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# HEINL RADIO BUSINESS LETTER

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No. 1592

January 11, 1944

CHARGE FLY WENT DIRECT TO FDR TO "GET" TWO ADMIRALS

In the storm that appears to be gathering over the head of Chairman James L. Fly of the Federal Communications Commission, when he testifies before the House Committee investigating the FCC, the further allegation will be made that not only did Mr. Fly go direct to President Roosevelt in an effort to have Rear Admiral Joseph R. Redman removed as Chief of Naval Communications, but that the President backed Mr. Fly by writing to Secretary Knox to have Admiral Redman transferred. Secretary Knox is reported to have taken no action in the matter.

It was said that Mr. Fly's protest came after Admiral Redman had testified secretly to congressional investigators and allegedly given them information deemed by Fly as damaging to FCC's intelligence section. It was also said that the White House requested the Admiral's testimony for examination last Summer and that shortly afterward the President suggested Admiral Redman's removal to Secretary Knox.

Chairman Lea (D), of California, Chairman of the House Investigating Committee, said he had no knowledge of this letter from the White House but that he had heard the story and that Mr. Fly would be asked about it when he appears before the Committee. Representative Lea said that Commissioner T. A. M. Craven told the Committee that Mr. Fly showed him a copy of a letter from the President expressing disapproval of the testimony of Admiral Redman.

This led to the belief that despite the President's order forbidding officers to testify that an attempt would be made to have Admiral Redman and maybe even Secretary Knox appear before the Committee.

If successful in this, Admiral S. C. Hooper, retired, probably would be called. In fact, Mr. Fly will very likely be asked about Admiral Hooper before the Committee probes the Redman angle as it was the Hooper charges that started all the fireworks. Commander Craven touched them off last November by saying that it was a well known fact that reprisals were visited on military officers opposing Fly's policies. He declared that one officer had been put on the retired list as a result of this and that an attempt had been made to have another retired.

At that time no names were mentioned but later Admiral Hooper and Admiral Redman were named as the officers in question. Admiral Hooper, in a memo last May, declared that the FCC injecting itself into the war communications had endangered the war effort and denounced the domination of that field by Chairman Fly. This angered the latter who, it is charged, then went after

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Hooper's scalp. A few months later the Admiral was retired two years before he had reached the retirement age.

The letter dealing with Admiral Redman reportedly was sent to Mr. Knox by the President after Mr. Fly complained to the White House against testimony by Admiral Redman at a closed Committee session last Summer.

Admiral Redman is reported to have testified at the time that the radio intelligence activities of the FCC had "absolutely no value" and to have termed the agency a "very amateurish outfit", and the assistance given had "been zero as far as the Navy was concerned."

Soon after this testimony, according to Committee sources, the White House commandeered the Committee's transcript and subsequently sent a letter to Secretary Knox stating Admiral Redman's remarks showed a lack of loyalty to his Commander-in-Chief and urging his removal from the communications job.

Mr. Fly, according to Committee members, was sent a copy of the letter, and, it is reported, has used it in an effort to keep members of his Commission from giving testimony adverse to the FCC before the Congressional Committee.

No date has been set for the resumption of the House FCC investigation but it is expected to be within the next week or so.

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#### SUPREME COURT'S RADIO RULE USED TO CURB PRESS FREEDOM

Several months ago attention was called to the danger to the American press of a Supreme Court decision which gave Congress and its agent - the Federal Communications Commission - the power to determine the contents of radio programs by the issuance or revocation of radio licenses.

David Lawrence, the well known columnist, pointed out then that if Congress has the right to use the licensing power to abridge the freedom of radio, it can be similarly contended by the courts that Congress can control the contents of newspapers or magazines by the granting or withholding of second-class mail privileges - a governmental license.

"Confirmation of this view has now come, unfortunately, from the Post Office Department itself, which no longer is willing - and rightly so - to leave the second-class mailing privilege or license power undefined and seeks from the courts a definition of what Congress intended when it wrote the second-class mailing law", Mr. Lawrence writes.



"In banning the particular publication under discussion, the Post Office Department does not rest its case on the ground that the material published is 'obscene', although the courts would doubtless uphold such a ban if the evidence were conclusive. The department uses the occasion to find out what can or cannot be done with the second-class mailing privilege as an instrument of public policy.

"For many years American publishers have been indifferent to the weapon which has been dormant in the hands of Government. It has been too readily assumed that the first amendment to the Constitution was sufficient because it forbade Congress to make any law abridging the freedom of speech or of the press.

"The theory that the grant of a Government privilege gives the governmental bureau the right to make rules and regulations for the use of that privilege is being applied, therefore, to instruments of speech and the press-radio and printed publications. Only a constitutional amendment would seem to be completely effective in preventing subterfuge from circumventing the freedom of press clause of the Constitution. Such an amendment might read as follows:

"The grant, sale or lease of any facilities by the United States to the press, to radio broadcasting, to television, or to any other medium of public expression shall not vest in the Congress or in any executive agency or in the several States the power to limit, restrict or regulate the contents of any printed publication, radio program or creative work emanating from any medium of public expression except as any of these media may offend against the common law governing fraud, obscenity, or libel or as they may disclose military information in time of war in contravention of laws passed by Congress."

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#### NEW VOLUME CONTROL FOR AMPLIFYING SYSTEMS AND SETS

A patent for an automatic volume control for loud speaker amplifying systems which may be applied to receiving sets, has been granted to Edward Stanko of Haddon Heights, N. J.

The description given is: "In combination: a variable gain amplifier, loudspeakers operated by the output from said amplifier, noise pickup means, and means operated by said \* \* \* means and varying the gain of the amplifier in accordance with the noise level."

The patent (#2,338,551) has been assigned to the Radio Corporation of America.

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## CLAIM BBC TRANSCRIPTION SERVICE MOST COMPLETE IN WORLD

Describing the British Broadcasting Corporation's Transcription Service, which sends out program material in 19 different languages to 83 different territories overseas where it is broadcast regularly by about 500 stations, Edgar Blatt, Manager of the Service, writes in London Calling:

"I believe it can be said without fear of contradiction, that we possess the most comprehensive, if not the only complete, library of documentary war sounds in the world.

"It was felt that if our output had of necessity to be limited, we should concentrate to a greater extent on those programmes closely connected with the vital problems of war and the peace to come, than on the lighter programmes of a type which is more likely to be available already from local stations and is included in the short-wave transmissions of the BBC. \* \* \*

"In recent months, we have renewed our efforts to expand our Transcription Service, so as to include programmes in every broadcasting category with a very high proportion of first-class light entertainment. Broadcasting organizations from all over the English-speaking world have been requesting an extended output along these lines, and some of these requests have been of a most pressing character. And so we felt, quite naturally, that whatever the difficulties, they must be surmounted and that something really must be done. We have therefore reorganized and reallocated our already hard-pressed staff, completed additional technical arrangements and obtained additional funds; and so we are trebling our output in English and issuing a minimum of 300 programme hours per year out of which some 200 hours will be made up of light-entertainment programmes. Of course, these 300 hours of programme time must be multiplied very many times to arrive at the hours of broadcasting provided to stations overseas, since copies of the same transcriptions are sent to a large number of destinations. In fact, at a conservative estimate this initial 300 hours will quite easily provide 45,000 hours of actual broadcasting time.

"You will appreciate that there is a considerable time lag imposed by wartime shipping conditions and restrictions in air transport, but by the time you read this, we sincerely hope that the programmes of the BBC's 'London Transcription Service' to which you are listening are already including the new programmes of light entertainment and that you will be hearing something of everything that you like.

"In this short article I have tried to tell you something of the scope and wartime aims of this BBC Service which provides an important complement to our short-wave world networks - a Service which has developed enormously during these war years and which is now equally well known in territories as far apart as China and Latin-America, Ceylon and Newfoundland.

"Although the war has quickened the pace of developments in this as in so many other fields, this BBC Service will not terminate with the cessation of hostilities. It will continue, and will, of course, include any changes that are necessary to meet new problems and conditions, and it is hoped that it will fill an important place in post-war broadcasting, bringing to listeners everywhere its proper measure of the information, entertainment and culture of a world at peace."

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#### THINKS INDUSTRY'S TUBE SALE RATE MAY BE MAINTAINED

Although the war is not yet won and military requirements still take precedence, the radio trade may expect civilian tube deliveries in 1944 to remain at approximately the present rate provided recently revised schedules as approved by WPB can be fulfilled, says the Sylvania News. This schedule calls for the manufacture of approximately one and one-half million tubes per month for civilian use which is only slightly less than the industry's current monthly sales of such tubes. Not all types will be manufactured and the availability of several will fall short of the demand. Production will be confined to types in important demand as far as possible.

"Thus, the present shortage of certain critical types should be alleviated to some degree within the next six months", the Sylvania News continues. "The full effect of the proposed civilian production will not be felt immediately as vital war production schedules must be maintained. Civilian production will come from such additional capacity as may exist.

"Sylvania will continue its policy of equitably allocating available 'MR' stock among Sylvania Distributors each month on a pro-rata basis. In addition, it is expected that types will be interchanged with other manufacturers to provide a more complete line for Sylvania customers.

"We are optimistic to the extent that, although the radio tube shortage will continue for some time, the downward trend in the availability of civilian tubes may be arrested as a result of this program."

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In order to acquaint the representatives and agents of the Mutual Benefit Health and Accident Association, with the new program, "Freedom of Opportunity", scheduled to begin over the full Mutual network, Friday, January 14, the Mutual Broadcasting System made available a half-hour closed circuit program last Friday. Gathered at Mutual stations throughout the country representatives of 100 Mutual Benefit branch offices in the U.S. and Canada participated in this first hand account of the new program to be sponsored by their organization, in cooperation with the U.S. Chamber of Commerce.

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## BLUE NET AND NATIONAL PRESS CLUB "OVERSEAS CONFERENCE"

Lieut. Gen. Carl A. Spaatz, AAF, newly appointed commanding general of the American Strategic Bombing Force, Western Front, and Air Marshal Sir Richard Peck, Assistant Chief of Air Staff of the RAF, will participate in a "Transatlantic Press Conference" by radio on Thursday, January 13th, through the joint efforts of the National Press Club of Washington and the Blue Network.

The Club's regular Thursday "Off the record" luncheon meeting will be "On the record" in the form of a two-way Transatlantic broadcast from 1:30 to 2:00 P.M., EWT, with a group of noted Washington correspondents asking relevant questions of the two air-war leaders who will give their answers from a radio studio "somewhere in Great Britain". The half-hour program will be heard simultaneously in this country over the Blue Network and in the British Isles over the facilities of the British Broadcasting Corporation.

Robert E. Bunnelle, President of the Association of American Correspondents in London, and Felix Cotton, President of the National Press Club in Washington, will also exchange greetings during the broadcast.

William Hillman, Blue Network's Washington Correspondent, will introduce the Washington newsmen. Arthur Feldman, the Blue Network's London Correspondent will present General Spaatz and Air Marshal Peck. The three men selected to question the air leaders are: John M. Hightower of the Associated Press; Kingsbury Smith of International News Service; and Reuel S. Moore of United Press.

The special guests of the Press Club at the luncheon will include: Edward J. Noble, Chairman, Blue Network; Mark Woods, President, and G. W. Johnstone, News Director of the Blue Network, all of New York; and high ranking officers of the Army Air Forces and the Royal Air Force station in Washington.

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## DENVER DECISION PLEASES PRESS; KFEL TO APPEAL

There was approval on the part of the newspapers of District Judge George A. Luxford in Denver dismissing the suit of Station KFEL to collect damages and force the Denver Post to carry its daily program listings. Judge Luxford ruled that newspapers must be free to exercise their own discretion about what they will, or will not, publish. Gene O'Fallon, head of KFEL, said the case would be appealed to the Colorado Supreme Court. It was said, if necessary, the issue would be carried through to the Supreme Court of the United States.



One of the first newspapers to comment on the decision was the Chicago Herald-American in an editorial captioned "An Impudent Claim", which read:

"The ruling by District Judge George A. Luxford of Denver that the publication of free radio programs or 'daily logs' by newspapers is a matter in which they must be free to exercise their own discretion attests the good judgment of the court.

"It was more than an unreasonable claim which the contesting radio station had advanced in this case, that the defending newspaper should be compelled to publish the daily programs regardless of its own choice or interest in the matter.

"It was an impudent claim on the part of the radio station.

"The radio industry is not a 'bottle baby', or a perpetually parasitic organism required or entitled to draw its life from other established industries.

"To the contrary, the radio industry is a thriving commercial enterprise on its own account, and it has its own substantial wares, and it can and does sustain itself and thrive upon the sale of its wares.

"Consequently, daily radio programs or 'logs' are advertising just as the commercial promotion is advertising, and should be paid for as such.

"In the Denver case, the untenable and impudent claim of the radio station was that it should be allowed to offer its wares to the public through the facilities of the defendant newspaper, without either compensation or the consent of the newspaper.

"Judge Luxford very properly held that the newspaper 'owed no duty to the plaintiff to publish its radio programs'.

"He went significantly beyond that to say that a newspaper 'is sole judge of the value of news as such' and that:

"A newspaper must remain free to publish such matters as it regards as possessing news value, and to refrain from publishing such matters as it may determine do not possess news value."

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Fielding Robinson has been elected Vice-President of the Hazeltine Electronics Corporation. Mr. Robinson joined the organization in 1941 as coordinator with various Government agencies in Washington and elsewhere. Previously he managed the Crosley Company of New York.

John D. Grayson, who joined Hazeltine in 1941 as Controller, has been elected Treasurer. Formerly he was Controller of Bellows & Co.

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## TRAMMELL DENIES COMPARING PRESS-RADIO CIRCULATION

Niles Trammell, President of the National Broadcasting Company, was quick to deny that he had compared newspaper and radio circulation to the disadvantage of the former as charged in an article last week in Editor and Publisher written by William J. Swagerman.

"It is apparent that Mr. Swagerman misunderstood my testimony before the Senate, not only as to the figures he questioned but also as to the purposes intended", Mr. Trammell replied.

"It would be unfortunate if the major issue confronting Congress in drafting new radio legislation should be obscured by a dispute over statistics which have no bearing upon an issue which is of as great importance to the newspapers of America as it is to radio. Just as the American way of life is dependent upon freedom of the press so is it dependent upon maintaining a free radio in this nation.

"There is nothing to be gained by either the newspapers or radio indulging in internecine warfare. There is plenty of room in the advertising world for both broadcasting and newspapers. Newspapers have done and will continue to perform service to the American public which cannot be rendered by any other medium.

"In this critical issue that is now before Congress in considering revision of radio legislation, the newspapers and broadcasters should stand shoulder to shoulder. There must be a free radio in America just as there must be a free press."

To this Editor and Publisher replied:

"If Mr. Trammell did not include in his actual testimony the statements criticized by Mr. Swagerman, they were substantially contained in NBC exhibits left with the Senate Interstate Commerce Committee. They were understood by Editor & Publisher, by Mr. Swagerman, and by the radio trade press to represent the views of the NBC president, and to be legitimately subject for comment as such. Editor & Publisher still thinks so. We agree entirely with Mr. Trammell that there is no sound comparison between sworn and audited statements of newspaper circulation and the estimates of radio coverage, however much the latter may be trusted by broadcasters and users of broadcast advertising. The two are no more comparable than horses and apples. Printed advertising in newspapers may not obtain 100% reading by every newspaper subscriber, but no advertiser is mutually excluded from the reader's eye by the presence in the newspaper of any other. On the other hand, if one program has a large share of the listeners at any given moment, all other advertisers then on the air are automatically deprived of that proportion of the audience. Therefore any attempts to project comparison between newspaper and radio audiences is at best futile.



"If the radio people will stick to their own legitimate terminology and cease trying to convince the advertisers that they have 'circulation' comparable with that of newspapers, there is a much better prospect of the 'shoulder-to-shoulder' fight that Mr. Trammell commends to all concerned."

"Every newspaper editor or publisher should recognize that the fight of the radio industry for sound radio legislation freeing business practices and program control from government domination is as much his fight as it is the broadcaster's", Mr. Trammell declared clarifying his position. "If our forefathers who wrote the Bill of Rights had had any fore-knowledge of the coming of broadcasting, there is no doubt in my mind that these men who firmly believed in the principles of free enterprise, freedom of speech, and freedom of the press, would have likewise incorporated freedom of the air as one of the cardinal principles in the Bill of Rights."

"The Supreme Court decision makes repeated reference to the physical limitation of radio facilities. I acknowledge that the very nature of broadcasting does require federal supervision of the allocation of facilities available. However, this technical necessity should not be expanded into conveying to a politically appointed commission such authorities as could make the broadcasting industry either a serf or a tool of the administration in power."

"My purpose in appearing before the Senate Interstate Commerce Committee was not to avail myself of an opportunity to give a 'sales talk' for radio. I had no desire to compare the effectiveness of radio advertising with newspaper advertising, since this subject was not germane to the hearing. I feel that to use a public hearing for such a purpose would be subject to severe criticism. I merely wished to illustrate that despite the physical limitations imposed upon broadcasting by technical considerations, there is actually more competition in the field of radio than there is in the newspaper field. This, of course, has been brought about by economic considerations. The fact that in the cities where NBC has outlets there are a total of 386 radio stations compared with 280 newspapers is evidence of that conclusion."

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WM. H. SAMMONS, IOWA PUBLISHER AND BROADCASTER, DIES

William H. Sammons, President of the Sioux City Journal Tribune, died last Friday.

In 1914, Mr. Sammons, who was one of the charter members of The Associated Press, became President of the Perkins Brothers Company, publisher of The Journal, and when The Journal and Tribune joined interests in 1941, he became head of the new concern. He also remained as head of Perkins Brothers Company, which operates Station KSCJ, in Sioux City.

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## BROADCASTERS TO START 4TH WAR LOAN WITH A BANG

The broadcasters will spare no effort to make the 4th War Loan the greatest of all victory drives.

In a three-way, nation-wide tie-up, the first of its kind in history, the Columbia Broadcasting System, with 134 radio stations in the continental U. S., the American Hotel Association with 5,500 member hotels, and the United States Treasury Department, will stage a series of twelve cross-country rallies and broadcasts, starting Tuesday, January 18, as part of the Government's Fourth War Loan Drive.

The twelve coast-to-coast programs, originating in as many cities, will be broadcast over the CBS network from the leading hotels, in whose ballrooms and banquet halls testimonial dinners will be given by the managements to honor local War Bond campaign workers.

A war bond booth has been set up in the lobby of the RCA Building to accommodate purchasers of bonds as tickets for "WJZ War Bond Night" next Tuesday, January 18th. At this time Station WJZ will inaugurate the Fourth War Bond Drive with a concert by Esquire's 1944 All-American Jazz Band at the Metropolitan Opera House. The jazz concert will be broadcast over WJZ from 9:30 to 9:55 P.M., EWT.

A member of the WJZ Victory Troop will be on hand every day to assist in the sale of bonds. Bonds ranging from \$18.75 to \$75 are being sold in exchange for tickets.

Marking the first time in the history of the Metropolitan that jazz has emanated from the great stage, the concert will present 20 top jazz musicians selected by 16 musical critics at Esquire's request. Paul Whiteman, musical director of the Blue Network, will be awarded a citation as the "Father of American Jazz". There will be no conductor for this unprecedented jam session.

The first coast-to-coast broadcast, on January 18, originates in the Hotel Statler in Boston, with Governor Leverett Saltonstall of Massachusetts and President Glenwood J. Sherrard of the AHA as guests of honor.

Subsequent broadcasts come from hotels as follows: Jan. 19, Philadelphia, Philadelphia; Jan. 24, Commodore, New York City; Jan. 25, Adolphus, Dallas, Tex.; Jan. 26, Book-Cadillac, Detroit; Jan. 31, Cosmopolitan, Denver; Feb. 2, Sherman, Chicago; Feb. 7, New Jefferson, St. Louis; Feb. 9, Gibson, Cincinnati; Feb. 10, Los Angeles hotel to be announced; Feb. 14, Roosevelt, New Orleans and Feb. 15 (grand climax), Mayflower, Washington, D. C.

As each show goes on the air, last-minute totals of local, State and national sales, will be flashed from Washington as news items to be broadcast. At the windup of the campaign, it is expected that Secretary of the Treasury Henry L. Morgenthau, Jr. will be

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heard from Washington, with the complete total of War Bond sales raised during the entire campaign.

The coast-to-coast broadcasts will be half-hour programs presented at 12:30 to 1:00 A.M., EWT; 11:30 P.M. to 12:00 P.M., CWT; 10:30 to 11:00 P.M., MWT; and 9:30 to 10:00 P.M., PWT.

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#### LISTENERS REPORTED PLEASED WITH WJZ'S NEW TRANSMISSION

According to John H. McNeil, Manager of the station, enthusiasm characterizes the letters received from listeners since Sunday, January 2nd, when the transmitter of the Blue Net key Station WJZ went into operation from its new site at Lodi, N.J.

Unsolicited mail received from widely scattered points in the station's coverage area, Mr. McNeil said, indicates that the improvement in reception, as compared with reception when the transmitter was located at Bound Brook, N. J., is considerable.

Two factors account for the improved reception from the Lodi site, Mr. McNeil continued - its position in relation to the New York area (the new location is nine-and-one-half miles from Columbus Circle) and the wet, swampy soil on which the tower stands. The greatest change was effected in the thickly populated areas of Manhattan, in Westchester, Connecticut, outer Long Island and the eastern section of Pennsylvania.

Letters received range from the dryly technical (amateur and sometimes professional engineers at work, to the wildly enthusiastic. "WJZ comes in the loudest and with the best quality of all stations on the dial!" a letter from West New York, N. J. read. "It's radio at its best. Have no doubt WJZ is now the best metropolitan station."

One writer from Keene, N.J., remarked that while it had always been his "pet gripe" that he could not hear WJZ "with any degree of pleasure" on Sunday "we could even hear Walter Winchell's tonsils quiver with excitement."

"Teaser ads" in New York newspapers called attention to the change and the expected improvement in reception.

Announcements following the change asked listeners "have you noticed the difference" and large-space advertisements in Sunday and Monday newspapers featured the headline, "Did you hear what happened at 6 o'clock last night at 770 on your radio?"

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