

HEINL RADIO BUSINESS LETTER

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No. 1603

RANKIN BILL WOULD HOLD NEWSCASTERS PERSONALLY LIABLE

As a result of his many protests against certain radio commentators, Representative John E. Rankin (D), of Mississippi, has introduced a bill which would make it unlawful to reimburse or indemnify another person for money damages paid as a result of slanderous statements uttered over the radio or sent through the mails. It was Mr. Rankin's contention that it inflicts no penalty on broadcasters or writers against whom libel judgments are entered if the sponsor or publisher has a contract to pay such damages. In introducing the bill, Mr. Rankin said:

"Those of us who listened in on Sunday night heard Drew Pearson, one of the radio scavengers of America, in a most contemptible manner, falsely attack one of the most elegant ladies in Washington, the wife of a Member of this House.

"Every person who is familiar with the incident tells us that Drew Pearson was lying about her in his statement. Yet he broadcast his false accusation to the entire country.

"We are tired of these scandalmongers going on the radio, protected by racketeer insurance. He even attacked the commander of the American Legion. I am afraid we have some people in this country who do not like the word 'American' in the 'American Legion'.

"I am today introducing a bill to outlaw the racketeer insurance which protects these people who slander other people through the mails, over the radio, and by means of moving pictures.

"It is time for the forces of decency to take action."

Apparently the woman Representative Rankin referred to was the wife of Representative Karl M. LeCompte (R), of Iowa. Mr. Pearson, during the broadcast in question, said that Mrs. LeCompte was sitting behind Representative Howard J. McMurray (D), of Wisconsin, in the House Gallery during the soldier vote debate when she overheard Mr. McMurray say that the Republicans were opposed to the soldiers voting because they were afraid they would vote for President Roosevelt. Whereupon Mr. Pearson said Mrs. LeCompte cracked down on the gentleman from Iowa declaring: "You can't say that about my husband!"

A day or so after Representative Rankin introduced his bill, which would hold commentators personally responsible for what they say, he defended Gen. George S. Patton in reply to what he charged were the "slimy attacks" of Drew Pearson and Walter Winchell.

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Representative Rankin has likewise gone back at Walter Winchell on numerous occasions, the last being when he accused Mr. Winchell of "persecuting the gentiles", saying:

"In a bitter blast over the radio Walter Winchell continued his persecution of white gentiles, centering his fire on me in particular. He said I was worth less to this country than a Negro soldier. I am sure there is not a soldier, black or white, who is doing this country as much harm as Walter Winchell.

"He neither denied nor apologized for his reference to the Congress of the United States in which he called this body the 'House of Reprehensibles'.

"I repeat what I said a few days ago that Walter Winchell is doing the Jews of this country, the people of his own race, more harm and is stirring up more trouble for them than any other man alive.

"He repeated his false charge that I had sneered at other people's names. He even told the people of America that I had sneered at the name of the gentleman from Pennsylvania (Mr. Sheridan). Members of this House know that statement is untrue.

"This is the same persecution of Christian people that has been stirred up by this element in every country in the world. What good does it do to establish committees for peaceful relationship between the races while a man like Walter Winchell can go on the radio on a Nation-wide hook-up like the Blue Network and continue his tirades of vilification, falsehood, and abuse?"

The bill introduced by Representative Rankin (H.R. 4151) reads as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who reimburses or indemnifies, or who agrees or contracts to reimburse or indemnify, any other person for any damages or other loss directly or indirectly resulting from the utterance or publication by such other person of a slander or libel uttered over the radio or sent through the United States mails, or published in moving pictures shipped in interstate commerce, shall be guilty of a felony and upon conviction thereof shall be punished by imprisonment for not more than five years or by a fine of not more than \$10,000, or both, and any such contract or agreement for any such reimbursement or indemnification shall be null and void. As used in this Act the term 'person' includes an individual, firm, copartnership, company, corporation, unincorporated association, joint-stock association, or any organized group of persons; and includes a trustee, receiver, assignee, or personal representative thereof."

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NO DATE SET FOR INTERNATIONAL COMMUNICATIONS PROBE

As yet there is nothing definite as to the beginning of the Senate Interstate Commerce Committee investigation to determine whether the United States should have a permissive or required merger of international communications (Senate Resolution 187). It is said to be the present intention of the Senate Committee not to start the investigation until it has completed work on the Wheeler-White radio bill now under consideration. Other legislation may intervene and as a result of this, considerable time may elapse before the international communications probe gets under way.

The Federal Communications Commission favors the merging of the companies now competing in international communications by radio and cable. These are the Radio Corporation of America, Western Union, Press Wireless, the Commercial Cable Co., All-America Cables and Radio, the Mackay Radio and Telegraph Co., the Commercial Pacific Cable Co., American Telephone and Telegraph Company, and the Tropical Radio Telegraph Co., which is operated by the United Fruit Company.

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JIM FARLEY ENCOURAGES BROADCASTERS' FREE SPEECH FIGHT

District

A headliner at the Sixteenth/Meeting of the National Association of Broadcasters in Los Angeles last week was James A. Farley, former Chairman of the Democratic National Committee.

"Stay on guard against any encroachment on freedom of speech in America", Mr. Farley declared. "Be alert to prevent any misuse of your great medium for public oppression, as in other parts of the world."

The remainder of the former Postmaster General's talk was off the record.

William B. Ryan, General Manager of KFI-KECA, was elected Director of the Sixteenth District, replacing Calvin J. Smith, KFAC.

Lewis H. Avery, Director of NAB Bureau of Advertising, outlined plans of the Sales Managers' Executive Committee, especially with regard to activities growing out of the showings of the Retail Promotion Committee Plan. Details of the Plan to prepare a presentation to the motion picture industry and to the building and housing industry were received with enthusiasm.

Gil Paltridge, KFI-KECA, Sixteenth District Public Relations Chairman, discussed public relations activities and the proposed book now in preparation.

Resolutions were passed condemning the Cannon-Mills bill; expressing confidence in the NAB Legislative Committee; commending

NBC Thesaurus, the Columbia Recording Company and the RCA Recording Company for their stand against Petrillo; urging wider and more intelligent use of BME material; thanking Neville Miller for his service to the industry while president and expressing confidence in J. Harold Ryan, newly-elected President, and finally a resolution calling for greater unity within the industry and inauguration of a membership campaign by NAB.

The broadcasters closed the day with a showing of the Westinghouse, Inc. sound film "On the Air!" and the two General Electric films, "The Story of FM" and "Sightseeing at Home", a television vehicle.

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ADAIR SUCCEEDS JETT AS FCC CHIEF ENGINEER

George P. Adair, Assistant Chief Engineer in charge of the Broadcast Division, has been named Chief Engineer of the Federal Communications Commission to succeed E. K. Jett, who last week became a full fledged Commissioner.

At the same time, the Commission appointed Philip F. Siling, Chief of the International Division, to take the position vacated by Mr. Adair. Marion Woodward, Assistant Chief of the International Division, was promoted to Chief of the Division.

The Commission also addressed a letter of commendation to George E. Sterling for his work as Chief of the Radio Intelligence Division, the appropriation for the continuance of which was denied by the House.

Mr. Adair has had more than a score of years of experience in varied fields of radio communication. Born at Rancho, Texas, December 8, 1903, Mr. Adair attended local schools and was graduated from Texas A. & M. College in 1926 with a B.S. degree in electrical engineering. While in high school he worked on electrical installation and repair and held an amateur operator's license. While in college he specialized in communication engineering, taking special courses and serving as cadet captain in charge of radio training. During the period from 1921 to 1926 he attended Signal Corps officer training camp and otherwise participated in mathematical and electrical instruction, work and study.

Upon graduation from college, Mr. Adair was employed for about three and a half years by the Radio Engineering Department of the General Electric Company, during which time he traveled extensively developing, designing, testing, and installing radio equipment and systems. In 1929 he became associated with Straus Bodenheimer, Texas electrical distributor, which brought him additional experience in problems of radio interference, service blanketing, cross modulation and static.

In 1931 Mr. Adair joined the broadcast engineering staff of the Federal Radio Commission. From April 1936 to August 1939 he served as Acting Assisting Chief of the Engineering Broadcasting Division of the FCC. On August 1, 1939, he was promoted to Assistant Chief of the Broadcast Division. In his official capacity Mr. Adair has made extensive studies of all phases of broadcast allocation, including recommendations and reports on applications, equipment, service and interference, and was active in drafting the Standards of Good Engineering Practice governing broadcast and other radio services. He is a member of the Institute of Radio Engineers.

Mr. Siling was born in East Orange, N. J., August 14, 1897, and was graduated from Yale University in 1917, with a Ph.B. degree in electrical engineering. He was associated with the International Telephone and Telegraph Corporation as Outside Plant Engineer and Acting Plant Operations Engineer from 1929 to 1933. He was Assistant Deputy Administrator with the National Recovery Administration from 1933 to 1935. In 1935 he joined the Federal Communications Commission as a telephone engineer and in 1937 was made Assistant Chief of the International Division of the Engineering Department. He was made chief of the International Division on May 1, 1941.

Mr. Woodward was born February 5, 1902 at Cape Charles, Virginia. He attended the public schools there. He was graduated from the Virginia Polytechnic Institute with the degree of B.S. in electrical engineering in 1922. He served as an engineer with the Western Union from 1922 to 1929, with the International Telecommunications Laboratories from 1929 to 1933, with Postal Telegraph in 1934 and joined the Commission staff in 1935.

The letter to Mr. Sterling was signed by Chairman Fly and read:

"The Commission at this time desires to thank you for the splendid services which you have rendered in a highly responsible and most difficult task.

"During World War I, you assisted in organizing the first radio intelligence unit and for this work you received a citation from the Chief Signal Officer of the American Expeditionary Forces for 'especially excellent and meritorious service'. Since that time you have continued to apply yourself with great skill, energy and devotion to radio intelligence and related work. It is not unnatural that you should be the author of 'The Radio Manual', which is recognized and used more extensively than any other book on the subject by the personnel of the armed forces and in civilian institutions as a standard textbook on radio communications, equipment and procedure.

"After the outbreak of the present world war, the Commission was called upon to expand its operations in the highly important field of radio detection and intelligence. You were placed in charge of those operations and were named Assistant Chief of the Engineering Division. In that work you have shown the greatest skill and the greatest interest, and you have been unsparing in the application of

your own strength and energies, and your great loyalty has been un-deviating. The benefits flowing to the country from the effective conduct of the work of your Division are tremendous. If we must look to the morrow for the writing of the history, we can, nevertheless, rest content that it will be written so indelibly that all may recognize and appraise it as we do."

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SIDETRACKING WMCA PROBE GIVES FCC CHANCE TO BE HEARD

The surprise political move by the Democrats suspending hearings on the sale of Station WMCA in New York is a break for the Federal Communications Commission in that it will give Chairman James L. Fly and his colleagues an opportunity to refute certain charges which have been made against the FCC. Up to now the Commission's side of the case has not been heard.

Mr. Fly, accusing the Committee of "smearing the FCC", demanded that he be heard before the Senate votes on the Independent Offices bill in which the FCC's appropriation was cut a million and a half dollars wiping out the Radio Intelligence Division, one of the largest units in the organization. Chairman Lea said Thursday that with the WMCA case temporarily out of the way that the FCC officials would be the next witnesses called.

The three Democrats on the Committee voted Wednesday to suspend the WMCA inquiry pending a decision in the New York State Supreme Court on a civil suit which Donald Flamm, former owner of the station, brought against Edward J. Noble, the purchaser, charging that he had been "high pressured" into the sale through fear he would lose his FCC license. Pointing out that Mr. Noble had been Assistant Secretary of Commerce under Harry Hopkins, Mr. Flamm charged that the deal was "greased from the White House down".

Representative Richard B. Wigglesworth, of Massachusetts, and Representative Louis E. Miller, of Missouri, the Republican Minority members of the Committee, declared the suspension of the WMCA investigation was a "hush-hush" move to cover "unsavory facts". Neither was present when the surprise move was made by the Democrats to suspend the WMCA inquiry.

Messrs. Wigglesworth and Miller accused the Democratic majority of squelching the "investigation of the strange sale of radio station WMCA and the part played by high officials of the present political Administration".

Their statement indicated that the two minority members were likely to take their case to the floor of the House and place in the Congressional Record all the facts they charged the Democrats with hiding.

"Let the record show that three Democrats covered up and sought to shield the Administration just as the facts began to hurt", Messrs. Miller and Wigglesworth said, adding that for more than a year "the present political Administration frantically tried to prevent the American people from learning the truth about the FCC and its sordid and illegal activities."

"It is part of the whole New Deal scheme to cover up pernicious bureaucratic practices and the graft that is inherent in such a maze as we have in Washington today", they said.

"We wonder, and the American people have a right to know, why the White House, the Department of Justice, the FCC and high New Deal officials, past and present, are so fearful that the true facts about this and other matters in which the FCC played a part should become known."

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WOODS AND BUTLER CONFER PRESUMABLY ABOUT SALE OF WLS

Mark Woods, President of the Blue Network stopped off at Phoenix, Arizona, on his return from the Coast to talk with Burridge Butler, owner of Station WLS, of Chicago, which the Blue Network is desirous of acquiring as its Chicago outlet. Mr. Butler also owns KOY in Phoenix, and is there frequently. It was said by a Blue Net spokesman that negotiations had been on and off for sometime but as to this particular conference it would not be known whether there was anything new or not until Mr. Woods returns to New York.

In the meantime there was continued talk about the Blue negotiating with Earle C. Anthony for the purchase of one of Mr. Anthony's stations, KECA or KFI, in Los Angeles Under the FCC ruling Mr. Anthony will have to dispose of one or the other. It was said that there had been a proposal to trade KECA for the Blue's KGO in San Francisco.

Likewise it was reported that Mr. Woods as an alternative was looking over KPAS, Pasadena, and KMPC, Beverly Hills.

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PETRILLO WLB N.Y. PANEL REPORT EXPECTED SOON

The War Labor Board in Washington states that the report of the WLB panel which heard the Petrillo case in New York would probably reach the Capital early in the week. There was no indication as to how soon the report would be made public or how long it would be until the WLB acted on it.

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RADIO'S FIRST YEARS HARDEST, SAYS MULLEN; GRAND FUTURE

"Broadcasting's first 24 years have been mainly devoted to train-blazing. The post-war era will witness the conversion of these pioneer broadcasting paths into electronic super-highways providing direct access to top-notch sight-and-sound entertainment in American homes."

Thus Frank E. Mullen, NBC Vice President and General Manager, summed up his observations gathered during 21 years in radio.

"In 21 years", Mr. Mullen declared, "one would expect to see an industry fully grown. And to many minds the tremendous size of radio today implies that it is a grown-up industry. True enough, but it has not reached its full maturity despite its gigantic scientific and industrial achievements. When I think of the possibilities ahead, I cannot help but envy the youngsters starting in radio today."

"Persons who have seen radio grow from the catwhisker and earphone stage to the advent of high-fidelity and frequency-modulation realize that tremendous ground had been covered in the little more than two decades since commercial broadcasting was born. There were no precedents or formulas to follow. The industry as it stands today is a fitting testimonial to the engineers, talent and administrative staffs that have helped pattern broadcasting and are still on deck to assist in the full commercial development of television, facsimile and frequency-modulation, not to mention the vast possibilities for electronic applications in other industries."

"Just an occasional visit to the RCA Laboratories will give even an oldtimer in radio the thought that he cannot relax and just go on selling time. * * * *"

The NBC v.p.-general manager outlined the huge benefits to farmers, housewives and listeners everywhere through the introduction of popular television. Facsimile, he holds, has tremendous home uses, particularly in the reproduction of printed material in the homes of the land.

"All the arts and sciences will benefit by television", he added, "and educators will be quick to enjoy the advantages of such pedagogical assists as having students see great paintings and sculpture in their full beauty via the video receiver. Ultimately, color television will permit a complete visualization."

"Radio will teach us to use our eyes as well as our ears. And it will be a leading post-war industry."

Mr. Mullen was born in Clifton, Kansas, in 1896, and spent his early days on a farm in South Dakota. He entered Iowa State College in 1916 to study forestry but World War I interrupted his studies in 1917 and he served with the U. S. Army overseas until 1919. He then resumed his studies at Iowa State, graduating in 1922, with the degree of B.A. in Agricultural Journalism. Mr. Mullen made his first contact with broadcasting in 1923 as Radio Editor of Stockman and Farmer, in Pittsburgh.

In his three years on that paper, he organized and conducted the first regular radio broadcasting service for farmers over KDKA, Pittsburgh. In 1926, he organized agricultural service for NBC at KFKX, Hastings, Nebraska, transferring the following year to Chicago where he opened offices and studios for NBC. Between 1926 and 1934, he served as Director of Agriculture, leaving in the latter year to become Manager of the RCA Department of Information. In 1939, he was designated RCA Vice President in Charge of Advertising and Publicity. He returned to NBC in 1940 as Vice President and General Manager and in January, 1943, was elected to the NBC Board of Directors. He is also a Director of the Radiomarine Corporation of America and RCA Institutes, Inc.

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LABOR COUNCIL PROTESTS "NEWSPAPERS ABSORBING RADIO"

A resolution unanimously adopted by the New Haven Central Labor Council "opposing the absorbing of the radio industry by the newspaper industry" was printed in the Congressional Record (Feb. 17) at the request of Senator Francis Maloney (D), of Connecticut. It urged "that legislation be passed to prevent the continuance of this monopolistic trend. In the interests of democracy, a free press, and a free radio, such combinations must be dissolved and prohibited in the future if we are to have unbiased, intelligent public opinion in this country which is in the last analysis the basis of all democracy"

Among the arguments advanced in the resolution were:

"The present trend in the United States of the acquiring of radio broadcasting stations by large newspapers is a threat toward the control of public opinion and the stifling of controversial issues from an unbiased point of view;

"Control of radio stations by newspapers tends to restrict the information offered to the public to that which serves the interest of the newspapers;

"Absorption of these radio stations by amalgamation or combining with newspapers is a monopolistic tendency and not in accord with the democratic principles of the United States;

"A distinct threat to democracy in the newspaper-radio combine is apparent when we realize that it is operated for profit and not in the public interest when a conflict between the two arises;

"Control of radio by newspapers puts the public in the position of getting only such news which is not influenced by their advertisers, or in any way adverse to their interests;

"Control of public opinion through radio and newspapers becomes a dangerous weapon for fascism as was the case in Germany when newspapers and radio stations were combined and used for Nazi propaganda;

"Whenever participation by many is replaced by control of a few powerful interests any further advance in radio is apt to be blocked since it may conflict with the profits of newspapers."

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 ::: TRADE NOTES :::
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The Blue Network has opened a sales office in Pittsburgh with Robert Post in charge as salesman covering the tri-stage area of western Pennsylvania, Ohio and West Virginia.

Philco Corporation this week declared a dividend of twenty cents (20¢) per share of common stock, payable March 13, 1944, to stockholders of record February 26, 1944.

In the first quarter last year a dividend of 15 cents per share was declared, and dividends in 1943 totaled \$1.00 per share, including a year-end dividend of 25 cents per share paid Dec. 27, 1943.

Continuing an uninterrupted rise in the number of accounts using WOR for the past five years, a survey reveals that 312 advertisers were on the station's sponsor list during 1943, a new all-time high. This compares to the 307 sponsors on WOR in 1942, 264 in 1941, 227 in 1940 and 181 in 1939.

The American Society of Composers, Authors and Publishers (ASCAP) is participating in the fifth WNYC American Music Festival with a program of music broadcast last Tuesday. The Festival will continue until February 22nd.

Columbia's 14-year-old educational series, "The American School of the Air", is now regularly broadcast to southern neighbor countries by the Office of the Coordinator of Inter-American Affairs.

E. S. McLarn, Assistant Technical Director, has been elected a Vice President of the International Standard Electric Corporation, which is the subsidiary of the International Telephone and Telegraph Corporation which controls the greater part of I. T. & T.'s manufacturing properties outside the United States.

It has come to the attention of the Federal Communications Commission that numerous hotels throughout the country are continuing to collect "surcharges" or "service charges" on interstate and foreign long distance telephone calls, in addition to the regular tariff charges of the Bell Telephone Companies and concurring and connecting carriers on file with the FCC. The telephone companies have filed with the Commission, effective February 15, 1944, a tariff provision prohibiting the collection of any such extra charges.

The Commission warns the collection of any such extra charge by any hotel, apartment house or club on and after Feb. 15, 1944, is contrary to this tariff provision and is illegal under the provisions of the Communications Act of 1934.

New Mutual full time affiliates of the network, making a total of 220 station, are KFJB, Marshalltown, Iowa, which operates on 1230 frequency, 250 watts; and KROS Clinton, Iowa, which operates on 1340 frequency, 250 watts.

Station WDSU, New Orleans, La., was granted consent to voluntary assignment of license and construction permit of Station WDSU, from WDSU, Inc., to E. A. Stephens, Fred Weber and H. G. Wall, d/b as Stephens Broadcasting Co., by the Federal Communications Commission. No monetary consideration was involved; purpose is to change licensee from that of a corporation to a partnership.

J. Wallace Carroll has been appointed Deputy Director for European Psychological Warfare of the Office Of War Information; he was formerly director of the OWI office in London. In his new position he will be stationed in Washington. He will be coordinate with Owen Lattimore, Deputy Director for Psychological Warfare in the Pacific, and Ferdinand Kuhn, Deputy Director for Information.

An application was received by the FCC from the Blue network asking permission to transmit programs from this country for rebroadcasting by the Brazilian network operated by A. J. Byington, Jr.; South American hookup includes six outlets in various sections of Brazil.

Delegates representing Mutual affiliates from coast to coast have been invited to attend the conferences, which are held four times annually, of the Program, Sales and Merchandising, and Station Service Committees of the Mutual network, to be held in the Jansen Suite of the Waldorf-Astoria Hotel, New York, March 20, 21 and 22. A general discussion involving network policy and plans for the coming year will be undertaken by the Committees.

In a sale of 900 shares of Columbia Broadcasting Class A common stock, Isaac D. Levy of Philadelphia, has decreased total Class A holdings to 36,876 shares according to an FCC report. Mr. Levy also reported holding 21,380 shares of Class B, CBS common.

Station KNOE, Inc., Monroe, La., has been granted petition requesting reinstatement and grant of application for construction permit for a new station to operate on 1450 kilocycles, 250 watts, unlimited time, transmitter site and antenna system to be determined subject to FCC approval.; also The Fort Hamilton Broadcasting Co., Hamilton, Ohio, granted application for construction permit for a new station to operate on 1450 kilocycles with 250 watts power, unlimited time, transmitter site to be determined subject to FCC approval.

On Thursday, February 24, at 4:30, EWT, Emerson Radio and Phonograph Corporation will hold a closed circuit over Mutual to explain to their dealers throughout the country their new Mutual program, "Green Valley U.S.A." which premieres on Sunday, February 27.

Ben Abrams, President of Emerson will speak as well as others.

On Friday, February 25, at 4 :30 P.M., EWT, The Employers Group Insurance Companies of Boston will have their second closed circuit broadcast, when Edward Stone, President of the organization, will address his field representatives from Boston.

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