

# HEINL RADIO BUSINESS LETTER

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## INDEX TO ISSUE OF FEBRUARY 1, 1944

Keen Eyes Made Radio, Sarnoff Tells Engineer Grads.....	1
Petrillo Sued For \$500,000 Coercion Hiring Musicians.....	2
House Passes Bill Wiping Out FCC Intelligence Division.....	3
Shouse, Crosley V-P, Praises BBC.....	4
WLB Approves 300 NBC Rises.....	4
Estimates 60,000,000 Sets Are Still In Service.....	5
Collier's Backs Up Niles Trammell In FCC Attack.....	6
CBS Says Its Announcers Book Was "Fustus With Mostus".....	7
RCA Transmitter Opens Europe-To-U.S. Service.....	8
Barred On Radio, Polish Relief Official Declares.....	9
Trade Notes.....	10
FCC Newspaper Station Policy Viewed As Sound.....	11

No. 1598

February 1, 1944.

## KEEN EYES MADE RADIO, SARNOFF TELLS ENGINEER GRADS

A man who was brought over from Russia when a little boy and who began life in this country as a messenger on the streets of New York, gave some pointers to the Graduating Class in Engineering at New York University last week. It was David Sarnoff, President of the Radio Corporation of America, and he said:

"Be alert and cultivate keen observation. In little and apparently insignificant things great wonders are concealed, awaiting discovery. Simplicity is often the key to success in all fields of science. Hertz's discovery of electromagnetic waves evolved from simple apparatus, but his keen eye discovered the feeble sparks with which Marconi kindled wireless. The story of simplicity linked with alertness is old yet ever new. Only recently, Dr. Alexander Fleming, observing the effects of an ordinary mold, discovered penicillin, the latest miracle in medicine.

As trained engineers, the majority of you will be called upon to pick up the torch of science, which others dropped when the bugles sounded. You must be watchful, as the smoke of battle clears, to determine the peacetime applications of the tools of science, which will be left on the battlefields. You must re-establish ideas torn by war, you must rebuild and reconvert. You must help to restore the international pathways of invention that lead to exchange of ideas, resources and methods. All that calls for engineering skill; for you are the builders of a new Age.

"You are entering the engineering art at a time when science is triumphant over the greatest wartime challenge hurled at it in all history. No war ever drew upon science as has the Second World War. Daily the communiques and eyewitness stories mirror the tremendous importance of technology in the defense and preservation of civilization. Science is the spearhead of Victory. Today, it may well be said that the 'S' in soldier and sailor stands for science. It goes with them everywhere, protects them and brings them victory in the desert, in the mountains, in the jungles, in the arctic ice fields, in the clouds and on the seas.

In radio we have an outstanding example of the effectiveness of science in modern warfare. I wish that I might tell you the full significance of radio-electronics in this war, but many of the achievements must for awhile longer remain military secrets. But you as engineers can well imagine what a tremendous factor radio is in warfare that encircles the earth. The coordination which radio achieves through lightning-like communication, regardless of distances, natural barriers or the enemy, is miraculous.

"Television is rapidly advancing under the impetus of war-time research and engineering, and holds much promise for the future. Television will one day be a great new industry and a great public service. The world is going to see by radio after this war, just as it heard by radio after the last war.

"As we review these wartime developments and look forward to the brighter days of peace, let us salute the men of science who have mobilized ideas and inventions to help us achieve Victory. But let us not lose sight of the losses suffered through the casualties of battle.

"The young men, lost to the world and to science in this war, have, in their supreme sacrifice, made it possible for the civilized world to progress; they have contributed far more than invention. They have made future invention possible by the defense of a civilization in which men can think, study, work, achieve, and live in a world that is free."

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# PETRILLO SUED FOR \$500,000 COERCION HIRING MUSICIANS

There were three angles to the Petrillo news this week (a) he backed down on calling a network strike; (b) the War Labor Board said it would take no action in the recording cases until it had received the report of the New York WLB panel which is now being written, and (c) Mr. Petrillo was named one of the five defendants in a \$500,000 damage suit filed in the New York Supreme Court earlier in the week.

The suit was brought by David T. Nederlander, a stockholder of Lafayette Dramatic Productions, Inc., in behalf of himself and other stockholders. The corporation operates the Lafayette Theatre in Detroit. The suit charges that the theatre was coerced, under threats of strikes, into employing union musicians against its will. The action was filed by David K. Shappiro.

According to the papers, the theatre specializes in the presentation of dramatic theatrical productions not requiring orchestral aid. Before presenting its first production, the complaint asserts, the theatre was forced "under duress and compulsion" to sign a contract with Local 5 to employ six union musicians at a weekly salary of \$500, despite its plea that no music was required.

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"Mayor Ed Kelly of Chicago, who got Sewer Commissioner Tom Gerry to yell, 'We want Roosevelt' from a hidden microphone in the basement of the 1940 Chicago convention, was combatting a convention bid from Detroit", Leonard Lyons writes. 'We'll pay for everything', said the Mayor of Chicago, 'including the microphones.'"

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## HOUSE PASSES BILL WIPING OUT FCC INTELLIGENCE DIVISION

The House bill which wiped out the FCC Intelligence Division, a pet agency of Chairman James L. Fly, was passed without a dissenting voice. In doing so, the House sliced \$1,654,857 off the Federal Communications Commission's budget leaving the Commission a paltry \$6,716,843.

"The Committee itself might have made bigger cuts in the FCC appropriations", Representative Starnes (D), of Alabama, said, "but their estimates were so jumbled up we couldn't tell which activities were peacetime and which wartime - so we tried to be fair to its civil functions."

Which is a pretty good indication of how freely the boys are throwing the money around on the Hill these days. The bill now goes to the Senate and whether or not President Roosevelt, who refused to back up the Joint Chiefs of Staffs in asking the abolishing of the Radio Intelligence Division, will receive a similar rebuff in the upper body remains to be seen.

Representative Woodrum (D), of Virginia, in charge of the bill was asked in the House by Representative Wigglesworth (R), of Massachusetts, whether he would confirm the understanding that in reducing the FCC appropriation for the Radio Intelligence Division by \$1,000,000 it was the intention of the Committee to take the FCC out of the field of military and naval radio intelligence and to make possible the transfer of the functions in the field to the Army and Navy in accordance with the request of the Joint Chiefs of Staff. Representative Woodrum answered in the affirmative.

The Joint Chiefs of Staff in their letter to Secretary Knox had said:

"Radio intelligence activities of the Federal Communications Commission tend to be less and less useful as the art progresses. This is due to integration into proper radio intelligence systems of large quantities of secret military information accumulated through special processes by the armed forces, including exchanges of military information with our Allies, knowledge of present and proposed disposition of forces, and other special information which for obvious reasons cannot be disseminated to an agency such as the Federal Communications Commission."

Thus did the House deal a powerful blow at Chairman Fly who is rapidly becoming Bureaucrat #1, but President Roosevelt, who went so far in his effort to save the Division that he refused to allow Army and Navy officers to testify when the House Committee tried to get at the bottom of the difference of opinion between them, also was rebuffed.

With regard to the FCC and Mr. Fly, Representative Taber(R), of New York, said, "The FCC has long taken the position that it is above Congress. It is about time it was put in its place."

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## SHOUSE, CROSLLEY V-P, PRAISES BBC

There was commendation for the British Broadcasting Corporation from James D. Shouse, Vice-President of The Crosley Corporation at Cincinnati, recently returned from a special OWI trip to England. Furthermore, Mr. Shouse told the Cincinnati advertisers that the U. S. short-wave facilities should be greatly strengthened and improved as we were not being heard abroad as we should. He said, however, inasmuch as all Europe could be reached by standard wave from England that he didn't believe it would ever be possible to surpass this service by means of short-wave.

"I do not suggest that the British will be disposed to misuse this tremendous advantage any more than we have felt in this country that they would misuse their Navy", said Mr. Shouse. "I do hope, however, that somehow it might be possible for the U. S., too, to find itself in the position of being able, not only for commercial reasons, but for ideological reasons, to provide and control our own transmission facilities to the continent of Europe.

"I think this is a serious problem; it is one, I am sure, which is fraught with grave potentialities. Whether as a nation we like to admit it or not, or whether we like to think of it or not, Europe after the war will still be a tremendously important part of any plan of world economy. . . It will, for many years, be an important thing that the American philosophy and American thinking about the world of tomorrow be kept crystal clear in the minds of the hundreds of millions of people on the Continent."

Mr. Shouse told his listeners that the BBC now had an organization of 25,000, or 25 times as large as when the war started.

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## WLB APPROVES 300 NBC RISES

The War Labor Board has approved wage increases for approximately 300 technical workers in the Engineering Department of the National Broadcasting Company in New York, Denver, Chicago, Washington, Hollywood, San Francisco and Cleveland.

The increases range from \$7.27 to \$28.75 per month in the minimum rates for four of the twelve labor groups in which the employees are classified: \$14.57 and \$15 respectively in the maximum rates for two of the groups, and 5 percent on the first \$300 of their monthly salaries for all of the groups.

Prior to the approved increases the wages for these workers ranged from a minimum of \$80 a month for the lowest classification to a maximum of \$437.75 for the highest paid group.

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## ESTIMATES 60,000,000 SETS ARE STILL IN SERVICE

The Institute of Radio Engineers in session in New York last week, were told by Art Stringer, Director of Circulation of the National Association of Broadcasters, that 60,000,000 sets had thus far weathered the gale.

"Since the beginning of production of factory made receivers in 1922, you men and your predecessors together have had a hand in creating over 100 million radio sets for the use of American families not to mention the sets which have been exported throughout the world", Mr. Stringer said.

"60 million are still operative - 9 million of the 60 million are auto sets, 5 million are located in institutions, places of business, etc., while 46 million sets will be found in the homes of 32,500,000 U. S. families.

"During the 21 years you have been making sets, the public has taken them off your hands in exchange for more than six billion dollars and has paid in addition large sums for parts and service.

"Why is it, do you suppose that the public has demonstrated its eagerness to consume the output of your factories year after year? Was it because of a period cabinet, modernistic design or superb engineering? Basically it was for none of these reasons. It was because the public wanted to listen, because the public wanted to enjoy the entertainment, recreation and educational facilities provided by broadcast stations.

"What is the evidence for this conclusion? Perhaps the most important evidence is the time set owners spend listening. Today, each of the 32,500,000 radio families listens on the average more than 4 hours and 22 minutes per day. (The figure of 4 hours, 22 minutes is a minimum figure. It was established in Jan. 1, 1938, by the Joint Committee on Radio Research which reported for the country as a whole, by releasing results of its own survey of rural population, and an urban survey conducted by Daniel Starch, Inc. Surveys since show increases in listening.) Next after sleeping and working, these millions of men, women and children spend more time listening to radio programs than in any other activity."

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"Just as at home, radio is an entertainer of our troops in the South Seas", Maj. Frederick Simpich, Jr. writes in the January National Geographic, "most bivouacs have a set or two capable of 'pulling in' KGEI over short-wave from San Francisco. Equally favored is 'radio Tokyo' which beams American dance music larded with propaganda at the Solomons and New Guinea."

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## COLLIER'S BACKS UP NILES TRAMMELL IN FCC ATTACK

The leading editorial in Collier's this week (February 5) is "Take the Chains Off Radio". It is illustrated by someone reading a script into a microphone and over his head is a large axe suspended by a thread - the axe labelled "Radio Regulation Law".

The editorial reads:

"We're in favor of the program of Niles Trammell, President of the National Broadcasting Corporation, for the bringing of radio in the United States within the Bill of Rights' guarantee of freedom of speech. Radio does not now enjoy that freedom; yet radio is one of our great media of speech and communication.

"At the present time, the Communications Act of 1934, a vague and loosely worded statute, is administered by the Federal Communications Commission, better known as the FCC. The FCC's Chairman, James L. Fly, is a veteran business-baiter. Accordingly, he is forever trying to extend the FCC's power to coerce the 900 to 1,000 broadcasting agencies in the United States into singing only such songs as this government agency wants sung.

"The Supreme Court recently held that Fly's grabs for power, even to the power to oversee choice of programs, were legitimate under the 1934 law; that it is Congress' job to clarify that law and thus limit the FCC's powers. These include the life-and-death power to revoke a station's license if the station fails to please the FCC.

"Mr. Trammell proposes that Congress write the following points into the law regarding the U. S. radio industry:

"A declaration that radio broadcasters have full freedom under Amendment I of the Constitution (the freedom-of-speech clause of the Bill of Rights).

"A flat order forbidding the FCC to exercise any kind of program control.

"Long-term or permanent licenses, revocable only for specified causes.

"Licenses to be revocable only after jury trial and conviction in the federal court for the district where the accused station is located.

"FCC to be forbidden to administer antitrust laws against radio; these laws to be enforced against radio in the same manner as against any other industry.

"Government to be ordered to issue experimental licenses and encourage development of new radio services.



"Discrimination to be forbidden on basis of occupation or business in granting licenses.

"Procedural parts of the 1934 Communications Act to be revised to conform with recommendations of the Federal Communications Bar Association and the National Association of Broadcasters.

"All these improvements look good to us. Some of them are embodied in the White-Wheeler bill, a measure pending at this writing, to clarify the 1934 law. We think all the Trammell recommendations ought to be written into this bill, after which Congress should pass the bill. It is time to knock the bureaucratic chains off the American radio industry, for the benefit of the listening public and the industry, and out of a decent respect for the Constitution of the United States.

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CBS SAYS ITS ANNOUNCERS BOOK WAS "FUSTUS WITH MOSTUS"

In our review January 7th of the new "NBC Handbook of Pronunciation" compiled for announcers by James F. Bender, we said, "Why didn't somebody think of such a book as this a long time ago?"

There were two almost instant replies from the Columbia Broadcasting System, the first under the wire being from Paul Hollister, Vice President in Charge of Advertising and Sales Promotion, and close behind him one from George Crandall, Director of Press Information.

"You ask why somebody didn't think of such a book", Mr. Hollister wrote.

"Somebody did.

"Who?

"Columbia Broadcasting System.

"When?

"Two years ago. That is a long time ago!

"What happened?

"In 1937 CBS enlisted the expert authority of Professor W. Cabell Greet, phonetician extraordinary, member of the faculty of Columbia University, in the guidance of its radio pronouncers. He produced for CBS periodic lists of words and place names commonly mispronounced, or tough to pronounce. They proved invaluable to CBS broadcasters and directors, and they accounted considerably for the reputation CBS has maintained for correct pronunciation.

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"It was natural that the usefulness of these bulletins should expand beyond the typewritten form, and beyond the confines of broadcasting. Accordingly in 1942 the Columbia University Press set up the first edition of "War Words: Recommended Pronunciations", by W. Cabell Greet. It was a book of 137 pages, containing recommended pronunciations of names from the Arabic, Australian, Chinese, Czechoslovak, Dutch, English, Finnish, French, the languages of India, Japanese, Korean, Russian, the languages of the South Seas, Spanish and Turkish. It contained recommended pronunciations for 4,400 names. "War Words" not only went into active use as the definitive CBS textbook, but went on public sale, and in the year passed three editions.

"A wholly revised expanded new edition is shortly coming off the Columbia University press, with the title 'World Words' - a title significant in its implication that so far as man can peer into the future, it seems likely that henceforth every American is going to have to know where Kukui, Kuku and Kuliviu are and how to call them. 'World Words' will contain some 10,000 recommended pronunciations. Of each the reader will find two printed versions: one in simplified Websterian characters, and one in the hieroglyph which serves phoneticians everywhere as the common solvent of their verbal sounds."

Mr. Crandall wrote pretty much along the same lines saying:

"In July, 1942, CBS announcers were presented with a guide of 'Recommended Pronunciations' prepared by W. Cabell Greet, CBS speech consultant and Associate Professor at Barnard College, Columbia University. This guide was in mimeograph form and so popular did it prove that in February of last year, it was revised and brought up to date and published in book form entitled 'War Words'.

"'War Words' was presented to all CBS announcers in New York and a copy was sent to the network's affiliate stations including those in Canada as well as to the BBC.

"Shortly CBS will announce another revision and complete up-to-date 'World Words'."

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#### RCA TRANSMITTER OPENS EUROPE-TO-U.S. SERVICE

The first all-American-owned and operated commercial radio station in Europe began direct service to the United States at midnight, according to AP report "Somewhere in Italy" as of today.

Operated by RCA, the station was installed at a cost of approximately \$250,000 since December 18, when a staff of eighteen men arrived with 102 cases of equipment. Manager T.D. Meola of Skaneateles, N.Y., said that 240 words a minute had been transmitted in tests of the high-speed equipment, which is intended chiefly for movement of news dispatches from the war fronts.

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## BARRED ON RADIO, POLISH RELIEF OFFICIAL DECLARES

Because he would not modify an address he had been asked to make on a Town Hall of the Air program over the Blue Network last week, Chauncey McCormick of Chicago, National Chairman for Polish Relief, asserted that he had not been allowed to broadcast.

Commenting upon this, in an editorial, "He Waved the Wrong Flag", the Chicago Tribune said:

"Mr. Chauncey McCormick of this city was invited to take part in the Town Meeting of the Air scheduled for yesterday evening. The subject was to be the Polish-Russian controversy and he was to approach it from the American viewpoint. The formal topic for discussion, as later announced, was 'On What Basis Can Russia and Poland Agree?'

"Mr. McCormick says he was told on Jan. 13 that in his five minute talk he could say what he pleased, subject to the approval of the Blue network. He submitted his paper only to have it rejected. He made some revisions, but they were regarded as unsatisfactory. Mr. George V. Denny, Jr., director of the program, said the trouble was that Mr. McCormick, instead of sticking to the subject, 'had waved the American flag all over the place'. Later Mr. Denny explained in a formal statement that Mr. McCormick had dwelt largely upon America's fight for freedom with only scant mention of Poland and no mention of the Russian-Polish dispute.

"Mr. Denny's point appears to be that it is all right to wave the Russian flag or the Polish flag all over America's Town Meeting of the Air, but it isn't permissible to wave the American flag. This is a singular dogma to govern public discussion over the radio in America. It measures the patriotism of Mr. Denny and the Blue network. It also measures their subservience to official Washington, which doesn't want the American people to be reminded of the principles and traditions which have guided America's foreign relations.

"The complaint that Mr. McCormick did not stick to the subject means only that he looked into American history and tradition to find principles which should govern the relations between neighboring nations. That was his offense. He should have examined the question not from an American viewpoint, but from a Polish or a Russian viewpoint.

"Mr. McCormick was saying, in effect, that the dispute would vanish if there were respect for the rights of small nations and for rights established by treaties freely made. But to say that was 'to wave the American flag all over the place'. That was 'not sticking to the subject'. Certainly Mr. McCormick emerges from this incident with no loss of his standing as an American. As much cannot be said for Mr. Denny and the Blue network. Their lickspittle conduct is not likely to be forgotten by the American people."

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 :::: TRADE NOTES ::::  
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Miller McClintock, President, Mutual Broadcasting System, will leave New York on Friday, February 4th, for a month's trip to Mexico. While in Mexico, he will visit the stations of Radio Mil, Mutual's 32 station outlet in Mexico. The radio executive expects to be back on March 3rd.

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 The National Broadcasting Company and the Radio Corporation of America, in cooperation with the General Electric Company, have begun the installation of 45 additional television receivers in hospitals established in the Metropolitan area for wounded service men. These instruments are in addition to the 10 RCA receivers which have been in operation in six hospitals since November 1943. Of the sets newly assigned for this purpose, the General Electric Company is supplying 25.

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 No word of any negotiations for the purchase of Station WQXR in New York by the New York Times has reached the Federal Communications Commission. There was a report that the Times had bought WQXR for a million dollars but Edwin L. James, Managing Editor of the Times, and J. V. L. Hogan, owner of the station, have denied this. The Times recently applied for an FM license which led to the belief that it intended building its own station.

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 The Radio Corporation of America plans to manufacture and sell frequency modulation (FM) home receiving sets as soon as civilian production is resumed.

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 Dr. Orestes H. Caldwell, Editor of Electronic Industries, has been appointed Chairman of the 1944 Edison's Birthday Committee and will address the Edison Pioneers, numbering many of the inventor's old associates, at the Edison Birthday luncheon, Hotel Astor in New York City, February 11th.

Which brings to mind, when the writer interviewed Edison for the New York Sun many years ago, the great inventor asked to see a stone-proof of the article before it was published. Frequently there had been requests to see a copy of an article but no one before had asked for a proof. "I want to see a stone proof", Edison said, "because that shows the head and no matter how good the article is if the head is off the whole article is off."

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 With donations continuing to pour into the coffers of the Metropolitan Opera Association, in response to its Blue Network appeal for \$300,000 to meet a financial emergency, the fact that the Saturday afternoon broadcasts from the historic opera house are vitally important to the listening audience's cultural welfare becomes more and more evident each day.

Of the total of \$153,473 contributed thus far, 86 percent, or 12,747 persons contributing to the drive, are numbered in the radio audience, with California almost equaling New York State in total funds sent in. Since the Coast State knows the Metropolitan Opera performances only through the medium of radio, its generous response becomes worthy of special mention.

Station WHBU, Anderson Broadcasting Corp., Anderson, Ind., was granted consent by the FCC to acquisition of control of Anderson Broadcasting Corp., licensee of Station WHBU, by L. M. Kennett, through acquisition of 500 shares or 50% of the common stock for a consideration of \$10,000.

Two sound effects women, the first ever to be employed by Station WOR, have joined the station and have been assigned to several programs.

Alexandria, Va. (across the Potomac from Washington) law enforcers, starting today, will have a woman's voice over the police radio. Mrs. Marie Stephens, 200 LaVern Ave., begins her new job in the communications division at police headquarters. She is the second woman to join the department.

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#### FCC NEWSPAPER STATION POLICY VIEWED AS SOUND

There was commendation for the FCC newspaper decision from Marshall Field's pro-Administration Chicago Sun:

"The Federal Communications Commission has decided not to apply any general rule prohibiting newspapers from acquiring radio stations, but will not permit 'concentration of control' - that is, it will not let radio stations come into the hands of newspapers alone as distinguished from other qualified applicants for licenses. This decision, under existing circumstances, represents a statesmanlike approach.

"Radio communication of news is a sufficiently powerful medium of public information to justify special precautions by the government to safeguard genuine competition in the field. For many reasons, however, no general rule against newspaper ownership would now be warranted.

"Newspaper publishers are citizens with the normal rights of other citizens, and are not to be discriminated against in the radio field in the absence of proof that newspaper ownership contravenes the public interest.

"No danger exists that newspapers, acquiring radio stations, will discourage the rapid expansion of this new communications medium. On the contrary, radio is a source of expanded revenue and influence for newspapers, and the history of newspaper-owned stations shows that they are recognized not as a rival to be suppressed but as a valuable ally.

"The development of frequency modulation, finally, means that a wide range of radio channels will be open after the war, and this effectively eliminates any real danger of monopoly by a single group or interest. Available channels will no longer need to be limited to a few stations in a locality, through which newspapers might dominate the program output.

"The FCC statement of policy, recognizing these factors, has been given the Senate committee now considering revision of the communications law. It should be accepted as a sound declaration from an agency which has always shown a high regard for the public interest."

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