

HEINL RADIO BUSINESS LETTER

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FRANK E. MULLEN

INDEX TO ISSUE OF APRIL 21, 1944.

Broadcasters Gave \$200,000,000 Time To 1943 War Effort.....	1
Cohen Resigns As OWI Radio Chief; Succeeded By Ludlam.....	2
Ryan, New NAB President, Urges Wartime Steff To Do Utmost.....	2
350 - 200 To 500-Watt Stations Increase Business 24%.....	3
No Civilian Radio Sets Before 1945; Chicago RMA Plans.....	4
CBS Television Station Staff Enlarged.....	5
A.F.M. Puts Hex On WJJD; Petrillo Rebuked By Green.....	6
Radio Repair Services Not Utilizing WPB Advantages.....	7
Radio And Radar Mica Requirements Cause Apprehension.....	8
Charges White House, FCC Played Politics With License.....	9
Sidney Hillman Hires CIO 4th Term Radio Man.....	9
Trade Notes.....	10

No. 1621

BROADCASTERS GAVE \$200,000,000 TIME TO 1943 WAR EFFORT

The value of radio's contribution to the war effort in 1943, as estimated by the National Association of Broadcasters, was \$202,150,500. The NAB calculation follows:

<u>Government Agency</u>	<u>Network Spot & Special Assignment</u>	<u>Station Contribution</u>	<u>Total</u>
Treasury Department.....	\$ 26,323,900	\$23,374,500	\$ 49,698,400
Department of Agriculture - WFA.	12,281,200	9,905,900	22,187,100
War Production Board.....	8,429,100	1,147,700	9,576,800
War Department.....	8,385,400	4,733,900	13,119,300
War Manpower Commission.....	6,282,200	5,737,000	12,019,200
Office of Price Administration..	4,501,000	6,099,300	10,600,300
Navy Department.....	4,466,700	3,332,400	7,799,100
Office of Economic Stabilization	4,371,400	2,179,400	6,550,800
Federal Security Agency (Public Health).....	3,216,600	4,288,200	7,504,800
American Red Cross.....	3,181,200	5,721,200	8,902,400
Office of Defense Transportation	2,748,000	3,907,900	6,655,900
National War Fund.....	2,102,300	4,620,600	6,722,900
Petroleum Administration for War	1,910,200	633,400	2,543,600
Rubber Administration.....	819,300	53,500	872,800
United Service Organizations (Books).....	546,800	801,400	1,348,200
Social Security Board.....	417,000	1,209,500	1,626,500
War Shipping Administration.....	389,700	2,044,600	2,434,300
Office of Civilian Defense.....	202,400	1,033,100	1,235,500
Federal Bureau of Investigation.	75,300	78,400	153,700
Office of Lend-Lease Administration.....	37,400	37,400
*Miscellaneous Campaigns.....	<u>14,957,400</u>	<u>15,604,100</u>	<u>30,561,500</u>
Total.....	\$105,644,500	\$96,506,000	\$202,150,500

*Campaigns not emanating from any particular government agency.

The figures above are estimates of gross values (one time rates before discounts and commissions). Network originations were calculated from OWI allocation schedules and utilized the OWI estimates of net values based on 1942 revenue. Station originations were estimated from monthly war effort report submitted by stations to NAB.

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COHEN RESIGNS AS OWI RADIO CHIEF; SUCCEEDED BY LUDLAM

George W. Healy, Jr., Director of the Domestic Branch, Office of War Information, Wednesday announced the resignation of Philip H. Cohen as Chief of the Domestic Radio Bureau. When he assumed the position of Chief in November, 1943, after more than two years' service with OWI and its predecessor, Office of Facts and Figures, Mr. Cohen did so with the understanding that he would accept for a term of six months.

The new Chief of the Domestic Radio Bureau will be George P. Ludlam who for the past four months has been Deputy Chief in charge of the Bureau's New York office. Mr. Ludlam came to the Radio Bureau in February, 1943, as Chief of the Bureau's Special Assignment Division. He transferred the main work of that Division to New York in September and assumed the additional duties of Deputy Chief two months later.

The new Chief came to OWI after 14 years in radio, including experience as a free lance writer and producer, as head of his own program building agency and as a member of NBC's Program Department.

Jack Mullen, former Vice President of Benton & Bowles, who is now Chief of the Radio Bureau's Editorial and Production Division, will for the present assume additional duties as Deputy Chief in charge of the New York office.

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RYAN, NEW NAB PRESIDENT, URGES WARTIME STAFF TO DO UTMOST

At his first official meeting with the staff of the National Association of Broadcasters last Monday, Harold Ryan, President, urged the headquarters personnel to give to the NAB membership the best of services in their power and present capacities in the many important problems confronting broadcasting. The meeting was marked by a brief discussion to staff functions which are scheduled for review by the NAB Board of Directors in Washington, May 8-10.

The NAB executive personnel is as follows:

C. E. Arney, Secretary-Treasurer; Willard D. Egolf, Assistant to the President; Lewis H. Avery, Director of the Department of Broadcast Advertising; Robert Bartley, War Director; Paul F. Peter, Director of Research; Howard Frazier, Director of Engineering; Arthur Stringer, Director of Promotion and Circulation and Dorothy Lewis, Coordinator of Listener Activity, New York City.

All are serving now in virtually full time war capacities.

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350 - 200 TO 500-WATT STATIONS INCREASE BUSINESS 24%

Business is exceptionally good for the 200 to 500-watt broadcasting stations. The Federal Communications Commission states that 358 out of the 435 stations in the 200-500 watt bracket have filed revenue reports for the year ended December 31, 1943, reporting "net time sales" amounting to \$22,230,000, and the same stations reported \$17,922,000 for the year 1942, an increase of \$4,308,000, or 24%.

Fifty-six of the 358 stations, the FCC reports, showed a decrease in net time sales and the remaining 302 showed increases ranging from \$58 to \$85,182, and may be grouped as follows:

56	stations reporting decreases of \$71 to \$10,948
15	stations reporting increases of \$58 to \$1,000
69	stations reporting increases of \$1,000 to \$5,000
74	stations reporting increases of \$5,000 to \$10,000
93	stations reporting increases of \$10,000 to \$25,000
40	stations reporting increases of \$25,000 to \$50,000
11	stations reporting increases of \$50,000 to \$85,182
<u>358</u>	total stations

Two hundred and sixty of the 431 commercial stations serve as outlets for the four major networks as follows:

Blue	64 stations
Blue and Mutual	24 stations
Columbia	28 stations
Mutual	105 stations
National	35 stations
National and Mutual	4 stations
Total	<u>260</u> stations

The FCC advises further that of the 435 standard broadcast stations with power of 200 to 500 watts, 9 operated with reduced power at night. One of these stations was located in Alaska, one in Puerto Rico, two in Hawaii, two in the District of Columbia, and 429 were in 46 of the States. There are no stations operating with this power in the States of Rhode Island and Vermont. Included in the 435 stations are 4 non-commercial stations. Seventeen of these stations operate on regional frequencies and 418 on local frequencies, and may be grouped as follows:

Number of Stations	Power	Time
4	500w	Unlimited
6	500w	Part Time
4	500w	Limited
397	250w	Unlimited
1	250w	Limited
13	250w	Part Time
9	100w-N- 500w-D	Unlimited
1	200w	Part Time
<u>435</u>		

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NO CIVILIAN RADIO SETS BEFORE 1945; CHICAGO RMA PLANS

Action to press the war radio program, now increased one-third over 1943; measures to meet present manpower difficulties and new services for RMA members, including a wide industry-publicity promotion project, were arranged at the two-day RMA "Spring Conference" in New York City.

The stepped-up electronic program was canvassed and opinion was general that it would require the entire effort and resources of the industry throughout 1944 with no prospect of any civilian production, except limited replacement tubes and parts, before 1945.

The program for the annual RMA industry meeting in Chicago, June 6 and 7, the second annual RMA War Conference and its twentieth annual convention, also was approved by the Association's Board of Directors. President Paul Galvin, who has served virtually three years, appointed a Committee to nominate his successor

Addition of seven Directors to the Association's governing board, two more each to represent the Set and also the Transmitter Division, and three additional Directors from the Parts Division also was arranged at the New York meeting by the Board of Directors following the large increase in RMA membership, almost doubled during the past two years.

War production will be the keynote of the Chicago meeting, including all RMA Divisions and Committees, streamlined to meet war conditions. There will be no exhibits or meetings for jobbers or dealers, and no banquet or other social features.

The industry publicity-promotion project submitted by the RMA Advertising Committee and for which a substantial appropriation was made by the Association's governing board, will give wide publicity to many industry interests, including public information on the vital part played by the industry in the war program, promoting employment and morale, and also inform the public regarding postwar radio products which will be available, to stimulate postwar sales. The project will correct erroneous impressions that "magical" radio developments will be available immediately on "V Day".

The Contract Terminations Committee, with Vice Chairman Ray F. Sparrow presiding, held a meeting at the New York Conference and appointed a subcommittee to present RMA recommendations on termination procedure to various Government officials. The Committee endorsed the pending plan for overall, horizontal company settlements which has been recommended to Congress by a subcommittee of the Baruch agency.

The RMA Board at the New York Conference also authorized an industry survey on postwar employment. Manufacturers soon will receive a brief questionnaire prepared by the Employment and Personnel Committee, headed by Chairman A. H. Gardner of Buffalo.

The survey and questionnaire will develop estimates on postwar employment, both for present and new employees, with comparative data for 1940, and develop information on both men and women workers who will probably retain their present jobs and also on former employees now in the armed services. Information on reemployment of discharged servicemen, also on seniority procedures, was received by the RMA Committee and will be distributed in the near future to RMA members.

Postwar industry production statistics on sets, tubes, transmitting equipment and parts also were planned by the Industry Statistics Committee.

Other RMA services planned at the New York meetings included a survey on distribution costs, now being completed by the Distribution Costs Committee. Information on postwar financing of sales by manufacturers, distributors and dealers through financing organizations, is another project to be taken up.

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CBS TELEVISION STATION STAFF ENLARGED

WCBW, New York City television station of the Columbia Broadcasting System, has taken on new life and its staff has been greatly enlarged.

Frances Buss returns in the triple capacity of Assistant Director of Programs, Researcher, and Mistress of Ceremonies on the forthcoming "live" shows, scheduled to begin Friday, May 5th. She was formerly with CBS television as a director and emcee.

Paul Belanger and Elwell Cobb join WCBW as writer, and technician-Floor Manager respectively. Mr. Belanger for several recent months was a producer for WMAL, Washington. Previously he was with the Overseas Branch of the OWI as director in charge of French Broadcasts. Mr. Cobb was with the Display Stage Lighting Company, New York.

Harold Doane joins WCBW as Assistant Supervisor of Motion Picture News Film and Television Technician. For the past three years he was producer-director for Spotlight Productions, Inc.

Howard Hayes, formerly of WAIU, Columbus, Ohio, is the new television technician.

Two new technician's assistants are Robert White and Edward Leftwich. Both were recently in CBS' Construction and Building Operations Department.

Frances Harrison is Production Assistant and Researcher. Previously she has been on the production staff of the Theater Guild. Amy Chandler of CBS Casting Division will be assistant in casting for WCBW.

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A.F.M. PUTS HEX ON WJJD; PETRILLO REBUKED BY GREEN

A strike ordered by James C. Petrillo, President of the American Federation of Musicians, to force Station WJJD, Chicago, to hire additional musicians has resulted in a sharp rebuke to Mr. Petrillo from William Green, President of the American Federation of Labor.

Ralph L. Atlass, President of WJJD, deciding to go direct to headquarters, had telegraphed Mr. Green asking him how he could reconcile the musicians' walkout with the no-strike guarantee. Mr. Green replied:

"Regret to learn of strike of musicians employed in your radio station. Such strike cannot be authorized by the American Federation of Labor. It is in violation of the no-strike pledge. Grievances should be taken up for settlement through agencies created for settling controversies which may arise between employer and employee. Will call upon officers of the musicians' international union to instruct musicians to return to work and settle grievance as herein suggested."

Here is the statement of Mr. Atlass regarding the strike:

"On Tuesday, April 11, we were informed by one of our musicians that all musicians employed by our station were being directed by their Union not to report for work after April 13th. There had been no strike threat, or no strike vote by our musicians. There is now no dispute over pay or working conditions. Our men now receive a minimum of \$75.00 per week for a maximum five-hour, five-day week. They now work, exclusive of turning records, an average of less than 7½ hours per week per man. The Union is now demanding that we employ twenty men to do the same work that is now being done by ten. Chicago is a critical manpower area. We consider this demand an unpatriotic waste of manpower. It is economically impossible.

"We regret that the Chicago Federation of Musicians has seen fit to call a strike that was not voted by their members in our employ, a strike called when no dispute over wages or working conditions exists, a 'make work' strike aimed to force the employment of twice as many men to do the same work as is now being done by the present staff that is now working less than 25 hours a week. This demand has not been made of other Chicago stations whose contracts have expired. The station requested conciliation by governmental authority. The Union has refused the services of the U. S. Conciliator.

"We cannot in good conscience accept such an unprecedented, unpatriotic demand. We shall continue to endeavor to operate to the best of our ability in the public interest under such handicaps as we may be forced to meet."

In a front page story in the New York Times this (Friday) morning, Jack Gould writes:

"In what was said to be the first criticism by a prominent labor figure of Mr. Petrillo's tactics in increasing the number of employed musicians, Mr. Green declared flatly that the wartime walkout, which was called last week at Station WJJD, Chicago, constituted a violation of the AFL no-strike pledge.

"William J. Friedman, counsel to Mr. Atlass, expressed the belief that the union was seeking an increase in the number of men because apparently there was no governmental barrier to such a move, whereas straight wage demands were subject to review by the War Labor Board.

"Mr. Friedman said the union had decreed that Station WIND, Gary, Ind., also owned by Mr. Atlass, had been warned not to feed 'live' music to WJJD under pain of having its staff musicians go on strike. Mr. Atlass recently sold WJJD to Marshall Field, publisher of The Chicago Sun, but the transaction has not been confirmed formally by the Federal Communications Commission.

"Mr. Petrillo denied that the union sought the employment of ten extra men, claiming jobs for only three were sought. He explained that WJJD had enjoyed for some years a 'concession' rate of pay scales because it was an independent station which, he said, contended that it needed time to become established. The station was now a proved success, he added, and the union believed it was entitled to withdraw the 'concession' rate.

"The three extra men, Mr. Petrillo indicated, would be installed at the station as 'pancake turners', the union jargon for those who put on and take off transcriptions played on turntables. According to Mr. Petrillo, the union has now made it an established policy that all 'pancake turners' be union members, though originally the practice was confined to Chicago.

"Meanwhile, another musicians' dispute occurred at Station KSTP, St. Paul-Minneapolis. Stanley E. Hubbard, president of the station, issued a statement asserting that 'we are tired of being sandbagged by the musicians' union in agreeing to hire men we do not need.'"

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RADIO REPAIR SERVICES NOT UTILIZING WPB ADVANTAGES

Repair services for many domestic appliances are being greatly handicapped, the War Production Board said this week because many electrical and mechanical repair shops are not taking advantage of a WPB regulation designed especially to aid them in more readily obtaining parts and materials for their operations. These items of civilian equipment include radios, refrigerators, washing machines and other electrical appliances, etc.

Controlled Materials Plan Regulation No. 9-A provides that these shops may purchase in each calendar quarter up to twenty tons of carbon and alloy steel, 500 pounds of copper base alloy and brass mill and foundry products, and 200 pounds of aluminum in specified forms and shapes. In addition, electrical contractors, electricians, and repairmen of electrical appliances, radios and household refrigerators may purchase in a calendar quarter up to \$150 of copper wire, or one-eighth of what they used in making repairs during 1941. Under this regulation, a repairman may also buy as much other material and repair parts as he needs for his maintenance and repair work.

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RADIO AND RADAR MICA REQUIREMENTS CAUSE APPREHENSION

Needs of radio and radar production will lead to a serious shortage of high-grademica unless workers can be found, Paul V. McNutt, Chairman of the War Manpower Commission, said today (Friday). Requirements for 1944 will be higher than in 1943 and, it is feared, will be greater than the supply. The main reliance will be on imports but domestic operations in North Carolina, New England and elsewhere in the United States must be stepped up. A few hundred additional workers, said Mr. McNutt, would fill the single shift labor needs of the more productive mines, but the location of the mines is making recruitment difficult.

Forty per cent of the total additional workers needed, said Mr. McNutt, are for the North Carolina mines. The special mica recruitment program which has been under way for a number of months in that State is largely responsible for the present relatively satisfactory conditions but operations could be expanded considerably if the labor needs were met.

The greatest increase in labor needs for the mica mines is in New England where, WMC has found, second and third shifts could be added if the men were available. The majority of the New England mines are producing below capacity. Mr. McNutt said that recruitment of workers has been complicated by the isolated location of the mines and resulting conditions. WMC is negotiating with the State Department and War Department to bring in workers from Newfoundland for underground work in the larger New England mines, this source of labor being resorted to only after all other methods of obtaining the workers through normal channels have failed.

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Says Variety: "Transcribed show was cut for a sponsor at WOR, N.Y. Into the studio marched 15 musicians, a chorus of 12, two announcers, the president and v.p. of the sponsor company and its advertising manager. All this for a 15-second jingle show."

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CHARGES WHITE HOUSE, FCC PLAYED POLITICS WITH LICENSE

Eugene L. Garey, of New York, former counsel of the House Committee investigating the Federal Communications Commission still nursing bruises from his recent contact with Chairman James L. Fly and others on the Commission who opposed him, told the National Economic Council at luncheon in New York the following story:

"Two groups in Watertown, N.Y. applied for a radio station license. Black River Broadcasts, Inc. got the FCC okay. B.R.B. spent \$16,000 erecting a tower and constructing a studio.

"The White House forwarded to the FCC a letter from a Watertown citizen. . . pointed out that several of the Black River stockholders were Republicans", said Mr. Garey. He quoted the letter:

"What will that mean to the future of the Democratic Party in northern New York? Your seaway and utility program has been fought from the very start by these same birds to whom you are now giving this radio station. . ."

"And the next day after this letter was received by the FCC December 3, 1936, the Black River people had their permit revoked", Mr. Garey declared.

"A license has since been given to the rival applicant, the Watertown Broadcasting Company, of whom the FCC examiners had first reported 'the record does not justify a finding that the applicant is legally qualified'", Mr. Garey concluded.

Mr. Garey said further : "The nefarious activities of the FCC have kept the broadcasting industry in constant fear of its life. Mr. Fly will tolerate no investigation of his stewardship and he resents the very idea of any accountability to Congress, whose creature he is. The FCC's performance sums up to harassing radio management, doing administrative hatchet work on the political front and now moving toward reduction of radio to the last stages or regulation before outright censorship and Government ownership."

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SIDNEY HILLMAN HIRES CIO 4TH TERM RADIO MAN

Going into the campaign to elect President Roosevelt for President in earnest, Sidney Hillman, National Chairman, has appointed Emil Corwin to handle the radio activities of the CIO Political Action Committee.

Mr. Corwin resigned from the Department of Agriculture, where he was in charge of special radio activities, to accept the CIO post. He is a veteran newspaperman, having worked for the Springfield Republican, the United Press and the Newspaper Enterprise Association in New York and Cleveland. He also served with the Press division of the National Broadcasting Co. and Blue Net.

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::: _____ :::
 ::: TRADE NOTES :::
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Chairman James L. Fly of the Federal Communications Commission is due back Monday after his 10-day early Spring vacation in the South when he will take part in the celebration of the 100th anniversary of the invention of the telegraph at the Capitol in Washington.

 In the divorce case of Col. Elliott Roosevelt, second son of the President, Judge Bruce Young of Forth Worth was quoted as saying that, while it was not in the record, he was informed Colonel Roosevelt would deed his share of the community property to his former wife in trust for the children. Included in the property is the 1300-acre Dutch Branch ranch, and capital stock in the Alamo Broadcasting Co., Tarrant Broadcasting Co., Fort Worth Broadcasting Co., and Texas State Network.

 The House of Representatives passed and sent to the White House a bill (S. 1676) to pay Sergt. Major Richard Shaker, USMC, \$85 for a radio stolen at Quantico, Va.

 The all-important subject of employment will be discussed by James S. Knowlson, former Assistant Director of the War Production Board, during the Opera Victory Rally to be broadcast from the Chicago Opera House on Saturday, April 22, at 4:20 P.M. EWT over the Blue Network. The speaker, who is Chairman of the Board of Stewart Warner Corporation and former President of the Radio Manufacturers' Association, will have as his topic "Employment and Lasting Peace".

 Columbia Broadcasting System, Inc. and Subsidiaries -
 Thirteen weeks to April 1: Net income, \$1,165,347, equivalent to 68 cents each on 1,717,076 shares of common stock, compared with \$1,031,671, or 60 cents a share in the thirteen weeks to April 3, 1943. In the two periods, Federal income and excess profits taxes were, respectively \$2,280,000, after a post-war refund of \$186,000 and \$1,240,000, after a credit of \$70,000.

 WOR and the Mutual network will present a regular series of international symphonic concerts featuring the world-famed Mexican Symphony Orchestra of 100 pieces, every Sunday evening, from 9 to 10 P.M., beginning Sunday, April 30th. The concerts, to be heard throughout the Summer here and in Mexico, will be conducted by Carlos Chavez, founder and organizer of the sixteen-year-old Mexican Symphony.

 The War Department Wednesday took over four Indiana and Kentucky feeder plants of the Ken-Rad Tube and Lamp Corporation at Owensboro, Ky. The parent plant was seized last Friday on orders from President Roosevelt after the company defied a War Labor Board order for payment of retroactive wage increases. The four plants seized Wednesday are located at Bowling Green, Ky., and Tell City, Huntingburg and Rockport, Ind.

Consolidated net income of the International Telephone and Telegraph Corporation and subsidiaries aggregated \$5,528,939 in 1943, compared with \$2,142,545 in 1942, an improvement of \$3,386,394, or 158 per cent, Sosthenes Behn, President, disclosed Thursday in his annual report to stockholders. The improvement, Mr. Behn said, was due mainly to an increase of \$2,734,025 in the net income of the corporation's manufacturing subsidiary in this country and to the higher United States dollar value of the net income of Argentine subsidiaries.

Station KFAC, Los Angeles Broadcasting Co., Inc., Los Angeles, Cal., has been granted a construction permit by the FCC subject to policy of January 26, 1944, to move transmitter to intersection of Rodeo Road and Santa Barbara, Los Angeles, and install new antenna.

The first series of recorded programs sent from the South African Broadcasting Corp., to the United States has arrived at the WOR Recording Studios, New York. The series - 13 episodes in the life of the Union of South Africa's Premier, Jan Christiaan Smuts - was recorded in the Johannesburg studios, then the recordings were packed in seven crates and flown to New York.

Minister from the Union of South Africa, Dr. S. F. N. Gie and Mrs. Gie, will meet representatives of the radio and press tonight in New York (Friday) where a brief synopsis of the series will be presented.

South Bend Broadcasting Corp., South Bend, Ind., has been granted a construction permit for a new station to operate on 1490 kilocycles, 250 watts, unlimited time, subject to Commission's policy of January 26, 1944.

J. B. McGeachy, BBC commentator, was heard in/a series of news commentaries on WOR which began last Sunday (April 16) direct from London at 1:20 P.M. and are especially prepared for WOR by the BBC. They will be heard every Sunday at 1:20 for five minutes.

Mr. McGeachy declined the Rhodes Scholarship for a career in journalism. For three years he served as correspondent and commentator in Washington, D. C. for the Winnipeg Free Press and the Associated Papers of Canada. He is a contributor to The New York Times and The Manchester Guardian.

Immediately following the world premier broadcast of the Roy Harris Sixth Symphony by the Boston Symphony Orchestra, conducted by Dr. Serge Koussevitzky, on Saturday, April 15, over the Blue Network, the Office of War Information made arrangements to beam the new work throughout the world.

Commissioned by the Blue Network as a service to the advancement of American culture, the Sixth Symphony, based on Lincoln's Gettysburg Address, will be heard throughout the Americas, Europe, and wherever an American fighting force is gathered.

The British Broadcast Company has also made arrangements to air the new symphony to its wide-spread audience, and the Society of Composers of the Soviet Union plans to perform it soon.

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