

HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.

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No. 1601

CONGRESS BALKS FAVORING FDR IN CAMPAIGN BROADCASTS

President Roosevelt, if he is to be a 4th term candidate, will not have the edge on other candidates if anti-Administration forces in Congress have anything to do with it. This question has already been discussed in the heated debates on the soldier vote and will be carefully considered in the final conferences of the House and the Senate on the soldier vote bills. No matter what form the legislation takes, whether a Federal or State ballot, equal opportunity for every candidate to reach the boys overseas on the air seems assured.

Senator Wallace White (R), of Maine, Minority Leader pro tem, and radio authority of the upper House, declared that it would be much better if the whole subject of radio time and the utilization of radio by candidates could be left to the consideration of the Senate and House Radio Committees for their recommendation as to legislation.

"The law gives the right to candidates for public office to utilize the radio facilities of the country, and there is now pending before the Interstate Commerce Committee of the Senate a bill which proposes to deal further with the same subject matter", Senator White declared. "There have been lengthy hearings on the bill, and there has been sharp controversy and a sharp divergence of views as to what was the wisest thing to be done."

Senator Lang (R), of North Dakota, offered this amendment to the Green-Lucas bill:

"Nothing shall prohibit the rebroadcast over Government-controlled radio stations of any political address, but equal time must, if requested, be given for such purposes to representatives of each political party which had a candidate for President in the most recent presidential election."

Senator Taft (R), of Ohio, objected saying if parties do not have candidates for President, they certainly ought not to have time in which to broadcast.

"Representatives of the War Department came to me and said they could not handle three or four or five broadcasts and they suggested that the language be '10 percent of the votes cast'."

Whereupon Senator Langer changed his amendment to read "each political party which had a candidate for President in the current presidential election".

Senator Green (R), of Rhode Island, refused to accept the amendment, saying:

"If that becomes the law of the land, I think we may anticipate that a dozen or 20 men seeking publicity will have little organizations nominate them for the presidency and then obtain free radio time to speak whenever the Republican or Democratic candidates for President speak - not because they expect to be elected, not because they expect to obtain votes, but merely because they expect to get free advertising."

Senator Taft then said:

"I have another suggestion to make now in order to meet the objection of the Senator from Rhode Island. Let us have the language read as follows:

"Representatives of each political party which has a candidate for President appearing on the ballot of at least six States in the current presidential election."

This modification was accepted by Senators Green and Langer and agreed to by the Senate.

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FLAMM WMCA SALE CHARGES TO BE THOROUGHLY INVESTIGATED

The net result of the sensational charges of Donald Flamm that he had been forced to sell WMCA in 1940 to Edward J. Noble because of heat being put on by certain members of the White House staff, the Federal Communications Commission, and by Mr. Noble himself, is that everyone alleged to have had any part in the transactions will be called to appear before the House Committee now investigating the FCC. Subpoenas have already been issued for Mr. Noble, Thomas J. Corcoran, former aide to President Roosevelt, and others may be called later, including David K. Niles, Administrative Assistant to the President, supposed to be in charge of the 4th term boom, Chairman James L. Fly and Commissioner T. A. M. Craven, who favored a public hearing at the time the sale was made but who was out-voted on this by the other members of the Commission.

Discussion about the sale of the property became so bitter, Mr. Flamm said, as to end in a "scuffle" in Mr. Noble's apartment at the Waldorf-Astoria Hotel in New York, in December 1940.

Mr. Flamm said that when he expressed reluctance to sign a proposed contract, William J. Dempsey, former Chief FCC Counsel, who was acting as attorney for Mr. Noble, "became enraged and lunged at me".

Mr. Noble, Mr. Flamm testified, intervened. The witness quoted Mr. Noble as saying he would be "delighted to finish the job" if it were not in his apartment.

The witness said Mr. Noble's last words to him were:

"Flamm, I'll get your station whether you want to sell it or not. The next time we meet will be before the Commission."

On this occasion, Mr. Flamm asserted, Mr. Dempsey turned to Mr. Noble and exclaimed:

"I knew we were wasting time with him and that he never had any intention of going through with this, and it's a damn shame we didn't do what we wanted to do in the first place."

The last part of the sentence referred, Mr. Flamm said, to the original plan of Mr. Noble simply to apply to the FCC for his station's wave length.

The Commission, he said, dismissed his application for reconsideration. At about the same time, Mr. Flamm said, he read of hearings before the House Appropriations Committee in which Mr. Fly "showed he didn't like me".

It was brought out that at a meeting of the House Appropriations sub-committee, Commissioner Case had testified that two telephone calls had been received from the White House by the FCC about the Flamm case, one from Col. Edw. B. Watson, presidential secretary "to be careful", and later from the late Rudolf Forster, White House Chief Clerk that the White House had no interest in the case.

Mr. Flamm told the Congressional Committee his troubles began when he had hired a former Naval officer to decode wireless messages sent by Germany and Great Britain before the war broke out. Mr. Flamm asserted he had proved the charges untrue but nevertheless he felt in view of the wording of the FCC decision that "there was a sword hanging over my head which would be dropped at the slightest provocation".

The witness said he employed Leslie Roberts as a publicity man on the recommendation of Mr. Niles, that the former had influence and knew the right people. The witness said that Mr. Dempsey told him that he had been retained by a former member of the President's Cabinet and that he, Dempsey, was applying for the WMCA wave.

Mr. Roberts was alleged to have reported to Mr. Flamm that he had talked to Mr. Niles and that the radio owner might as well agree to the sale because "this thing has been greased from the White House down". Mr. Roberts further reported that it involved a "political favor", Mr. Flamm asserted.

Later Mr. Flamm said, "Mr. Dempsey volunteered the information that it was Tommy Corcoran" who helped him make the connection to represent Mr. Noble.

Mr. Flamm declared that he jockeyed back and forth with Mr. Dempsey and Mr. Noble trying to escape from selling his station

but finally gave in and sold it in December, 1940, when informed by Mr. Dempsey that "it was a case of take it or leave it".

Mr. Flamm said that first offered \$750,000, he was finally forced to sell WMCA for \$850,000 although he had had several offers for more than a million dollars, one of them being from Elliott Roosevelt, son of President Roosevelt. The witness asserted that Mrs. Dorothy Backer, of the New York Post, also was interested in buying WMCA and if the deal had gone through he might have retained half interest in the station.

The hearings will continue next Tuesday, February 15th.

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CHICAGO MASS MEETING FOR MORE WOMEN RADIO WORKERS

In an effort to emphasize the need for more women in radio war work, there will be a big mass meeting tonight (Friday, February 11th) in the Chicago Stadium.

A "Radar Queen", Miss Marjorie Anderson, 19, Chicago military radio-radar plant employee, will have coronation ceremonies and 25,000 radio workers are expected to attend. Mayor Kelly, of Chicago, will speak.

The Chicago manufacturers' group, of which Leslie F. Muter, past President of the Radio Manufacturers' Association is Chairman, has been conducting an advertising and broadcasting campaign for several months to secure additional workers. Several radio manufacturers have been holding contests in their various plants to select the "Radar Queen" and the Stadium program will be broadcast so that employees on swing shifts can listen in.

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DAUGHTER OF EDWARD J. NOBLE DIES SUDDENLY IN NEW YORK

Miss Sallie Noble, 19 years old, daughter of Mr. and Mrs. Edward J. Noble, Chairman of the Blue Network, died suddenly at the Bronxville, N. Y. hospital last Wednesday afternoon. Mr. Noble, who was in California on a business trip with Mark Woods, President of the Blue Net, was summoned when Miss Noble's condition took a turn for the worse and arrived by plane late Wednesday afternoon.

Miss Noble was born in Greenwich, Conn. She was a sophomore in Sarah Lawrence College and is survived by a sister June in addition to her parents. Funeral services will be held at the Noble home in Greenwich Saturday afternoon (February 12th) at 2 P.M.

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FRANK MASON GIVES DETAILS OF DEATH OF RAY CLAPPER

Frank E. Mason, former NBC Vice-President, now special Assistant to Secretary of the Navy Knox, travelling companion of Raymond Clapper, MBS commentator, is on the way home with Mr. Clapper's personal belongings.

Mr. Mason left the United States with Mr. Clapper on New Year's eve and was with him on his Pacific tour to Australia, New Guinea, New Britain and finally aboard the United States aircraft carrier from which the columnist was flying when he met his death in a collision of two American planes over Eniwetok atoll.

Interviewed at Pearl Harbor by the United Press, the Navy official gave details of Mr. Clapper's death.

"Mr. Clapper asked a torpedo squadron commander - one of the best pilots in the fleet who had established an enviable record of not a single operational fatality in the 13 months of the squadron's existence - for permission to accompany him on the last day's flight over Eniwetok, from which all Japanese firing had ceased two days before", Mr. Mason said.

"Mr. Clapper, inspired by the possibility of writing about the contrast between the bombing of the westernmost Marshall atoll with his experience in accompanying the first bombing of Rome, took off in great spirits on what he anticipated as a routine run.

"The bombing run over the target was completed and the planes were taking formation for the return flight when a wing man came up from behind. The planes collided so suddenly that it was assumed the crash killed everyone aboard instantaneously. Both planes plummeted into Eniwetok lagoon.

"The group commander immediately circled down over the spot to the surface of the water, but reported that he found only two oil slicks.

"Two chaplains officiated at impressive memorial services at sea before the massed ship's officers and crew for Mr. Clapper and the officers and crew lost over the enemy target."

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RADIO MEMBERS NAMED TO WPB INDUSTRY ADVISORY COMMITTEE

Three prominent radio executives have been added to the official WPB Industry Advisory Committee, of which Director Ray C. Ellis of the WPB Radio & Radar Division is presiding officer. The new appointees are R. C. Cosgrove of Cincinnati, Vice President and General Manager in charge of Manufacturing, Crosley Radio Corp., E. A. Nicholas, of Fory Wayne, Indiana, of the Farnsworth Radio & Television Company, and Fred D. Williams, Philco Corporation.

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CBS NET EARNINGS UP TO \$4,535,000

Preliminary figures indicate the consolidated net earnings of the Columbia Broadcasting System for the year to be approximately \$4,535,000 (equivalent to \$2.64 per share) as compared with consolidated net earnings of \$4,123,700 (equivalent to \$2.40 per share) for the fiscal year ended January 2, 1943 (52 weeks). Per share earnings for both years are calculated upon the 1,716,942 shares of \$2.50 par value stock presently outstanding, Frank K. White, Vice President and Treasurer, reported Wednesday.

The 1943 earnings, as shown above, are after providing \$7,575,000 for estimated Federal income and excess profits taxes, an increase of \$3,225,000 over the \$4,350,000 provided for such taxes during 1942. The \$7,575,000 tax provision for 1943 is after deducting from the taxes payable in respect of 1943 the ten per cent excess profits post-war credit (amounting to \$583,000).

The Board of Directors declared a cash dividend of 40¢ (forty cents) per share on the present Class A and Class B stock of \$2.50 par value. The dividend is payable on March 3, 1944, to stockholders of record at the close of business on February 18, 1944.

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HOLLYWOOD TO BE BLUE NET PRODUCTION CENTER

According to Mark Woods, President of the Blue Network, who is now on the West Coast, Hollywood will in time become the center of operations for the Blue with production on an even greater scale than in any other center, including New York, and the purpose of the visit to the coast at this time is to seek a site for the Blue's own Hollywood studios and to look over the station situation with a view to purchasing a local outlet.

Production on new studios will get under way as soon as possible after the end of the war, Mr. Woods said. He pointed out that the Blue can occupy its present quarters, under agreement with the National Broadcasting Company, until two years after equipment becomes available for new studios and technical installation, and added that every effort will be made to push construction once priorities are lifted.

Other business to be attended to during the visit will be the filing of final application for a frequency modulation station and television transmitter in Hollywood, both services to be incorporated in the Blue's new setup.

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NETHERLANDS COOL TO NAZI ERSATZ RADIO

German attempts to promote an "ersatz" radio service which fosters Nazi propaganda as a substitute for Occupied Holland's 1,000,000 privately owned radio receiving sets have failed, it appeared from accounts received from London by the Netherlands Information Bureau in Washington. German authorities ordered the confiscation of all radios in Holland last May.

According to an announcement in the North Brabant paper Dagblad van Het Zuiden, one, Plate, program director of the German-Controlled Netherlands radio system, the "ersatz" radio service gained less than 60,000 new subscribers in the period between the radio confiscation order and the end of the year. German authorities had hoped the confiscation order would force a majority of Holland's radio listeners to subscribe to the "ersatz" service - which is piped from German-controlled Netherlands and German transmitting stations to the subscriber's home through his telephone connection.

The significance of Plate's announcement, Netherlands sources here pointed out, lies in its revelation that only 60,000 of the former 1,000,000 radio owners in Holland have subscribed for the service while the majority now either have no radio at all or else have managed in some manner to illegally retain their radios despite the confiscation order.

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WOULD TAKE WINCHELL OFF AIR AND OUT OF PRESS

Representative Rankin (D), of Mississippi, ^{was} asked by Representative Hoffman (R), of Michigan, in the House of Representatives:

"In Walter Winchell's column I find a statement attributed to the gentleman from Mississippi (Mr. Rankin), and I want to know if the gentleman made it? Walter Winchell says:

"Rankin, one of the best examples (and so forth) accused this reporter of writing the bill to give the soldiers the vote."

"Did the gentleman from Mississippi ever say that fellow had intelligence enough to write that bill?"

"I never said that little 'kike' ever wrote anything that a decent Congressman would introduce", Representative Rankin retorted. "He is simply stirring up anti-Semitism and bringing trouble on his own people throughout the country. The sooner they get him off the air and out of the press the better it will be for them."

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PROTESTS FLAMM STORY IN FCC INVESTIGATION

Telegrams charging that Donald Flamm was using the House Committee investigating the Federal Communications Commission as a sounding board while a civil suit concerning the sale of WMCA was pending in New York City, were sent to Speaker Rayburn of the House, and Chairman Lea of the Investigating Committee by Franklin S. Wood, attorney for Edward J. Noble.

Mr. Wood quoted Mr. Flamm himself as admitting that his charges did not in any way involve the FCC. The investigation is supposed to concern itself with the Commission only.

Mr. Wood protested that Mr. Flamm's case "and any justifiable complaint he may have is pending before a court of competent jurisdiction able to do complete justice between the parties".

"I again formally protest against his abuse of your Committee's public position for his private purposes", Mr. Wood declared.

In his telegram, Mr. Wood referred to a letter of protest he sent the Committee on February 5.

At this time the attorney for Mr. Noble said:

"I do not think I need to stress the obvious impropriety of this apparent use of your Committee in aid of private litigation or if such is not the purpose, the impropriety of such hearings being conducted while the same matter is under consideration by a court having complete jurisdiction of the matter and better able to do complete justice between the parties if any injustice has been done.

"I am, accordingly, writing to you, as Chairman of your Committee, to protest as vigorously as possible against this renewal of hearings in this matter at this time so that the proceedings and publicity about them cannot be used to influence the pending private litigation between the parties. I submit that the fairer and more proper procedure in every way would be to adjourn any such hearings by your Committee until final disposition of the matter by the New York courts before which it is pending."

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Three of the nations leading universities - Northwestern and Stanford Universities and the University of California at Los Angeles - will again collaborate with the National Broadcasting Company to sponsor Summer Radio Institutes in 1944, thus making the third successive year that the network has pooled its resources with educational institutions to give practical training in the broadcasting arts to young people seeking careers in radio.

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BRICKER FOR FREE RADIO; RAPS SUPREME COURT DECISION

Governor John W. Bricker, of Ohio, took a very positive stand on radio while addressing the National Press Club in Washington today (Friday). At the conclusion of his address in the question and answers portion of the program, Governor Bricker was asked if he favored the Administration taking over the press as it has the radio. His reply was an emphatic "No". He said the only reason for restricting radio was the limited number of channels. The Governor then criticized the recent Supreme Court decision. He said that the FCC should be confined to policing the channels and keep out of the program business.

"I not only say that the press should be kept free but that Congress should see to it that the same thing was done with radio", Governor Bricker declared.

In his speech the night before at the Lincoln Day dinner, the Governor said:

"The material accomplishments of our people under self-government are unmatched. With only one-sixteenth of the world's population, we have produced more automobiles than all the rest of the world, one-third of all the radio sets, one-half the telephones and one-third of the railroad mileage of the world. This was not due to our great natural resources alone because other countries have had them. In our free political atmosphere we have made better use of our resources and more people have enjoyed a higher standard of living than in any other country of the world."

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OPA TO APPOINT RECEIVING SET COMMITTEE

A Receiving Set Industry Advisory Committee will probably be appointed soon, according to the Radio Manufacturers' Association and if so it will meet in Washington on March. The Advisory Committee will consider price problems whenever future production of civilian sets may be authorized.

The Committee will be composed of large and small manufacturers. Problems in connection with the Committee were discussed in an informal conference in Washington recently by Alfred Auerbach, OPA price executive, of the Consumer Durable Goods Price Branch and E. W. Heilmann, radio price executive with an industry group including Ben Abrams of New York City, Chairman of the RMA Distribution Costs Committee, J. F. Crossin of Cincinnati, Larry Hardy, of Philadelphia, and Bond Geddes, RMA Executive Vice President.

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 ::: TRADE NOTES :::
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The editorial entitled "The President and His Oath", written by Basil Brewer, publisher of the New Bedford Standard-Times and operator of Station WNBH, opposing the Federal ballot, which was reprinted in Washington and New York papers recently was inserted in the Congressional Record by Senator Holman (R), of Feb. 3 as a part of a speech made on the Soldier Vote Bill by Representative Charles A. Plumley (R), of Vermont.

Station WBAM, WOR's Frequency Modulation station has a new broadcast schedule, 5 to 11 P.M. daily except Sundays. Previously it was heard on the same days from 1 to 7 P.M.

A new thyatron welding control for providing precise control of low-capacity spot welders has been announced by the Industrial Control Division of the General Electric Company. Coupled with a suitable welding transformer, this control can be used with either welding tongs or a small bench welder, and is particularly suitable for the spot-welding of vacuum tube parts.

The International Telephone and Telegraph Corporation has appointed four new Vice Presidents and four Second Vice-Presidents of the corporation. The new Vice Presidents are: H. C. Roemer, Vice President and Comptroller of Federal Telephone and Radio Corporation; W. H. Freng, Assistant General Attorney, who has also been appointed Solicitor; Charles D. Hilles, Secretary of the Corporation; and Francis White, Vice President of the International Standard Electric Corporation.

The Second Vice Presidents appointed are F. F. Davis, H. H. Buttner, G. A. Ogilvie and Leonard Jacob II.

Thomas Burke, former Chief of the State Department's Division of International Communications, has been appointed Vice President of the American Export Airlines, Inc. He will be in charge of their international business.

Blossoming out in color with a cover picture of Sir Robert Watson-Watt, head of the British Technical Mission, and David Sarnoff, the current 34-page issue of Radio Age published by the RCA Division of Information devoted two photographic pages to the Mission's visit to the Radio Corporation of America in New York and the RCA Laboratories in Princeton.

Also the issue contained the following articles: "Radio Vital to Victory" by Lieut. Gen. James G. Harbord; "Tubes Key to Progress", by B. J. Thompson, "Hollywood and Television" by Sidney N. Strotz; "NBC Heads Visit Fronts" by Niles Trammell, and "Larger Television Images" by I. G. Maloff.

The FCC on February 8 granted an application for a permit for the construction of a new 250 watt local channel station at Gloversville, N.Y., and also granted an application for a permit for the construction of a synchronous amplifier near Ft. Benning, Ga., to be operated in conjunction with Station WRBL, Columbus, Ga., the former to operate on 1340 kilocycles, and the later on 1230 kilocycles, unlimited time. However, the Commission made the grants subject to procedural requirements announced in its Public Notice of January 26, 1944, which provides, among other matters, for issuance of conditional grants pending submission of evidence in writing from the WPB that any authorizations of that Board necessary to carry the construction to completion have been obtained or that none are required, and that applicant is in position to complete all construction necessary to the proposed operation within a reasonable period.

On February 15 in New York City, RMA export managers and engineers will hold a conference to begin the work on the proposed RMA specifications and "seal" for later submission to the Bureau of Standards. Such specifications and "seal" would be available for promotion both by the Government and RMA in future postwar foreign trade.

"The move to Mutual" is illustrated in a new promotional booklet, just issued by the Sales Promotion and Research Department of the Mutual Broadcasting System.

The FCC granted consent to voluntary transfer of control of Independence Broadcasting Co., Inc., licensee of Station WHAT, from Philadelphia Record Company to William A. Banks, by transfer of 100 per cent of issued and outstanding capital stock for a consideration of \$22,500.

The RMA Export Committee and its Engineering Department are planning a promotion project for future export set sales, to develop special commercial specifications for receivers sold abroad, in cooperation with the Federal Bureau of Standards. The latter is authorized to issue special "seals" for products with specifications developed by the industry and which are approved by the Bureau. (See item third above referring to conference to be held with regard to this matter).

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B U L L E T I N - JETT CONFIRMED FOR FCC

The Senate about six o'clock this (Friday) afternoon confirmed the nomination of E. K. Jett for Federal Communications Commissioner without debate and word was so sent to the President. There had been some question as to Mr. Jett's political affiliation due to the fact that although his name was sent in as a Republican, he declared himself to be an independent. Proponents contended that since the law said that the 7-man Commission "should be composed of not more than four members of the same party" that Mr. Jett was eligible.

The Senate Interstate Commerce Committee voted last Wednesday to approve Mr. Jett's nomination.

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