelled on his own editorial opinion day after day.

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NEW NAB RADIO NEWS COMMITTEE TO MEET IN N. Y.

The newly-formed Radio News Committee of the National Association of Broadcasters, will meet September 15-16 in New York City. Its roster includes: Karl Koerper, Managing Director, KMBC, Kansas City, Mo.; William Dowdell, News Editor, WLW, Cincinnati, Ohio; Tom Eaton, News Editor, WTIC, Hartford, Conn.; Rex Howell, Manager KFXJ, Grand Junction, Colo.; L. Spencer Mitchell, Manager WDAE, Tampa, Fla.; Paul White, Director of News Broadcasts, CBS; Bill Brooks, News and Special Events Director, NBC, and Walt Dennis, NAB News Bureau Chief, who will serve as Committee Secretary.

The two Committees will meet jointly the first session Wednesday and will hold a joint luncheon that day to which members of the Association of Radio News Analysts have been invited. Major George Fielding Eliot, ARNA President, and H. V. Kaltenborn will make brief talks.

Separate sessions will begin the same afternoon, with the News Committee hearing Charter Heslep, Radio Division, Office of Censorship, on "After 12,000 Newscasts" and Russel Hogin, Division of Information, War Production Board, on "A Government Press Agent Looks at Radio News".

Other News Committee business will concern discussions of standards of newscasting, recognition of the medium, its news personnel, handling of its own news, editorializing on the air and the future of radio news.

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ARMY CONTROLS STATION OPERATION IN AIR RAIDS

Asked how it was that many broadcasting stations continued to operate during air raid tests, Chairman James L. Fly of the Federal Communications Commission, said:

"I have noticed that during the tests as a rule the radio stations have kept operating. I do know that the whole subject matter of whether or not they could operate during the raid has been given considerable study but what the various corps area commanders have concluded on that subject I don't know, frankly. I do know that they are operating during the tests. I have observed that just as you have. Of course the greatest danger from the standpoint of homing is the clear channel stations and it would be my guess that in case of actual raid or suspected raid those stations would close down, but I don't want to offer any seemingly authoritative judgment on that because we are not controlling it; the Army is controlling it with our cooperation in the administration of it."

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FCC ACTION ON APPLICATIONS

The Federal Communications Commission on September 7th adopted a Decision and Order granting application of O.R. Richardson, Fred L. Adair and Robert C. Adair, of Station WJOB, Hammond, Ind., for a construction permit to make changes in transmitting equipment and increase operating power on 1230 kilocycles, from 100 watts to 250 watts, unlimited time.

At the same time the Commission adopted an Order granting application of WIBC, Indiana Broadcasting Corp., Indianapolis, Ind., for construction permit to make modifications in the equipment of Station WIBC (which is now authorized to operate with 1 kilowatt power night, 5 kilowatts day), for operation of the station with 5 kilowatts power, unlimited hours, employing a directional antenna during nighttime hours, subject to the express conditions that (a) objectionable interference will not be caused to the secondary nighttime service of Station CBA, Sackville, N.B., within the terms of the North American Regional Broadcasting Agreement, and (b) that as soon as materials become available or upon notice from the Commission the permittee will provide and install equipment necessary to comply in all respects with the Standards of Good Engineering Practice.

In another action, the Commission adopted Proposed Findings of Fact and Conclusions granting application of WGAR, Cleveland, Ohio, for construction permit to change frequency from 1480 to 1220 kilocycles, increase nighttime power from 1 to 5 kilowatts, make changes in directional antenna for nighttime use, and move transmitter site locally. This grant is subject to condition that (a) applicant shall take whatever steps are necessary to improve the signal of WGAR over the Cleveland business district to comply with the Commission's Rules and Regulations when materials and equipment again become available for construction of broadcast facilities; and (b) that applicant shall submit proof that the proposed radiating system is capable of producing a minimum effective field of 175 mv/m at one mile for 1 kilowatt power (or 392 mv/m for 5 kilowatts power).

Contingent upon the above action on the WGAR application a grant of construction permit was also made to the WHBC, The Ohio Broadcasting Co., Centon, Ohio, to make changes in transmitting equipment, install directional antenna for nighttime use, change frequency from 1230 to 1480 kilocycles, and increase power from 250 watts to 1 kilowatt.

At the same time the application of WADC, Allen T. Simmons, Talmadge, Ohio, to use the 1220 channel, increase power to 50 kilowatts and move transmitter site locally, was denied. This station now operates on 1350 kilocycles with 5 kilowatts, unlimited time, using directional antenna both daytime and nighttime.

The Commission in a fourth action adopted Proposed Findings of Fact and Conclusions, denying without prejudice the application of United Broadcasting Co., WHKC, Columbus, Ohio, to change frequency from 640 to 610 kilocycles, increase power from 500 watts

to 1 kilowatt and hours of operation from limited to unlimited time, relocate transmitter site, and install directional antenna for nighttime operation.

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National Broadcasting Co., Inc., New York City, granted extension of authority to transmit recorded programs to all broadcast stations under the control of the Canadian authorities that may be heard consistently in the United States and to transmit programs to Stations CBM and CBL and other stations under the control of the Canadian Broadcasting Corp.

KFI, Earl C. Anthony, Inc., Los Angeles, Cal., adopted an Order (1) granting the petition for reconsideration filed by KFI directed against the action of the Commission granting the application of Iowa State College of Agriculture and Mechanic Arts (WOI), Ames, Iowa, for special service authorization to operate on 640 kilocycles from 6 A.M. to local sunrise, CST, with 1 kilowatt power, for the period ending Feb. 1, 1944; (2) set aside said action; and (3) designated the application for hearing upon specified issues. The Commission further ordered that Earle C. Anthony, Inc. (KFI), Los Angeles, be made a party to such hearing.

WFTL, Ralph A. Horton (assignor) The Fort Industry Co., assignee, Ft. Lauderdale, Fla., designated for hearing application for assignment of construction permit and license of broadcast station WFTL and license of relay stations WAAD and WRET from Ralph A. Horton to The Fort Industry Co; also license to cover construction permit (for change in frequency from 1400 to 710 kilocycles, increase in power from 250 watts to 10 kilowatts, install new transmitter and directional antenna for night use, and move transmitter) and authority to determine operating power by direct method; also designated for hearing application for modification of license to move main studio from Ft. Lauderdale to Miami, Florida.

Applications Received

The Times Herald Company, Port Huron, Mich., construction permit for a new high frequency (FM) broadcast station to be operated on 47,700 kilocycles with coverage of 5,600 square miles; WGPC, J. W. Woodruff and J. W. Woodruff, Jr. d/b as Albany Broadcasting Co., Albany, Ga., construction permit to change frequency from 1450 kilocycles to 1490 kilocycles and move transmitter and studio from Albany to West Point, Georgia; Mutual Broadcasting System, Inc., Chicago, Ill., authority to transmit programs to Mexican stations known as "Radio Mil's Network"; KPRC, special service authorization to operate with power of $2\frac{1}{2}$ kilowatts night and 5 kilowatts daytime, employing temporary non-directional antenna, for the period ending 8/1/44.

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 ::: TRADE NOTES :::
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In order to eliminate any ambiguity, the Federal Communications Commission en banc on Tuesday amended Section 1.482 of its Rules of Practice and Procedure with respect to the furnishing to the Commission copies of data furnished by carriers to the Office of Price Administration in connection with rate increases. The amended Section reads as follows:

"Any common carrier subject to the Communications Act of 1934, as amended, which furnishes any notice or other data to the Office of Price Administration in connection with an increase in rates or charges subject to the Communications Act of 1934, as amended, shall concurrently furnish to this Commission two copies of such notice and other data."

 William G. King, former Music Editor of the New York Sun joined CBS' Program Department September 7th. His first assignment will be the supervision of the 52-week season of New York Philharmonic Symphony broadcasts sponsored by the United States Rubber Company.

 There will be a pre-audition at the Overseas Branch of the Office of War Information next Friday (Sept. 17) of the first recorded programs which the United States will transmit over the Swedish State Broadcasting Service and the United States will transmit over certain American stations.

The American program includes a message from Mrs. Roosevelt to the Swedish people. The Swedish program includes a message from Prince Wilhelm. In addition there will be shown a documentary film, "Swedes in America" which has been produced by OWI for overseas distribution.

 Chairman Fly of the Federal Communications Commission, replying to a protest by Mayor Sam S. Caldwell of Shreveport, La., over the use of a telephone network for a broadcast by Jehovah's Witnesses, said the FCC had no jurisdiction over the matter. In a letter to Mayor Caldwell, Mr. Fly said there was no basis upon which the Commission could deny the facilities of the telephone companies to the religious sect, or any other person or group.

 The Fall meeting of the Columbia Broadcasting System's Affiliates Advisory Board will be held in the network's headquarters in New York on September 15 and 16. This marks the fourth such meeting of the Board.

 Raytheon Manufacturing Company and wholly owned subsidiaries - Year to May 31: Net profit, subject to renegotiation of war contracts and after \$500,000 reserve for contingencies, was \$719,113, or \$2.80 a common share. Provision for Federal income and excess profit taxes for the year, after deducting post-war refund and credit for debt retirements, was \$4,250,000. Net profit for year to May 31, 1942, was \$219,869, or 74 cents a common share.

 "There is also no rubber for the heels which Leon Henderson now advertises over the air", writes Drew Pearson.

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