

HEINL RADIO BUSINESS LETTER

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December 29, 1943

MRS. MEYER FINDS ONLY 3% TELL STATION WHAT DIDN'T LIKE

Although her husband is a publisher of a newspaper -- the Washington Post -- and a paper that does not own a broadcasting station, Mrs. Eugene Meyer proved to be a champion of the radio stations as well as newspapers in their effort to give the people what they wanted. It was Mrs. Meyer's contention that the only way they could find this out was to hear from their readers and listeners. When the question came up in connection with radio, Mrs. Meyer proved her point very neatly by asking how many in her audience at Town Hall in New York had ever taken the trouble to tell a broadcasting station what they didn't like. Only about 3% of those present raised their hands.

The question was brought up at a recent Town Meeting of the Air over the Blue Network in a debate, "Has the American Home Failed?", participated in by Mrs. Meyer and Lewis Browne, author of "See What I Mean", with Mrs. Marion P. Bassett of the Summer Institute for Social Progress at Wellesley as interrogator. George V. Denny, Jr. as usual acted as moderator.

Radio was brought into the debate when a question was read from Mrs. Lulu Maye Crosby Coffman of South Bend:

"Why should the publishers of the daily and Sunday newspapers and so-called 'funny magazines' be permitted to publish gangster cartoons and sinister pictures under the title 'Comic Section'?"

There was applause when Mr. Denny remarked that this was an inquiry particularly for Mrs. Meyer as the wife of a publisher.

"My answer to that", Mrs. Meyer replied, "is that the American public is altogether too inarticulate. If you don't like what's on the radio and in the papers, tell them so."

This spirited comeback was greeted by applause. Later in the questioning, Mr. Denny said:

"Mrs. Meyer, Mrs. Edward Hollenback puts a tough question to you:

'What can the home do to counteract the lure of glittering, low-standard movies, comedians who make a joke of marital infidelity, and politicians' promises of easy freedom?'

"Well, I think the answer to that is the answer I made to the other question. The American public gets what it deserves, because you are the masters of what is in the public press and on the screen and on the radio," Mrs. Meyer countered.

At this there were cries of "No" from the audience.

"All right", Mr. Denny interjected, "the audience says 'No'. Is the answer 'No'?"

Mrs. Meyer said, addressing the audience, "Well, I'd like you to raise hands. How many of you have ever told a radio station that you didn't like a program?"

Mr. Denny: "What percentage would you say?"

Mrs. Meyer: "Well, it looks like about three per cent."

Mr. Denny: "Three per cent? Well, I'm afraid that makes the speaker right." (Applause.) "Mr. Browne, have you a comment on that?"

Mr. Browne: "I have a comment, but it probably wouldn't go over the air successfully." (Laughter.)

Mr. Denny: "There is no censorship. Were you implying censorship?"

There was another reference to radio later when Mr. Browne said:

"If I may take just one moment more, you remember in the last war there was a song about 'How're You Going To Keep Them Down on the Farm After They've Seen Paree'? Well, when they came back they never did go back to the farm, for even though they were on the farm, they were really in the city. They had automobiles, they had radios, they had the motion pictures, and they were urbanized. If they didn't go to the town, the town came to the country.

"Now, after this war, the question's going to be: How're you going to put them back in the kitchen after they've seen the industrial plants? Well, the women will only go back to the kitchen if the kitchens are as efficient as the industrial plants are today. Mechanization should make the home much better."

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TELEVISION WILL NOT COME OVERNIGHT SARNOFF CAUTIONS

There should be no expectation that when the war ends the air will be transformed overnight to television, David Sarnoff, president of RCA, said in his annual year-end review. Almost at the same time Mr. Sarnoff was delivering this message more than 40,000 war workers in five RCA plants in Camden and Harrison, N. J.; Lancaster, Pa.; and Bloomington and Indianapolis, Indiana, were linked together in a 15 minute closed circuit program believed to be the first holiday party of its kind in the history of American industry. The program originating largely in New York was carried over the internal plant broadcasting system in each factory.

Of the prospects for television Mr. Sarnoff said:

"It will require from 3 to 6 months to get the machinery in operation to resume the manufacture of television civilian broadcast receivers. It may require a year after approval of standards and full authorization of commercialization of television broadcasting by the Federal Communications Commission before television sets are available within the price range from \$200 to \$300. Production of television receivers is not the only task. Television transmitters must be erected. Interesting programs be planned. Automatic radio relay stations must be built to link key cities into a network. That is no one-year job.

"Alongside of television, 'FM' or frequency modulation on ultra-short waves, holds great promise of becoming an added feature in broadcasting. Even now 'FM' carries the sound part of television. In both television and 'FM', much scientific progress has been made in connection with the application of radio to the war. The home-radio instrument of the future will be a combination television and sound-broadcast receiver incorporating 'FM' and phonograph."

Speaking of other things we may expect, Mr. Sarnoff continued:

"Because of spectacular wartime developments, radio apparatus will be adapted for collision prevention to aircraft, ships, railroads and possibly automobiles. All this will be part of the new service of radio in an era of sight control made possible by the development of electron tubes.

"As new electron tubes always serve as keys to major advances, so in broadcast reception, new and tiny tubes -- smaller than acorns -- may introduce 'personalized' radio. Small, compact receivers, and even transmitters may be built in a little case that will slip into a pocket. The uses to which such 'stations' may be put gives the imagination much to play upon.

"All these new developments will not be realized in 1944, but with 1944 as the year of expected decision in the European war, they will date from it, as radio broadcasting dated from 1919.

"Latest estimates reveal that radio production in the United States is up to \$250,000,000 a month against \$30,000,000 a month a year ago -- all for the armed services. The equipment is the finest and most efficient in the world. America's radio-electronic scientists and engineers have far surpassed Germany's much vaunted super-men of science.

"In fulfilling its unprecedented wartime responsibilities, radio has taken its place among the great industries of America, offering employment to hundreds of thousands of workers. Since the war began in Europe, RCA employees have increased from 23,000 to more than 40,000. Another 6,000 employees are enrolled as officers and enlisted men in the military services."

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BALCOLM OF SYLVANIA NEW RADIO TUBE ADVISORY CHAIRMAN

Members of the recently appointed Radio Receiver Tube Manufacturers' Industry Advisory Committee met with price officials of the Office of Price Administration in Washington, D. C. Wednesday, December 15, OPA announced December 23.

M. F. Balcolm, Vice President in charge of the radio division of the Sylvania Electric Products Company, Emporium, Pa., was elected committee chairman.

Main topics discussed at the meeting were pricing problems of the radio receiver tube industry, with special emphasis on means for securing effective control at wholesale and retail levels.

Establishment by OPA of ceiling prices on civilian replacement tubes sold by retailers and distributors, as well as manufacturers, is planned. The advisory committee is considering ceiling prices only of civilian replacement tubes and not of military tubes. Although prices of civilian replacements are now under the General Maximum Price regulation, it is understood that this has not been effective, particularly in the case of retail sales, and it is now proposed to establish retail and also wholesale price ceilings.

Members of the Manufacturers Radio Tube Advisory Committee and companies they represent, are:

M. F. Balcolm, Vice President in Charge of Radio Division, Sylvania Electric Products Company, Emporium, Pa.; R. E. Carlson, Vice President in Charge of Sales, Tung-Sol Lamp Works, Newark, N.J.; L. H. Coffin, President, Hytron Corporation, Salem, Mass.; and C. J. Hollatz, Executive Vice President, Ken-Rad Tube & Lamp Corporation, Owensboro, Ky. Also L. W. Teegarden, Assistant General Sales Manager, Radio Corporation of America, Camden, N. J.; D. T. Shultz, Vice President, Raytheon Manufacturing Company, Newton, Mass.; and J. H. Robinson, Director of Distributors' Sales, National Union Radio Corporation, Newark, N. J.

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MAAS WOULD GIVE NAVY CONTROL OF RADIO ON ALL SHIPS

A bill to give the Navy wartime power to "effectuate security of radio communications on merchant vessels during the war" introduced by Rep. Melvin J. Maas (R) of Minnesota, ranking minority member of the House Naval Affairs Committee introduced just before the holiday recess, is expected to receive early consideration.

The Maas bill provides:

"That the Secretary of the Navy, whenever and to the extent he deems it necessary for radio security, or for efficiency or effectiveness of radio communication, or otherwise necessary for purposes of national security or prosecution of the present wars, is hereby authorized to exercise the authority vested in him under this

Act with respect to radio equipment and operation thereof on any ship of the United States which has, or pursuant to any Federal statute is required to have, radio equipment on board.

SEC. 2. (a) The Secretary is authorized to prescribe and enforce requirements as to (1) the amount and types of radio equipment which is to be carried aboard ships of the United States, (2) installation and operation of such equipment, (3) conditions under which such equipment shall be operated and wave lengths to be employed, (4) the qualifications of personnel who may operate such equipment, their hours of watch and other duties with respect to operating such equipment, and the minimum number of operators to be so employed; (b) the Secretary may delegate to any officer of the Navy, Coast Guard, or Marine Corps any authority vested in him under this section except the promulgation of rules and regulations.

SEC. 3. The enactment of this Act or the exercise of authority thereunder shall not be construed to suspend any other law or any requirement imposed pursuant thereto, except that any requirement imposed pursuant to section 2 of this Act shall, to the extent of any conflict with respect to any provision of, or requirement under, any other law, supersede such other provision or requirement.

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WPB TURNS OVER STANDARDS TO ARMY-NAVY AGENCY

The War Production Board announced last week that it will turn over to the recently organized joint Army-Navy Electronic Standardization Agency (ANESA) a compilation of standard specifications for 20 electronic components. Of the components on which standard specifications were drafted for WPB by the American Standards Association, eleven have been approved for procurement purposes by the Army and Navy. Drafting of standard specifications on the remaining nine is expected to be completed and turned over to ANESA by March 1.

The Radio and Radar Division of WPB, which has been responsible for the standardization study for the past year, said its work is now reaching the important stage of application of the approved standards, a function which is primarily one for the Armed Services. The Army and Navy have indicated that they will continue the study and application of standard specifications for electronic components both for the duration and as a peacetime operation through ANESA and the joint Army-Navy Board for Approving Standards, also formed recently. ANESA is at Red Bank, N. J., in close proximity to Fort Monmouth.

WPB pointed out that the standards on the 20 components, when completed, will be 75 per cent, item-wise, of all components used in electronic devices. That is, they make up three-fourths of the components which reoccur frequently in radios or other electronic equipment.

The Armed Services, in deciding to take over the future work on standardization in electronics, gave credit to WPB for having initiated and carried forward this task. They also credited the accomplishment of WPB for having brought the Army and Navy

together on the use of common standards for electronic equipment. These common standards have resulted in increased industrial production and more efficient functioning in the combat theatres through the interchangeability of components for replacement, maintenance and repair purposes.

The components on which American War Standard specifications have been approved by the Army and Navy are ceramic radio insulating materials, steatite radio insulators, fixed mica dielectric capacitors, ceramic radio dielectric material, external meter resistors, glass bonded mica radio insulators, fixed composition resistors, electrical indicating instruments, shock-testing mechanism for electrical indicating instruments, dimensions for external radio-frequency thermocouple converters and glass radio insulators.

Components on which standards are expected to be completed by March 1 by WPB include fixed paper dielectric capacitors, porcelain radio insulators, fixed ceramic capacitors, dynamotors, external ammeter shunts, variable wire-wound resistors (low temperature), tower-type wire-wound rheostats, and toggle switches.

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HAMMOND SUCCEEDS BROWN AS NBC ADVERTISING DIRECTOR

Charles P. Hammond has been appointed Director of Advertising and Promotion for the National Broadcasting Company to succeed Charles B. Brown. For the past year, Mr. Hammond has been administrative assistant to Mr. Brown who leaves January 1 to become Advertising Director for the RCA-Victor Division, Camden, N. J.

Following his graduation from Cornell in 1931, Mr. Hammond was associated successively with the editorial staffs of the New York World, New York Post and Literary Digest, before going to the Bureau of Advertising of the American Newspaper Publishers' Association.

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RMA EXPANDS FOR POSTWAR WORK; CHICAGO MEETING JAN. 12

There has been a big expansion of the Radio Manufacturers Association in anticipation of an increased 1944 war program and the great postwar problems which are looming.

Eight new special committees are included in the enlarged setup. They have been appointed by R. C. Cosgrove of the Crosley Corporation, chairman of the RMA's overall Postwar Planning Committee.

The new work, both on the immediate and also postwar industry interests, will be developed at an RMA "Mid-Winter Conference" on Wednesday and Thursday, January 12 and 13 at the Stevens Hotel, Chicago. Chairman Cosgrove has arranged for several meetings of the new postwar planning committees on January 12 and also for

meetings of all set manufacturers, and of the general Postwar Planning Committee, to receive reports and recommendations of the new special committees. A luncheon of the many members on the new committees and also of other groups will be held.

Following are the newly appointed RMA committees (excepting an important group on problems of current and future contract terminations, including present as well as future problems of prime and subcontractors, which has not yet been completed):

Industry Reconversion - A. S. Wells of Wells-Gardner & Co., Chicago, former president of RMA, is chairman, and E. A. Nicholas of Farnsworth Television and Radio Corporation, Fort Wayne, Ind., is vice chairman of this committee, formed to draft a detailed program for future reconversion of the industry to civilian production, and for its discussion with the proper government agencies. The disposition of surplus war materials and of government plants, the postwar patent situation and postwar product planning are among the many important interests delegated to this committee. It will coordinate its work on future peacetime products with the Radio Technical Planning Board.

Employment and Personnel - The chairman is A. H. Gardner of Colonial Radio Corporation, Buffalo, and the committee will handle immediate and also future employment problems, including present manpower, absenteeism, recruiting, absorption of discharged and disabled servicemen, employment stabilization and agreements, bonus and incentive pay, etc. Under immediate consideration is an RMA survey to secure employment and wage rate data, both in connection with new working agreements and also regarding postwar production costs.

Sales Financing - J. P. Rogers of Farnsworth Television and Radio Corp., Fort Wayne, Ind., is chairman of this committee, to secure data and make recommendations regarding financing problems of distributors, dealers and consumers, as well as manufacturers, including V and VT loans, and problems relating to financing by national and local organizations.

Industry Statistics - Under Ross D. Siragusa of the Admiral Corporation of Chicago as chairman, this committee will plan development of industry statistics including data on production and sales, the latter by areas. The future statistics will include tubes, parts and accessories, transmitting apparatus, as well as receivers.

Advertising Committee - The chairman is John S. Garceau of Farnsworth Television and Radio Corporation of Fort Wayne, Ind. The committee, which held its initial meeting December 8 at New York, deals with present and future advertising of new radio-electronic apparatus, cooperative advertising, publicity and promotion, etc.

Distribution Costs - The chairman is Ben Abrams of Emerson Radio & Phonograph Corporation, New York. The committee, which held its initial meeting December 20 in New York, will

develop data on distribution costs, government control problems and other commercial problems of postwar merchandising.

Export Program - Chairman W. A. Coogan of the RMA Export Committee is chairman of the special group to consider postwar conditions and problems of postwar export trade, including products and merchandising, financing, shipping, trade marks, and promotion in export fields, and also contacts with government agencies concerned with export trade.

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CHARGES NEW DEAL DOING BEST TO GIVE U. S. NAZI RADIO

Following up with a vicious wallop the attack the Chicago Tribune made upon the Federal Communications Commission and Chairman James Lawrence Fly, the New York News, another of the so-called Axis newspapers, or anti-Administration paper, charges the New Deal with doing its best to bring U. S. radio "under German-style and Russian-style government overlordship." The attack of the News, which claims the largest circulation in the United States, 2,013,200 daily and 3,810,226 Sunday, was reprinted in the Washington Times-Herald, the third of the "Axis" papers.

The New York News editorial reads in part as follows:

"The Roosevelt Administration has long been trying to bring all three of our main mediums of expression--press, movies and radio--under its control.

"It has brought an antitrust suit against the Associated Press to punish it for having refused a franchise to Marshall Field 3d's Chicago Sun; tried to intimidate the Chicago Tribune with a censorship-violation charge which the grand jury tossed out on its ear; abused individual newspapermen; and so on. The press is still wiggling and squirming to retain its constitutional freedom, but there is no guarantee that it can do so.

"The radio and the movies are in worse case than the press. The Administration, from 'asking' the movie industry to make propaganda films of all kinds, has lately gone to issuing movies of its own. More and more you see the line 'The United States Government Presents' on movie reels concerning the war, production, and so on and so forth.

"On the radio industry the Administration has a stranglehold, because of the Communications Act of 1934. This act created the Federal Communications Commission, and defined the FCC's powers in loose, vague language. The FCC's chairman is a Mr. James L. Fly, who has vastly built up his powers under the vague law of 1934. His FCC, having power to revoke station licenses, has meddled with programs and attempted censorship; and recently the Supreme Court held that it was not violating existing law by doing these things.

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To correct some of these abuses and clip Mr. Fly's claws to some extent, the White-Wheeler bill to amend the 1934 Communications Act was introduced recently in Congress. This bill would take some of the vagueness out of the present law, and would impose some curbs on the FCC majority's tendency to grab powers of censorship and intimidate broadcasters with its powers to revoke their licenses if they don't please it.

It looks to us, though, as if the bill is open to improvement, and should be considerably strengthened, after which it should be passed by Congress.

The FCC's power to revoke licenses should be taken away, not merely trimmed down. It is this power which gives the Administration its stranglehold on the radio. The Government has no such power to license or de-license newspapers and magazines. If it could do that, we would have no freedom of the press.

In case some station flagrantly abuses its rights, by broadcasting matter offensive to the public taste or against law and order, the authorities should be required to take the case into a court in the station's own neighborhood and get a jury conviction before the license could be revoked.

Knocked in the head should be Mr. Fly's quaint notion that a newspaper, though having superior newsgathering facilities, should not be allowed to own a radio station with which to broadcast news.

With these improvements, the White-Wheeler bill ought to free the radio in this country from its present bureaucratic control. This effort, because this Administration is doing its best to bring U. S. radio under Russian-style and German-style government lordship.

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DUNLAP, NEW RCA ADVERTISING AND PUBLICITY DIRECTOR

Orrin E. Dunlap, Jr., Manager of the RCA Department of Information, has been appointed Director of Advertising and Publicity for RCA, it was announced by David Sarnoff, President of the Radio Corporation of America.

Mr. Dunlap succeeds Horton H. Heath, who has accepted a position with the National Broadcasting Company as Assistant to the Vice President and General Manager.

Mr. Dunlap was Radio Editor of The New York Times for eighteen years. His association with radio dates from 1912 when he built an amateur wireless station at Niagara Falls, N. Y. In 1917 he was chief operator of the Marconi Wireless Telegraph Company aboard the S.S. Octorora. During the First World War he served as radio operator in the U. S. Navy, graduating from the U. S. Naval Radio School at Harvard as one of the three honor men of the class.

Mr. Dunlap was graduated from Colgate University in 1920 after which he attended the Harvard Graduate School of Business, specializing in advertising and marketing. After a year on the staff of the Hanff-Metzger Advertising Agency in 1922 he was invited by Carr V. VanAnda, Managing Editor of The New York Times to organize a radio section and to direct the coverage of radio news.

Mr. Dunlap's nine books on radio include two on advertising, "Advertising by Radio" and "Radio in Advertising." His other books are: "Dunlap's Radio Manual", "The Story of Radio", "Talking on the Radio", "The Outlook for Television", "Marconi: His Life and His Wireless"; "The Future of Television", and "Radio's 100 Men of Science" a collective biography, recently completed for publication by Harper & Brothers in 1944.

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FCC SILENT ON SALE OF BLUE STOCK TO TIME MAGAZINE

Although understood to be opposed to publications owning or controlling radio stations there was no comment at the Federal Communications Commission on the report from New York that Time, Inc., owned by Henry R. Luce, had purchased a substantial interest in the Blue Radio Network from Edward J. Noble, former Undersecretary of Commerce, who bought the system in October for eight million dollars cash.

Mr. Noble announced that the staffs of Time, Life and Fortune magazines would "make a major contribution" to the network's programs, which will play up news and news features.

Time's interest in the company will represent $12\frac{1}{2}$ per cent of the stock, while another $12\frac{1}{2}$ per cent interest was sold to Chester J. LaRoche, former chairman of the board of the advertising firm of Young & Rubicam, and now head of the War Advertising Council. Smaller interests also were sold to Mark Woods, president of the Blue Network and Edgar Kobak, executive vice president.

Mr. Noble said these transactions have left him in virtual control of the company.

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SOUTHERN WRECK BRINGS PROPOSAL TRAINS USE 2-WAY RADIO

That two-way radio could have prevented the Atlantic Coast Line wreck has been pretty generally recognized by the public with the result that officials in Washington are looking into the possibility of requiring radio equipment for public carriers.

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::: TRADE NOTES :::

Mrs. Eugene F. McDonald, Jr., wife of Commander McDonald of Chicago was sponsor at the launching of the submarine U.S.S. HARDHEAD at Manitowoc, Wis. recently.

Dr. C. B. Jolliffe of the RCA Victor Division, Camden, N.J. has been elected a director of the Radio Manufacturers Association. He succeeds H. C. Bonfig who, after several years of service on the RMA Board of Directors, has been transferred by his company to new duties.

Harry M. Plotkin has been appointed Assistant FCC General Counsel in charge of the Litigation and Administration Division. Mr. Plotkin, a resident of Chicago and native of Massachusetts, graduated magna cum laude from the Harvard Law School in 1937. With the Commission since January 1940 he has been Chief of the Litigation and Administration Division since October 1942. From 1937 to January 1940 Mr. Plotkin was associated with Topliff and Horween, Chicago law firm.

The Commission also announced the appointment of Peter Shuebruk, likewise from Massachusetts, as Assistant to the General Counsel to fill the vacancy which occurred when Nathan H. David enlisted in the Navy last month. Mr. Shuebruk also graduated magna cum laude in 1937 from Harvard Law School, where he was an editor of the Harvard Law Review.

There are now 100 radio and scientific plants financed by the Defense Plant Corp., a subsidiary of RFC, with commitments of \$69,163,000, according to a published statement by Secretary of Commerce Jesse Jones just forwarded to Senator Hill of Ala., chairman of a Senate subcommittee inquiring into war surpluses. Secretary Jones last spring disclosed that the Defense Plant Corp. had financed 54 plants for radio and scientific equipment for a total of \$60,000,000.

FM Broadcasters, Inc., will stage its fifth annual session in New York City on or about January 26, 1944. The exact date hinges on hotel availabilities. FMBI Director T. C. Streibert, WOR, New York, was appointed chairman of a Convention Arrangements Committee. The two-day meeting will be the first time FMBI has ever convened beyond a single-day get-together.

Says Drew Pearson: "Each week alert Gardner Cowles, Jr., president of the Iowa Broadcasting Company and publisher of the Des Moines Register and Tribune will poll Iowa on an important national question."

The Army's "walkie-talkie" may be used to expedite the reading of gas and electric meters after the war. E. N. Keller, of Philadelphia Electric Co., said a reader could radio the figures to a central point where they could be recorded and a bill mechanically punched immediately.