

# HEINL RADIO BUSINESS LETTER

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"FCC BUNGLERS" - REP. MILLER; "SNEAK PUNCHES" - FLY RETORTS

It never rains but it pours. Almost at the same time the Senate voted to slash Federal Communications Commission funds by more than \$2,000,000 wiping out the Radio Intelligence Division, Representative Miller (R), of Missouri, at the House FCC investigation ripped into the Commission charging that FCC "bungling" intelligence had caused a U. S. task force to be trapped by the Japanese and that the White House had intimidated witnesses and thus had hushed up the matter.

In an angry reply, Chairman James L. Fly, who as a rule leans over backward in an apparent effort to be respectful when addressing a Representative or a Senator, completely forgot this attitude, said:

"In throwing sneak punches at the Commission in the form of unsupported innuendoes, Mr. Miller is carrying on the pattern of character assassination devised for him by the former counsel of the Committee.

"If Mr. Miller has any evidence that FCC men were responsible for any 'incident' as he hinted this morning, he should bring his case into the open. This charge in the form of a snide innuendo has been tossed at us at least five or six times during these hearings.

"I can say further that neither Admiral Hooper's secret testimony nor that of any other official sets forth facts to substantiate such an irresponsible charge. Miller knows that. We have had thirteen months of this sort of abuse from certain representatives of an investigative body presumably charged with some obligation to maintain something in the nature of a judicial attitude. Yet Miller continues to grab the headlines by planting the daily booby trap. Congressman Miller is clothed with something more than arbitrary power. He has the same quality of public trust that I, as a public official, am sworn to preserve.

"Both Miller and the press know that where we have got the charges into the open and been permitted to answer them with the overwhelming facts, the charges evaporated in thin air. But we are not playing for the headlines; Miller can have them. All we ask is something slightly resembling fairness and a judicial attitude."

Representative Miller had also charged that Rear Admiral Hooper could confirm the charges that FCC "bungling" had resulted in our warships being exposed to enemy fire and asked that Hooper be called to testify. He had previously charged that Admiral Hooper had been retired from the service as a result of pressure exerted by Mr. Fly and the White House.

Mr. Miller further asserted that Rear Admiral Redman, Chief of Naval Communications, had spoken of the Alaskan incident at a closed session of the Committee and that he had been silenced by an attempt which the higher-ups made to have him, too, retired. Mr. Miller said:

"Admiral Redman had testified before the staff of this Committee. He had given certain testimony regarding Pearl Harbor and regarding an accident that had occurred to the task force operating in Alaskan waters. After this testimony was given by Admiral Redman, a copy of his statement was requested by the White House. After the contents had been learned, Mr. Fly read, in the presence of Commissioner Craven, a letter presumably from the White House in which it was stated that certain things might happen to Commissioner Craven and others who testified in secret before the Committee investigating the FCC. A copy of this alleged letter or note from the White House was shown to Commissioner Craven."

Although friends have assured him that he could be re-appointed this threat is believed to be one of the reasons why Commissioner T. A. M. Craven is understood not to be seeking reappointment next June but will return to private practice, the feeling being that so far as the Administration is concerned he is a "marked man". Before serving on the Commission, Commander Craven was reported to be making \$30,000 a year as a consulting radio engineer.

There doesn't seem to be much likelihood of Admiral Hooper taking the witness stand as he is reported to be ill in a hospital in California.

However, Eugene Garey, recently resigned Counsel to the Committee investigating the FCC, supported the charge made by Representative Miller (R), of Missouri, that a false FCC tip sent a Navy task force on a fruitless mission to Alaskan waters. "Testimony by Navy and also by Army officers in private hearings a year ago substantiated what Mr. Miller said", Mr. Garey charged in New York. "But the officers were gagged."

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#### CALL LETTERS WCOB ASSIGNED TO NEW HYANNIS STATION

The Federal Communications Commission has granted the request to assignment of call letters WCOB to the new station of E. Anthony and Sons, Inc., at Hyannis, Mass., authorized.

E. Anthony and Sons are also the owners of Station WNBY at New Bedford, Mass. and publishers of the New Bedford Standard-Times both headed by Basil Brewer.

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## WINCHELL SPONSOR HIT; WINCHELL AND DIES PREPARE FOR DEBATE

As Representative Dies (D), of Texas, and Walter Winchell squared off for their verbal battle of the century next Sunday night over the Blue Network beginning at 9:15 EWT, Representative Hoffman (R) of Michigan, viciously attacked Andrew Jergens of Cincinnati, manufacturer of Jergens Lotion, Mr. Winchell's sponsor. Mr. Hoffman charged that Elfrieda Margaret Siddell, secretary of Mr. Jergens, had been interned as a German enemy alien. Also that Hedwig Engemann, a maid in the Jergens' home at Miami Beach was arrested in 1942 for complicity in the case involving the eight Nazi saboteurs, six of whom were later arrested. Furthermore, Representative Hoffman alleged that though Mr. Winchell was specializing on exposing enemy alien activities that the commentator failed to mention these cases.

Mr. Winchell, who was in Washington, said he had been the first to tell of the detainment of the maid.

"I heard about the matter when I came back from Brazil in January a year ago", Winchell said, "and called Jergens about it and told him I thought it proper that we should be the first to announce this. He told me to go ahead.

Representation Hoffman charged that Winchell's only mention of the case had been his congratulations to Mr. Jergens "for helping to apprehend an alien enemy". The Michigan representative said that both Jergens and Winchell should be summoned to appear before the Dies Committee on un-American Activities.

"Is not Andrew Jergens at present engaged in an effort to have one of the individuals I have referred to released from Federal or Army custody?" Representative Hoffman asked.

"One Elfrieda Margaret Siddell was Jergens' personal secretary, or an employee graduating to that position from an upstairs maid post in his home. As his secretary, she accompanied Jergens on various trips about the country and to his homes in Florida and California.

"In 1942 she was arrested by agents of the F.B.I. as a German enemy aine. Jergens is not a German, but of Danish descent.

"It was learned that she had hired as a maid in the Miami Beach home of Jergens one Hedwig Engemann, 34 years of age, formerly of New York City. \* \* \*

"Miss Engemann was arrested about the time of the capture of the eight Nazi saboteurs who landed here from a submarine in the Summer of 1942, and six of whom were afterward executed for sabotage.

"Miss Engemann was shown to have aided Edward John Kerling, one of the eight. He was executed and Miss Engemann pleaded guilty in a New York court to a charge of misprision of treason (concealment of the knowledge of the commission of treason).



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"Have you heard Winchell saying anything about that? He is after these folks down town here, and I hold no brief for them. I do not say they are guilty or innocent; I do not know anything about that. But here is a woman who was convicted. She was employed by Winchell's sponsor. Why did he not mention it? Is he blackmailing Jergens? Is he exposing the Nazis? Is he telling about what they are doing, or is he just covering up? \* \* \*

"Jergens made strenuous efforts to prevent her detention, describing her at one time as 'the finest woman I have ever known.' He sent her clothing while she was confined in jail and at times called her over the long-distance phone.

"It has been charged that Jergens offered money to an individual in the Department of Justice, not to help exonerate Miss Siddell, but to have her held in a hotel suite during her hearing, instead of being held in jail.

"It is now reported that Jergens has started action to have Miss Siddell released from the internment camp."

In the course of the attack, Representative Hoffman declared:

"And let the Blue Network and Winchell quit changing his scripts. Not long ago, he referred to me over the radio as John Rankin's girl friend - a typical dirty Winchell method. In the transcript sent out of the broadcast, that statement was omitted. But the transcription of the spoken word shows that he uttered that vile and indecent slander."

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HAVERLIN MBS STATION RELATIONS HEAD; WALLEN CONTROLLER

Carl Haverlin, widely known broadcasting and music executive, has been appointed the new Director of Station Relations for the Mutual Broadcasting System. Mr. Haverline, formerly Commercial Manager of Stations KFT and KECA, Los Angeles, leave his post as Vice-President of Broadcast Music, Inc., to join Mutual

He was born in Globe, Arizona, and is 43 years old.

J. E. Wallen joins the Mutual Broadcasting System in the capacity of Controller and Financial Director, March 27th. Mr. Wallen was formerly Controller of the Federal Telephone and Radio Corp., a subsidiary of International Telephone and Telegraph Co., from 1932 to 1942.

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## BLAMES CONGRESS AND SUPREME COURT FOR PETRILLO

There was plain speaking in a New York Times editorial captioned "To Halt Mr. Petrillo":

"According to Senator Clark of Idaho, Congress is 'thoroughly out of sympathy' with Mr. Petrillo and wants to curb his extraordinary and irresponsible private power to order people off the air and tell the American public what music it can and cannot hear, but it doesn't know how. Previous 'anti-Petrillo' bills have been ruled unconstitutional by the Department of Justice, and Senator Clark is looking for 'some legal way out'.

"Now the 'dilemma' in which Congress finds itself in this matter is purely of its own making. It exists because Congress refuses to recognize the natural consequences of its own acts. The powers exercised by Mr. Petrillo are powers conferred upon him by acts of Congress as interpreted by the Supreme Court. Congress has made it illegal for employers to discourage membership in a labor union, but has refused to make it illegal for unions to coerce workers into membership. Congress, according to the Supreme Court, has granted sweeping immunities to labor unions under the anti-trust acts, the anti-conspiracy acts, and even the anti-racketeering acts. These immunities are simply go-ahead signals to unions to commit acts that would be illegal or criminal if committed by anyone else.

"Under the powers conferred upon him by Congress, Mr. Petrillo can force practically every musician in the country into his union. He has the power to boycott any musician or the employer of any musician who refuses to join. Under this power of boycott, exercised by virtue of the special immunities granted by Congress, Mr. Petrillo can shut down any broadcasting station that refuses to conform to his demands. If Congress wishes to stop the private dictatorship of Mr. Petrillo it need merely repeal the sweeping legal immunities which make that dictatorship possible. It would raise no constitutional problem to provide that labor unions must also conform to laws that apply to everyone else."

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## MAY GO EASY ON SMALLER NET PROGRAM RECORDING

It was indicated at a hearing earlier in the week that the proposed Federal Communications Commission rule requiring that transcriptions be made of network programs might be eased in connection with the smaller networks. The King-Trendle network, which has seven stations in Michigan, through its counsel Phillip Hennessy, opposed recordings such as proposed because of the present lack of equipment and manpower. Mr. Hennessy urged that the recording rule be postponed for the duration and that even then it be applied only to the larger networks.

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## SENATE STUDIES SHORT-WAVE RADIO FOR RAILROAD TRAINS

It is just possible Senator Wheeler (D), of Montana, Chairman of the Interstate Commerce Committee may introduce a bill in the near future requiring railroads to equip their trains with short-wave radio. With this in mind, Senator Wheeler recently wrote Chairman James L. Fly for his views on the subject.

Use of radio for flagging operations was recommended by Chairman Fly. He asserted that flags, lanterns, flares, fuses and torpedoes antedate the invention of modern means of communication.

"The failure of flagging operations to stop the northbound Tamiami Champion as it hurtled toward the wreckage of the southbound Champion was responsible for the loss of 72 lives, and other wrecks due to the failure of traditional flagging techniques are far from infrequent", Mr. Fly wrote.

The FCC Chairman said that the use of radio was feasible in operating block systems to control railroad traffic. He said that, although the Interstate Commerce Commission had recommended in 1933 that railroads be prohibited from operating passenger trains on tracks unprotected by block systems, 50,000 miles of passenger track are still unprotected.

Mr. Fly referred to an experimental block system on the Pennsylvania Railroad between Trenton and Phillipsburg, N. J., as "radio-controlled". An ICC spokesman said that the system - an experimental development - did not employ radio. Instead, he said voice communication between signal towers and trains in motion was carried by the rails on which the trains operate. The same system is being tried out in several large freight yards, he said.

Mr. Fly also recommended radio for head-end to rear-end communication on moving trains, referring again to the Tamiami Champion wreck as an example of communications failure. On that occasion, 40 minutes elapsed between the time the first train was wrecked and the second plowed into the wreckage of the first.

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BLUE TO BUILD OWN STUDIOS; PREPARES FOR FM AND TELE

The Blue Network Company is surveying sites and formulating plans for the construction of its own studios in New York, Chicago, Los Angeles and San Francisco. Also it is getting ready for FM and television.

Speaking Saturday before a meeting of 47 Blue Department heads and management executives from Washington, Chicago, Detroit and New York, Mark Woods, Blue Network President, said:

"Coincidental with the construction of our own studios, the Blue expects to own its own broadcasting stations in Washington,



Los Angeles, and a full time outlet in Chicago in addition to the stations we now own. Negotiations to that end are under way presently."

"Applications have been filed or are being prepared for FM stations in the key centers", Mr. Woods said, adding that the Blue expects that frequency modulation, permitting as it does more and better stations, "will give the Blue Network an opportunity to assume leadership in sound broadcasting. I firmly believe that FM is the coming business in sound broadcasting."

He warned, however, that no one in broadcasting can ignore television, and said that the Blue is now completing plans for a complete television system.

"While we own no television stations today", he said, "I am convinced that television will prove to be the greatest medium ever developed for entertainment and advertising. The Blue Network is planning to file for its own stations in New York, Washington, Chicago and Los Angeles. We are encouraging Blue affiliates to file, as soon as possible, for the construction of both FM and television transmitters."

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#### BROADCAST ACTION BY THE FCC

WJW, WJW, Inc., Cleveland, Ohio, granted license to cover construction permit which authorized installation of a new transmitter and directional antenna for day and night use, increase in power to 5 kilowatts, change in frequency to 850 kilocycles and move transmitter and studio from Akron to Cleveland; conditions. Also granted authority to determine operating power by direct measurement; KWK, St. Louis, Mo., granted consent to transfer of control of Thomas Patrick, Inc., licensee of station KWK, from Grace C. Convey to Robert T. Convey; WOWO, Westinghouse Radio Stations, Inc., Ft. Wayne, Ind., present license extended upon a temporary basis to May 31, 1944.

Applications Received: Edwin H. Armstrong, C. M. Jansky, Jr., and Stuart L. Bailey, d/b as FM Development Foundation, Olney, Md., construction permit for a new High Frequency (FM) Broadcast Station to be operated on 43,900 kc., with covering of 18,844 square miles; WGEX, General Electric Co., S. Schenectady, N.Y., license to cover construction permit which authorized construction of a new international broadcast station; Radio Corporation of America, area of Camden, N. J., license for reinstatement of experimental television relay broadcast station W3XAD, to be operated on 321,000-327,000 kc., power of 500 watts peak, A5 and A3 emission; also license for reinstatement of experimental television broadcast station W3XEP to be operated on Channel #5 (84,000-90,000 kilocycles), power of 50 KW peak, A5, A3 and Special Emission; WIBC, Indiana Broadcasting Corp., Indianapolis, Ind., license to cover Construction Permit which authorized increase in power and changes in directional antenna; also

authority to determine operating power by direct measurement of antenna power (1070 kc), and voluntary transfer of control of licensee corporation to Indianapolis News Publishing Company, Inc., (1000 shares common stock).

The Broadcasting Corporation of America, Riverside, Calif., construction permit for a new high frequency (FM) broadcast station to be operated on 43,500 kilocycles with coverage of 48,000 square miles, and construction permit for a new commercial television broadcast station to be operated on Channel #3 (66,000-72,000 kc.)

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FAVORS COMMENTATORS FREE REIN IF ATTACKED COULD REPLY

Expressing what pretty generally seems to be the opinion on Capitol Hill, Senator Murray (D), of Montana, is for giving a radio commentator the same freedom as an editor, provided anyone who believed he was unjustly attacked could reply. This was brought out in an interview with Senator Murray by Richard Eaton over the Atlantic Coast Network originating in WWDC, Washington, last Tuesday night. The following exchange took place:

Mr. Eaton: What about free speech for radio commentators? Do you believe that a radio commentator should not be allowed to express his opinion on the air as some people have recently advocated?

Senator Murray: I certainly do not, Mr. Eaton! A radio commentator should be allowed to express his opinion just as should the editorial writer on a newspaper or any private citizen. We should be thankful that we have the freedom of the air by which citizens may express their views and bring to light the truth.

Mr. Eaton: Would you say that radio often brings truth home in a way our newspapers do not?

Senator Murray: Frankly, Mr. Eaton, some of our newspapers in reporting the news leave much to be desired.

Mr. Eaton: Should Congressmen who have been attacked by radio commentators be given radio time to answer such attacks?

Senator Murray: Yes. And I would extend that right to anyone outside of Congress. Similarly, in common justice, any individual unjustly attacked on the floor of Congress should be given the right to answer any charges bearing upon his character or reputation. I believe that a radio commentator should have the right to attack any member of Congress or any public servant. And broadcasting companies should not censor the fair and truthful statements of their commentators.

Mr. Eaton: While we are still on the subject of radio, Senator Murray, organized labor has complained that it has not had a fair chance to express itself on the air. Would you care to comment on that?

Senator Murray: I believe that organized labor - or any group of the population - should be able to express itself on the air. If organized labor wishes to buy radio time, it should be given the opportunity.

Mr. Eaton: Senator, what do you think of the idea of broadcasting sessions of Congress? You know, it's done in New Zealand during certain hours of the day.

Senator Murray: It sounds like a wonderful idea. The more people who actively participate in Government, the closer we come to true Democracy."

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#### FM TAKES LID OFF TIME CAPACITY, SAYS McCLINTOCK

Speaking before the American Marketing Association in New York, Miller McClintock, President of the Mutual Broadcasting System, emphasized the importance of FM and television in future radio advertising.

Mr. McClintock cited the general acceptance of FM by the radio industry, as an inevitable and universal improvement in radio broadcasting and indicated several elements which have a bearing upon the activities and planning of advertisers.

"First, Frequency Modulation takes the lid off radio time capacity now approaching a ceiling under AM. Instead of 1000 licensed stations, there can be an unlimited number; thus, radio will have an unlimited capacity to serve advertisers insofar as their economic needs justify. Competition will be sharpened and with it will come those assets in any medium which are valuable to its users;

"Second, Frequency Modulation in many instances will require lower capital cost and lower costs in certain operating elements. This affords some opportunity for the ploughing back of these savings into increased quality of broadcasting or in the reduction of the cost of broadcasting service.

"Third, Frequency Modulation is limited to primary area coverage, in principle, and, therefore, advertisers will find it necessary to use a larger number of local stations to cover their buying power. This will present the opportunity as well as the necessity to design radio advertising programs in such a manner as to give them maximum community impact."



The speaker expressed cheerful optimism about "the very near accessibility" of television to radio homes. "The technical difficulties surrounding television are by no means insuperable under a free competitive system. We may be assured that the American public and the advertisers will have television at the earliest possible time.

"Assuming a reasonable maintenance of our economic standards, it is apparent that ultimately television will be almost universal in use. The effective sets which are promised are already within a cost range of a sufficient mass of buying power to warrant the anticipation of early commercial success.

"Mass production will, undoubtedly, lower these costs to a scale which now would seem impossible."

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 ::: TRADE NOTES :::  
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David Sarnoff, President of the Radio Corporation of America, has been called to active duty as a Colonel in the Army Signal Corps, and Lieut. Gen. James G. Harbord, Retired, Chairman of the RCA, has for the time being taken over the management of the company.

"485", the first general house organ of the Columbia Broadcasting System headquarters in New York City, celebrates its first anniversary this month. The anniversary number, just issued was circulated among 1,500 of the CBS personnel, and very particularly to employees now in the service.

The U. S. Department of Commerce and the State Department are assisting the Radio Manufacturers' Association in opposing attempted trademarks of the words "RADAR" and "ELECTRONIC" by Latin American interests in both Argentina and Brazil. Local individuals and corporations had filed trademark applications covering the generic, common terms in both countries, and the support of the Bureau of Foreign and Domestic Commerce, Department of Commerce, as well as the State Department, was given to the RMA protests against such trademark registrations.

Aimed at "Lord Haw-Haw" and his kind Deputy Prime Minister, Clement R. Attlee told the House of Commons that British subjects assisting the enemy by broadcasting from enemy stations "will not be included in the category of war criminals, but will be charged with offenses against British law, and brought to trial in appropriate British courts."

Norman E. Jorgensen, Assistant to Chairman James L. Fly, will report to the Navy today as a Lieutenant (J.G.) in the Navy Bureau of Supply and Accounts. Mr. Jorgensen will report to the Naval Officers Training School at Babsons Institute, Babson Park, Mass.

George H. Allen, Assistant Director of Promotion and Research for WOR, has resigned his post at the station to become Manager and Secretary of the Board of Governors of the Cooperative Analysis of Broadcasting, Inc. Mr. Allen succeeds A. W. Lehman, who has been elected President of the C.A.B. (Crossley reports).

The percentage of total quarter hours sold in Blue Network optional time sales at night in March 1944 is 76.2, compared with 62 percent for the same month a year ago. The increase in the daytime optional time periods, with 45.2 percent of the total quarter hours sold in March this year, compared with 29.4 percent in 1943. The total percentage, night and day, for 1944 is 55.6, while the figure in 1943 was 43.2 percent.

Organization has been completed of the Piezoelectric Quartz Crystal Section of the Transmitter Division of the Radio Manufacturers' Association. The Chairman is George E. Wright of the Bliley Electric Company, Erie, Pa.

The statement on television by Niles Trammell, President of the National Broadcasting Company, to NBC affiliated stations is now available in printed form.

Wyllis Cooper, in charge of program development at NBC, addressed the Atlantic Coast Section of the Society of Motion Picture Engineers Wednesday, March 22nd, on "Television from the Standpoint of the Motion Picture Producer."

Stations KATE, Albert Lea; KWLM, Willmar; and KWNO, Winona, three Minnesota stations, have become affiliated with the Blue Network, and are known as the Dairyland Network; they have been added as basic supplementary stations, available only with WTCN, Minneapolis-St. Paul.

The libel suit of John Monroe, alleged lobbyist whose "Little Red House on R Street" was so much in the headlines, against Drew Pearson and the Washington Post for \$1,350,000 began in the Capital last week.

Monroe charges that Pearson libeled him in radio broadcasts and in his column, which was carried in the Post.

Monroe's wife, Mrs. Edith Monroe, declared that Pearson's articles had made their home "notorious" and forced her and her daughter to leave.

Stations KSO, KRNT, and their patriotic advertisers, gave more than one thousand hours of air time to the war effort last year. This fact was revealed by Ed Linehan, Program Director of the two Des Moines Cowles stations. The 1943 total is nearly twice that for 1942.

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