HEINL RADIO BUSINESS LETTER

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INDEX TO ISSUE OF FEBRUARY 4, 1944

Of All People - Fancy Meeting Him Therel
Tube Prices Considered By Radio Advisory Group2
FCC May Make Stations Keep Program Records
New York Times To Buy WQXR Including FM Outlet
Ryan May Take Over NAB Now; N. Y. April Meeting Off5
Brewer Expertly Times Washington Soldier Vote Blast6
Ex-Employee Tells Of FCC Falsifications
Calls FM Radio Of Tomorrow8
Deloraine New Federal Radio Director9
Trade Notes10

No. 1599

OF ALL PEOPLE - FANCY MEETING HIM THERE

This letter from overseas was written to H. Leslie Atlass, of WBBM, Chicago, by Lieut. Col. J. O. Weaver:

"Merry Christmas and Happy New Year. A little bit late, perhaps, but then, a card was sent some time ago that should have arrived in time.

"Things go on pretty much the same here .. I now have command of our Fifth Army Unit and feel a job is being done.

"To give you an idea of how a day goes --- 3 days ago a rookie just in from the States was assigned to me for 'orientation'. He piled in a jeep and started for the front. The rookie was amazed at the activity and constant streams of supply trucks necessary and how it didn't look like war at all because nobody's blood was spilling all over.

"Then we hit a little town near the front (4,000 yards away) and bam! a big Jerry shell came in. He was pretty good - didn't bother him at all. He then proceeded up to an artillery position to spend the night. By that time shells were screaming over fairly regularly, but as they didn't land very close the rookie took them in stride.

"After eating we were sitting in the colonel's tent when 'zoom', a flock of big ones came in close. We all dived for cover and tin hats - and after one look the rookie did the same.

"The tent shook - and I'm afraid the rookie did too, at first. He was like a veteran when it was over though. That night ne didn't get much sleep because our sandbagged tent was just 150 yards directly in front of a battery of 166 howitzers and they kept up the din all night.

"A terrific barrage let loose about 6:00 AM and sleep was over for that night. We ate breakfast and had just finished when the ack-ack broke loose at Jerry who came in, strafing the area. By that time the rookie could take anything, and he did. Was quite proud of him.

"He'd had about everything and was still going strong ... as a matter of fact he seemed to enjoy it. We wandered around the front that day and then came back to the rear - the rookie was tired and happy. His first experience under fire, and exhilarating.

"Oh yes, by the way - he wanted me to remember him to you - his name is Bill Paley!"

So far as we know, this is the first word that has been heard regarding Mr. Paley since he went abroad on a special mission for OWI several months ago. Likewise it will be news that he has actually been under fire. Lieut. Colonel Weaver, known to his friends as "Buck", before the war was in charge of the news room of WBBM in Chicago.

Colonel Weaver's letter to Mr. Atlass, who is Columbia's Chicago Vice-President, was reprinted in the "CBS Mailbag", which reached us through the courtesy of Miss Joan Lane, CBS Trade Paper Editor. The "Mail Bag" is devoted chiefly to printing letters from CBS people now in the service and its motto is "This Nation can provide substitutes for everything except letters from home." In each issue there is a long letter telling the boys and girls in the service what is going on at home. This is written by "Pop, the Air Raid Warden", who is Jack Hoins, Editor of the Mail Bag.

TUBE PRICES CONSIDERED BY RADIO ADVISORY GROUP

The proposed dollars-and-cents maximum price regulation on wholesale and retail sales of radio receiving tubes has been discussed by members of the industry Advisory Committee representing radio tube distributors and jobbers in a meeting with Office of Price Administration officials in Washington, OPA announced Thursday.

Since this meeting was the first of the group, organization steps were taken, with Aaron Lippman, President of the Aaron Lippman Company of Newark, N. J., elected Committee Chairman.

Several OPA regional offices will soon hold meetings with radio tube retailers, to discuss the retailer's problems. A revised draft of the amendment, incorporating such recommendations of the distributors' and jobbers' committee as were acceptable, is now being prepared by OPA, and will be available for discussion at the proposed regional meetings.

Members of the Distributors' and Jobbers' Industry Advisory Committee who attended the January 21 meeting were:

AAron Lippman, Aaron Lippman Company, Newark; A. D. Davis, Allied Radio Corporation, Chicago; Albert Spears, Philoo Distributors, Inc., New York City; Milton Deutschmann, Radio Shack, Boston; H. M. Carpenter, Thurow Radio, Tampa; and Maurice S. Despres, Admiral Radio and Television Company, New York City.

Other members who were unable to attend the meeting, include: Albert J. Slap, Raymond Rosen Company, Philadelphia; Harold King, Electronic Supply Company, Pontiac, Mich.; and R. W. Walker, Walker-Jimieson Company, Chicago.

2/4/44

FCC MAY MAKE STATIONS KEEP PROGRAM RECORDS

The Federal Communications Commission has under consideration a new section of its Rules and Regulations which would require that every radio program broadcast over a regional or national network be recorded by the station at which the program originates — unless the program is itself a transcription. Under the rule the originating station would be required to retain the transcription for one year.

At the same time the Commission adopted an Order providing an opportunity for interested persons to appear before the Commission and argue orally why such a rule should or should not be adopted.

The Commission points out that in the case of newspapers, the printed word remains as an irrefutable and permanent record, whereas unless some recording is made, what was actually said, or the manner of saying it, on a radio program cannot be definitely established after it has gone out on the air.

The Communications Act of 1934 - basic statute under which the FCC operates - prohibits the broadcast of any information on lotteries and theuse of obscene, indecent or profane language on the air. In carrying out its obligations under these sections of the Act, it frequently becomes important for the Commission to know what was said on a particular program.

Authority for the new rule is found in Section 303(j) of the Act, which authorizes the FCC to make general regulations requiring stations "to keep such records of programs, transmissions of energy communications, or signals as it may deem desirable."

The proposed rule does not require stations to record local or non-network programs since to require recording of all local programs might impose a hardship on many of the smaller stations. No similar hardship would be involved for network programs, it is felt.

Oral argument on the rule is scheduled for March 15, 1944, before the Commission. Requests for oral argument, accompanied by briefs, must be filed with the FCC by March 1.

The proposed new Section 3.409 reads:

"3.409. Requirements for making and preserving recordings or transcriptions of network programs - Any program broadcast over a regional or national network shall be transcribed by means of an off-the-line recording by the station at which the program originates and the transcription shall be retained for one year. If the program itself is a transcription, no other recording need be made, but the transcription shall be retained for one year."

2/4/44

NEW YORK TIMES TO BUY WQXR INCLUDING FM OUTLET

That the <u>New York Times</u> was going into radio and probably in a big way was made known through this statement from Arthur Hays Sulzberger, President and publisher of <u>The Times</u>, and John V. L. Hogan and Elliott M. Sanger, President and Executive Vice-President of the broadcasting company.

"The New York Times Company has agreed to purchase from Mr. Hogan, Mr. Sanger and their associates all of the stock of Interstate Broadcasting Company, which operates Station WQXR in New York City, broadcasting on 1560 kilocycles, and Frequency Modulation Station WQXR, which broadcasts on 45.9 megacycles. The purchase is subject to approval by the Federal Communications Commission."

Mr. Sulzberger stated that Mr. Hogan and Mr. Sanger will continue under five-year contracts as the chief executives of the broadcasting company, and he stressed the fact that The Times did not contemplate any change in the station's personnel or program policy.

"The Times is proud to acquire a broadcasting station which throughout its history has consistently maintained policies emphasizing programs of high standard and unique quality", he said.

Messrs. Hogan and Sanger stated that they would not have been willing to sell except to a purchaser which, like The Times, was determined to continue the essential character of the station.

The Times' news bulletins "Every Hour on the Hour", now broadcast over Station WMCA, will be continued over that station for the time being.

Nicholas Roosevelt, former Ambassador to Hungary and formerly on the <u>Times</u> will serve as liaison executive between the <u>Times</u> and the newly acquired radio station.

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FRANK E. MASON ESCAPES CLAPPER PLANE CRASH

Although he flew with Raymond Clapper, commentator and newspaper correspondent, to Hawaii and the South Pacific battle-fronts, Frank E. Mason, Special Assistant to Secretary of Navy Knox, was not with the ill-fated newspaper correspondent at the time of the Marshall Islands' invasion. This was pure luck for Mr. Mason, formerly Vice-President of the National Broadcasting Company, who had been Mr. Clapper's travelling companion on most of the trip. Apparently they had just parted prior to Mr. Clapper's trip to the Marshalls.

RYAN MAY TAKE OVER NAB NOW; N.Y. APRIL MEETING OFF

Because Neville Miller, President of the National Association of Broadcasters, has asked to be relieved of his duties as soon as possible, J. Harold Ryan, Assistant Director of Censorship, elected to succeed him, may take over before Mr. Miller's term expires June 30th: They will confer on the matter soon.

The NAB Board of Directors in Chicago last Wednesday and Thursday, in addition to electing a new President, also decided to call off the NAB "Victory Conference" which was to have been held in New York in April. This was primarily due to the transportation situation and the almost impossible hotel conditions in New York.

The Board, however, tentatively decided to hold the next annual NAB Convention in Chicago the latter part of August. It was believed that coming just between the two political conventions this would be a better time for travel and would find the hotels less crowded. Nevertheless the entire convention arrangements are still subject to change depending upon war conditions.

Mr. Ryan was elected President of the NAB for one year from July 1, 1944, to July 1, 1945. There seemed to be an impression that he might only serve a year or just long enough thereafter to entirely reorganize the Association. This theory was strengthened when inquiries were made as to the salary of the new President. When Mr. Ryan was asked about this, he laughed and said, "I don't really know myself." It was said that Mr. Ryan had asked that less be paid to him than was being paid to Neville Miller, who has drawn \$35,000 a year and \$500 for allowances since 1940. During his first two years, Miller's salary was \$25,000 plus \$5,000 for allowances.

Another factor in how soon Mr. Ryan may take over at NAB is when he will be able to relinquish his duties at Censorship. Byron Price, Director of Censorship is very reluctant to have him leave at all. This can be well understood especially in view of the fact that there is a possibility of Mr. Price having to take over OWI. Whereas there has been tremendous fumbling by Elmer Davis and bickering with some of his associates at OWI, there has apparently been perfect teamwork between Price and Ryan at Censorship.

Mr. Miller's exit is a victory for Chairman James L. Fly, of the Federal Communications Commission. Ever since the "mackeral in the moonlight which shines and stinks" incident at St. Louis, at which time Mr. Fly thus castigated the NAB, Mr. Miller has been more or less in the dog-house.

It is believed with a new man at the helm of the NAB, there may be better relations between the Association and the head of the FCC - which means the Commission because it is well known that Mr. Fly dominates that body. Also it stands to reason in view of the past strained relations between the broadcasters and the Government that Mr. Fly must have been consulted in the selection of a new President for NAB.

Mr. Ryan said that as yet the question as to who might succeed him at Censorship had not been discussed.

2/4/44

BREWER EXPERTLY TIMES WASHINGTON SOLDIER VOTE BLAST

Timing that would have been a credit to any broadcasting station was the reprinting of a full-page editorial from the New Bedford (Mass.) Standard-Times opposing the President's soldier vote policy in the principal Washington newspapers on the very day the House kicked over the traces and not only killed the bill Mr. Roosevelt tried to put over but passed the Rankin Anti-Administration States Rights bill by a crushing majority of 328 to 60.

Perhaps the expert timing of the newspaper broadside - which not only every member of the House must have seen in addition to Senators working on their own soldier vote bill - was due to the fact that Basil Brewer, publisher of the <u>Standard Times</u> also operates Station WNBH at New Bedford.

An editor's note stated that the editorial was published in the Washington papers and paid for solely by <u>The New Bedford</u> (Mass.) <u>Standard-Times</u> as a patriotic public service.

The editorial, which became the talk of the town, read, in part:

"The President is engaged in the most powerful vote drive of his career.

"He and his advisers have decided the votes of 11,000,000 men in service are all-important in the coming 4th term election.

"He believes the service men will vote largely for himself, the Commander-in-Chief', as in past American history.

"Says the President:

"Our millions of fighting men do not have any lobby or presure group on Capitol Hill to see that justice is done for them."

"But by the President's decision, the service men now have the most powerful political force of our times 'lobbying and pressing' for them - the President himself. * * * *

"Says the President:

"The American people cannot believe that the Congress will permit those who are fighting for political freedom to be deprived of a voice in choosing the personnel of their own Federal government."

"Significantly, it is thus revealed the voting arrangements, for the service men, which the President demands, do not include voting in their state primaries, where state and federal candidates are to be nominated.

"The relief, which the President demands, does not include arrangements to vote for candidates for governor or other state or local offices." * *

"Says the President:

"Congress has not the same "authority" here, 'nor would it be

practical to do so. !

"Thus the President's indignation and demand ignore both state primaries and state elections, TWO out of THREE of the 'voting rights' of service men.

"Deeply aroused, the President demands action to permit the service men to vote - ONLY FOR FEDERAL CANDIDATES.

"It is, of course, a foregone conclusion the President will be one of these federal candidates."

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EX-EMPLOYEE TELLS OF FCC FALSIFICATIONS

A new turn came in the investigation of the Federal Communications Commission by the House Committee headed by Chairman Lea(D) of California, when Miss Olive Amelia Merrill of Iuka, Miss., former Federal Communications Commission employee, told the Committee last Tuesday she was required by a supervisor to falsify personnel records to "cover up" for a fellow worker who was in a hospital for several weeks last year.

Miss Merrill said the records were changed at the insistence of Chester A. Teitgen, who is now in the Army,

Changes were made in the records to show that Lula Martin Adderley was at work when she was actually in a hospital, Miss Merrill testified, adding that fellow workers, at Teitgen's request, worked on their off days for the absentee.

She said production records of Katie Hoffman also were changed to show that she was a good typist, when, the witness asserted, she "just wrote letters or read True Stories."

Asked by Committee Counsel Eugene L. Garey why this was done, Miss Merrill said it was because Teitgen said he liked Miss Hoffman.

There will be another session of the FCC Investigating Committee next Tuesday.

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CHARGES DREW PEARSON WITH MALIGNING SECRETARY HULL

From the floor of the House, Representative Rankin (D), of Mississippi, said;

"On last Sunday night Drew Pearson, one of the well-known slimemongers of the radio, who helped to write that loathesome book called the Nine Old Men, smearing the Supreme Court, a few years ago, made a vicious attack on Cordell Hull, our great Secretary of State.

"When Drew Pearson went out of his way to malign Secretary Hull and to insinuate that some subversive influence had 'got to' Cordell Hull, he revealed himself as one of the most vicious propagandists in America. I hope to God that something will be done to take him off the radio."

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CALLS FM RADIO OF TOMORROW

Captioned "Prospects for Radio Freedom", the Chicago Tribune had the following editorial on FM:

"A good many private business firms and industries have found it expedient to get along with the New Deal government. This has been particularly true of the Columbia, National, and Blue radio networks.

"These broadcasting companies are at the mercy of the government because of the close regulation the Federal Communications Commission imposes upon them. Unquestionably they are being exploited politically for the New Deal, yet they have replied to FCC's most drastic rulings with nothing more severe than verbal wrist slappings.

"This complacent attitude has not gone unrewarded. What the networks seek is monopoly. What will most effectively destroy monopoly in the radio industry is the granting of licenses for frequency modulation broadcasting to all applicants. This the $\mbox{\mbox{$^{\circ}$CC}}$ has refused to do.

"Frequency modulation is the radio of tomorrow. It has the double advantage of high fidelity and freedom from interference. There is virtually no limit to the number of frequency modulation stations that can be operated without creating interference. If the FCC would issue frequency modulation licenses to all who want them there would be more outlets than there are people capable of using them and the radio industry could be freed from governmental control.

"If this should come to pass radio listeners would be able to get the best programs at any time and would not be restricted to the diet imposed by a few near-monopolies closely regulated by the government. We do not expect this suggestion to be accepted in the near future because such a system would destroy all excuse for the Federal Communications Commission as the regulatory agent of the broadcasters, and the FCC and the New Dealers do not want that to happen."

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Representative Cole (R), of Missouri, had inserted in the <u>Congressional Record</u> (Feb. 2) the <u>Collier's</u> editorial "Take the <u>Chains Off Radio"</u>, which backed up the program offered to Congress by Niles Trammell, President of the National Broadcasting Company.

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DELORAINE NEW FEDERAL RADIO DIRECTOR

Edmond M. Deloraine, General Director of the Laboratories Division of Federal Telephone and Radio Corporation, manufacturing affiliate of International Telephone and Telegraph Corporation, has been elected a Director of the I. T. & T. corporation.

Mr. Deloraine, who has been closely associated with almost every research development of I. T. & T. since 1925, was born in Paris, France. In 1921 he joined the London engineering staff of the International Western Electric Company and began technical work in connection with broadcasting at the experimental station 2WP. Until 1925 he was responsible for part of the developments in Great Britain in connection with the first transatlantic telephone circuit.

When International Western Electric was purchased by I. T. & T. and its name changed to International Standard Electric in 1925, Mr. Deloraine remained with the company, and in 1927 became active in the direction of the I.S.E. communications laboratories. It was in the same year that he created I.S.E.'s Paris laboratories. He was made European Technical Director of I.S.E. in 1933.

During this period Mr. Deloraine was actively in charge of developments which brought about the establishment of the first Madrid-Buenos Aires radiotelephone circuit, followed shortly by the first radiotelephone circuit between the Americas.

In 1929 he demonstrated long distance telephone communication to ships at sea, conducting for the first time telephone conversations with the S.S. BERENGARIA in mid-ocean.

In 1931 and 1933 he established telephone and printer communications across the English Channel, and in 1936 and 1937 made possible the first multi-channel ultra-short wave telephone link. Later he used ultra-high frequency in connection with television transmission, including the construction of the station at the Eiffel Tower, providing the highest power ever used.

His role in the advancement of high-power broadcasting was an important one. As early as 1932 he established the Prague Station with 120 kw carrier, followed two years later by the Budapest Station with the same carrier power and unique for its anti-fading mast antenna, over 1,000 feet high, the highest antenna ever constructed.

In 1939 he made a proposal to the French Post and Telegraph Administration for a high frequency broadcasting center of twelve stations of 150 kw carrier each. His project was adopted and an order was placed for four stations with the French I.T. & T. subsidiary and the other eight with two other concerns.

Mr. Deloraine was highly successful in directing experiments in connection with automatic radio compasses for aircraft. This technique was demonstrated in the U.S. for the first time in 1937.

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Increasing emphasis on "design technique" can be expected to help minimize requirements for field service on radio and television receiving instruments after the war, Irwin W. Stanton, of the engineering staff of the RCA Service Company reports.

John J. Karol, CBS Assistant Sales Manager and Market Research Counsel; Earle McGill, CBS producer-director; and Albert Perkins, Manager of the CBS Program Writing Staff will lecture in New York University's "Radio Workshop" during the Spring term. Mr. Karol will lecture on "The Business Side of Radio." Mr. McGill will lecture on radio production and directing for beginners and advance groups and Mr. Perkins will give courses in radio writing.

The Federal Communications Commission directed Western Union to refund to each of its Marine News Service subscribers, with interest at 5% per year, any amounts in excess of \$100 per month collected by the Company from Sept. 1, 1942 to June 25, 1943, for interstate Marine News ticker service. Since Western Union has rendered only intrastate Marine News Service since June 25, 1943, the Commission concluded that on and after that date it has no jurisdiction over the service for so long as it remains wholly intrastate.

President Gen. Pedro Ramirez has decreed that all radio broadcasting stations in Argentina must be wholly owned and managed by Argentine citizens who have resided in the country for at least 10 years.

Trade practice rules for the Musical Instrument and Accessories Industry were promulgated by the Federal Trade Commission under its trade practice conference procedure last Wednesday. The aggregate annual volume of the business of the Musical Instrument Industry is estimated to approximate, in normal times, \$80,000,000 retail value.

A new advertising and promotion service for RCA Tube and Equipment Distributors, enabling them to utilize a series of "key" advertisements appearing in leading trade publications, has been inaugurated by the Radio Corporation of America. The new service will enable distributors to set up regular schedules for mailing reprints carrying the distributor's name and address. Current ads emphasize that RCA distributors are "Emergency Electronic Expediters" who are able to offer their customers unusual wartime services.

"Papers have been served in Donald Flamm's suit for triple damages in the alleged forced sale of Station WMCA" says Danton Walker's "Broadway". "Flamm charges conspiracy and fraud and asks basic damages of \$927,000, or total damages of nearly \$3,000,000. The case will involve FCC and its recent legal counsel, now acting as radio attorneys in Washington."

Net sales of the Emerson Radio and Phonograph Corporation reached a new high of \$11,857,771 in its fiscal year ended on Oct. 31, after allowance for price reductions and refunds to the Government, Benjamin Abrams, the President, reported to stockholders. Net sales for the previous year were \$8,991,782.

The Federal Communications Commission has granted involuntary transfer of control of Maine Broadcasting Co., Inc., licensee of Station WLBZ, from Thompson L. Guernsey to Eastland Broadcasting Co., for a consideration of \$150,000 for 439 shares of capital stock.

"Leon Henderson, used-to-be-price-head, admitting to Judge Thurman Arnold, used-to-be-trust-buster, that he (Leon) had 'never worked as hard in his life, as at the Job of radio commentator.', Austine Cassini writes in the Washington Times-Herald. "He's the highest paid commentator on the air y'know. If there was a 'ceiling' on radio commentators' salaries, Henderson would be nitting it. Mrs. Henderson has come out in 'lots o'smart' frocks at Washington gatherings."

William B. Lodge has been named Acting Director of the CBS General Engineering Department. Mr. Lodge, who succeeds E. K. Cohan, begins his new duties February 7th.

Mr. Lodge, a graduate of Massachusetts Institute of Technology, joined the Columbia Broadcasting System in December, 1931, as a technician; in 1937 he was named engineer in charge of Radio Frequencies Division of the Engineering Department.

Mr. Lodge left the network in February, 1942, to accept a special war post as Associate Director of the Airborne Instruments Laboratory of Columbia University, Division of War Research. He returned to CBS on a part-time basis in October, 1943.

The Office of War Information has inaugurated a series of shortwave radio broadcasts to overseas audiences by prominent American medical and public health authorities from OWI's New York studios. The series, entitled "Health Is on the March" describes recent medical and health advances made in the United States and the other United Nations. Although the talks will be made in English, the OWI Overseas Branch will shortwave translated versions in many languages.

"There must be a tremendous resentment of the misrepresentation that the industry feels in such broadcasts of Walter Winchell", the Modern Miller comments. "Sunday night he told the people - consumers - that if food subsidies were not carried out, in course of time, bread prices would soar to 18 cents a loaf. Imagine the effect on consumers who have been paying 6 cents for a 12-ounce loaf and 10 cents for a 20-ounce loaf to be told that unless subsidies were permitted, they would be paying 18 cents a loaf. That was to create a gigantic consumer protest. Winchell did not say what size loaf would be 18 cents, nor what kind or quality - bread would just soar to 18 cents. Of course, Winchell has a profound ignorance of bread facts, but it was doubtful whether his broadcast was ignorance or political misrepresentation."