

HEINL RADIO BUSINESS LETTER

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FRANK E. MULLEN

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January 10, 1945

FTC REVIEWS 627,000 COMMERCIALS; QUESTIONS ONLY 19,500

Of the 627,000 radio commercial continuities which the Federal Trade Commission examined during the past fiscal year, only 19,500 continuities were designated for further review as containing possibly false and misleading representations. The publications percentage was much higher. Of the 308,000 newspaper, magazine and other periodical advertisements examined, 22,350 were questioned.

The publications work involved examination of advertisements in 1,792 editions of representative newspapers and 967 issues of magazines and farm and trade journals, 1,304 pages of almanac advertising, and catalogs of 54 mail-order houses. In addition, an average of 4,866 pages of radio script was read each working day. The Federal Trade report states further:

"Of the radio and periodical cases thus developed, a large majority were adjusted by the Commission's procedure under which an advertiser is extended the privilege of entering into a stipulation to cease and desist from the false and misleading advertising practices involved.

"Discussing its work in the field of radio and periodical advertising, the Commission says that its only object 'is to prevent false and misleading advertisements. It does not undertake to dictate what an advertiser shall say, but merely indicates what he may not say under the law. The Commission believes its work in this field has contributed substantially to the improvement that has been evident in recent years in the character of all advertising. * * *

"In general, the Commission has received the cooperation of the four Nation-wide network chains, 19 regional network groups, and transcription producers engaged in preparing commercial radio recordings; and of 850 commercial radio stations, 504 newspaper publishers, and 458 publishers of magazines, farm journals, and trade publications. It has observed a desire on the part of these broadcasters and publishers to aid in the elimination of false and misleading advertising.'

"During the fiscal year the Commission issued 195 formal complaints alleging violations of the laws it administers; entered 124 orders to cease and desist from such violations; and accepted 303 stipulations wherein respondents agreed to discontinue unlawful practices, 113 of these pertaining especially to radio and periodical advertising.

"In connection with its regular survey of radio and periodical advertising, the Commission analyzed for and reported to the War Production Board advertisements containing pertinent references to

such subjects as war production, price rises or trends, and rationing, or statements that materials are or will be scarce or that the quality of new materials or products offered for sale is equivalent to or better than merchandise formerly offered. The Commission also made to WPB 18 analytical reports covering 21 metropolitan areas and five groups of critical merchandise and relating to the improper use in wartime of advertising appeals of doubtful nature."

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RMA CANCELS CONVENTION; TELE SUGGESTED FOR FUTURE MEETS

Obedying the official edict of War Mobilization Chief James F. Byrnes banning all gatherings of more than 50 persons requiring railroad travel and closely following the National Association of Broadcasters in abandoning its annual executives convention, the Radio Manufacturers' Association cancelled its annual "Mid-Winter Conference" which was to have been held in New York February 21st. Calling off the tentative RMA parts trade show in Chicago next June was also being considered.

Not overlooking the opportunity to cash in on the emergency, J. R. Poppele, President of the Television Broadcasters' Association, suggested the possibility that conventions of tomorrow might well be handled by television circuits.

"Conventions, it appears, are about to become a wartime casualty", Mr. Poppele declared, addressing the National Retail Dry Goods Association. "If sufficient coaxial cable and radio relay circuits as well as television transmitting and receiving equipment were now available for a national service, the convention ban might work no hardship on organizations who annually conduct their business through national conclaves."

He pointed out that in the future, "large screen television equipment could be installed in public auditoriums in each city where Association members are located. Thus, the entire convention program", he stated, "could be conducted in New York City while members 'sit in' on the activities in their own home town."

"The RMA trade show could not be held under the restrictions planned by OWM and the Office of Defense Transportation, although RMA had not planned to hold the June parts trade show if the war against Germany was in progress after April 1", Bond Geddes, RMA Vice-President stated. "Formal cancellation of the tentative June parts show will be considered by the RMA Board of Directors in New York on February 21st."

"It is probable that the annual RMA 'War Production Conference' and annual membership meeting scheduled in Chicago next June will be held, but on a much reduced scale. Government officials plan to request that group meetings and attendance at such industry meetings be held to a minimum, probably limiting attendance to

official delegates and groups directly connected with the war program. A limited program for the June 'War Production Conference' also will be considered by the Association's Board of Directors at its February 21st meeting."

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KSTP HOT POTATO TO WLB; HUBBARD SAYS THEY FEAR PETRILLO

Although William H. Davis, Chairman of the War Labor Board, characterized the request of Stanley E. Hubbard of Station KSTP that the WLB seize Petrillo a la Sewall Avery as ridiculous, the Regional War Labor Board in Chicago suddenly woke up and within 48 hours referred the KSTP musicians' strike to Washington.

About a week ago the Chicago Board, which has been handling the KSTP case called on the union to "comply forthwith" with its December 20 directive denying all demands of the AFL union, including hiring of eight additional musicians, three record turners and a librarian and a \$52.50 wage scale for a twenty-two-hour week.

Fourteen musicians are involved in the work stoppage which began last April 12. The musicians returned to work May 5, but walked out again after a WLB panel recommended denial of their demands. They still are on strike at the Minneapolis studio, but are working for the same employer in St. Paul studios, the WLB said.

The Chicago Regional Board reversed its usual procedure of refusing to consider cases while strikes are in progress and denied the strikers' demands, upholding an earlier decision by a panel. Then on January 4, the Regional Board directed James C. Petrillo, head of the American Federation of Musicians, to end the work stoppage. The same order was directed to the Minneapolis local.

The personal visit of Mr. Hubbard to Chairman Davis closely followed the plea of War Mobilization Director James F. Byrnes and Senator Joseph Ball (R), of Minnesota, to the new Congress for legislation which would "treat Petrillos and Averys alike".

Mr. Hubbard said that he had suggested to Mr. Davis that the WLB take over Petrillo's headquarters and that the Army operate the union as it has in the Montgomery Ward Company's plants for non-compliance with WLB orders. It was here that Mr. Davis replied that such a request was "ridiculous".

"The union is the same as a business", Mr. Hubbard said, "operating under a charter and having headquarters."

Mr. Hubbard pointed out that the musicians' union has refused to obey directives of the National and Chicago Regional War Labor Boards that musicians, who walked out eight months ago, return to work.

For the last eight months he asserted, Mr. Petrillo had declined to permit union members to work at his Minneapolis studio unless a minimum staff of eight musicians and three record turners are employed.

Mr. Hubbard, following his conference with Mr. Davis, said that he got the distinct impression that the War Labor Board was afraid of Petrillo and was acting accordingly.

There was an attack on Petrillo from a new quarter this week when Representative Charles H. Weber, of Chicago, introduced a bill in the Illinois House at Springfield. Manufacturers of any product would be prohibited from paying a levy to any union, under penalty of up to \$5,000 fine and one year's imprisonment.

Mr. Petrillo, Mr. Weber said, waged along battle to get phonograph record manufacturers to sign contracts agreeing to pay a stipulated amount to the union for each record made. It has been estimated that the union would collect about \$4,000,000 annually.

"Nothing recent has excited more comment in my district than the Petrillo private tax on records", Mr. Weber went on to say. "Unless something is done, Sidney Hillman may come along with a union tax on every pair of pants made, and Phil Murray might levy a tax on the manufacture of steel."

Senator Vandenberg (R), of Michigan, is expected within the next few days to re-introduce his bill (S-1957) which would prevent Petrillo from interfering with the broadcasting of non-commercial, cultural or educational music. The bill passed the Senate by a large majority last session and it is believed that it may be approved by both Senate and the House this time. If so, it is thought the measure will be signed by the President which would give him the opportunity to pay his respects to Mr. Petrillo if he desired to do so.

The Vandenberg bill grew out of Petrillo's cancellation two years ago of a broadcast by the National High School Symphony Orchestra from the National Music Camp at Interlochen, Michigan.

The fact that Petrillo has been heavily guarded for the past 12 years was revealed in a dispatch from Chicago that the music czar has voluntarily dropped his Chicago bodyguard of two detectives assigned to protect him during the last 12 years.

"Petrillo indicated some time ago that he felt he no longer needed protection", Mayor Edward J. Kelly said.

The union leader originally was assigned the bodyguard after unverified reports circulated that he had been kidnaped and held for ransom. Mr. Petrillo denied the reports.

Mayor Kelly said the city at various times has assigned detectives to protect persons who believe they need such safeguards. These city-paid detectives operate only in Chicago.

In an election of officers of Local 802 AFM in New York, which the members complained to Petrillo was not conducted under the supervision of the Honest Ballot Association, as prescribed by the Union's by-laws, it was revealed that the recently installed president, Jacob Rosenberg, receives \$10,400 annual salary as President, and Richard McCann, Vice-President \$5,200. The Secretary and Treasurer each receive \$175 a week.

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SAT EVE POST GIVES DREW PEARSON MILLION DOLLAR FREE AD

No commentator or anybody else ever got a bigger free ad than the Saturday Evening Post gave Drew Pearson in its leading article "Pugnacious Pearson" by Jack Alexander last week (January 6). A curious coincidence was that the picture of the man on the front cover who had no connection with the article was about the way most people think Pearson looks and acts. Actually, as Mr. Alexander writes, the commentator, when not doing a broadcast, is a quiet, almost shy, man and instead of being bombastic and cock-sure is even hesitant when asked to give an opinion.

Furthermore, a photograph in the Post article of Mr. Pearson at a pay telephone, which he frequently uses when he thinks someone may be listening in on his own telephone, makes him look like a moving picture G-man. Really Mr. Pearson is almost a perfect type of a seasoned, hard-working newspaper man who could walk through any fire line minus a press pass without being stopped.

Some of the highlights of the Post article follow:

"By working radio and newspaper syndication together, the exponent of the formula is able to wield a unique double-action influence on public opinion."

"During most of the year he works in the study of his yellow-brick home in the Georgetown section of Washington. He is in his study by nine o'clock in the morning, and he works until noon, reading his mail, which is heavy, and dictating replies. Many telephone calls, offering confidential tips, come to him during the forenoon. If the tipster is an obscure person, such as a Government clerk or a Congressman's rejected mistress, Pearson takes down the caller's number and hangs up. Then he goes out to a public pay station and calls the tipster back to arrange a personal interview, if the tip looks good enough. Pearson lives in constant apprehension of wire tapping and is careful about protecting his volunteer informants."

"Pearson turns out seven columns a week and, in addition, writes his Sunday radio script and a separate Merry-Go-Round for Maryland, which he distributes gratis to weekly papers all over the Free State. He also writes the plot of a comic strip glorifying a mythical Washington correspondent named Hap Hopper, who leads a

stormy career resembling Pearson's, and every now and then he lectures before some organization. It is a back-breaking schedule, and his friends are inclined to attribute his errors, in part, at least, to his self-imposed stretch-out system. The rest they attribute to his grudges."

"In one six-month period, according to an independent check, Pearson made 153 predictions. The checker, in trying to arrive at a score, eliminated four predictions as half true, seven as not having come true yet, and nineteen as uncheckable for various reasons. Of the 123 which remained, seventy-four, including some fairly obvious predictions, were listed as having come true, and forty-nine were classified as errors. Roughly, therefore, the Pearson crystal ball appears to give off the right glint 60 per cent of the time.

"Pearson sees himself as a gladiator for political rectitude who would like to get away from it all. The pains of his servitude, however, are mitigated to some extent by its financial rewards. He nets about \$90,000 a year, before taxes, from radio and his column alone. In view of these financial rewards and his duty to humanity, Pearson is not likely to retire to the farm. If, however, he should, a lot of people would cheer, as he has publicly stated they would, and among them would be a number of newspaper editors. Columns of the shriller type, such as the Merry-Go-Round, have caused much soul-searching in the past few years on the part of the editors. Some have steadfastly opposed them, in spite of their value as circulation getters, on the ground that they overdo the sensational approach to the facts of life. Others take the bread-and-butter view that the see-all-know-all tone of the columns tends to relegate their own editorial pages to a position of secondary importance."

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PORTER UP SOON; WHEELER LIKELY TO KEEP OLD COMMITTEE

It is believed the Senate Interstate Commerce Committee will be called together within the next few days to consider the nomination of Paul A. Porter for Chairman of the Federal Communications Commission. There has been no indication of serious opposition to Mr. Porter and his confirmation seems assured as soon as the Committee can get around to it.

Senator Burton K. Wheeler (D), of Montana, last week quit the race for a place on the Foreign Relations Committee which strengthened the belief that he would continue as Chairman of the Senate Interstate Commerce Committee which handles all radio legislation in the upper body.

Four new Democratic Senators were added to the Committee Tuesday - Hoey, former Governor of North Carolina; Johnston, former Governor of South Carolina; McMahon, Connecticut, and Myers, of Pennsylvania. Senators Bob Wagner of New York, and Lister Hill, of Alabama, have resigned from the Committee.

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NEW FM FACSIMILE AND RADIOSONDE PATENTS

Among the patents granted last week were No. 2,366,363 to John R. Shonnard of the New York Times, using FM to improve transmission of photographs by wire, and No. 2,366,423 to George B. Pear, Jr., of Prince Georges County, Maryland, to strengthen radio-sonde signals.

Mr. Shonnard's system employs a constant-amplitude, variable-frequency sub-carrier. Previous "FM" facsimile transmitters have been complex and difficult to maintain, the inventor states. The patented sub-carrier is held to be simple in operation and to eliminate distortion in transmission.

The mechanism consists of a transmitter, a device for rectifying and smoothing the output signals, a low pass filter and a frequency modulator tube arranged to control the beat frequency generated by the oscillators. At the receiving station the signals pass through the customary filter, amplifier and lamp on to a revolving drum. A resistor adapted to the tube changes the normal tube impedance curve and thereby improves the modulation characteristics.

The patent was assigned to the Times Telephoto Equipment, Inc.

Mr. Pear has devised an antenna system for a radiosonde, which consists primarily of a small radiation transmitter carried by a balloon. It sends off signals, which vary according to changes in atmospheric conditions, and are received at a ground weather station.

One problem in radiosonding is the tendency of free balloons to drift as much as ninety miles while ascending to their recognized maximum effective altitude of twelve and a half miles.

To increase effective signal strength without increasing the weight of the very light apparatus, Mr. Pear offers an antenna based upon a horizontal reflector formed of eight wires supported by a hoop. It is held that this reflector, preferably about six wave lengths in diameter, concentrates energy radiated from the transmitter so that signals will not decrease in strength as the radiosonde drifts.

The patent was assigned to Washington Institute of Technology, Inc., of Washington, D. C.

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A third star for continued outstanding achievement in the war effort has been added to the Army-Navy "E" Flag won in 1943 by RCA Laboratories at Princeton, N. J.

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NETS NOT TO BARGAIN ON PLATTERS; NABET APPEALS TO NLRB

All parties concerned in the record changers' controversy issued statements today (Wednesday). The networks announced that they had decided not to bargain with either the American Federation of Musicians or the National Association of Broadcast Engineers on the question of who should change the records until their jurisdiction dispute had been settled by judicial determination.

Both networks contended that they were in the middle of the interunion dispute and that if they moved either way they were confronted with the possibility of a strike. Last month the National Labor Relations Board certified NABET as the bargaining agent but James C. Petrillo, President of the Musicians, refused to recognize the award.

NABET declared that "Mr. Petrillo has been joined in his refusal to obey constituted authority by the National Broadcasting Company and the Blue Network Company, Incorporated (also known as The American Broadcasting Company). The National Association of Broadcast Engineers and Technicians' answer to this was a filing with the National Labor Relation Board of complaints against both companies asking that the Board's decision be upheld."

The NABET statement continued:

"On Monday morning the National Association of Broadcast Engineers and Technicians received letters from both of these companies in which they stated that Mr. Petrillo's interpretation of the National Labor Relation Board decisions would be their guide. Mr. Petrillo seems to have based his decision on the fact that the words 'on the air playback' were used in the decision instead of the words 'platter turners' or 'pancake turners'. Records and transcriptions are not necessarily 'platters' and certainly they are not 'pancakes'. Sometimes they are in the shape of discs, but they could be in the shape of cylinders. They could be film, wire or some other substance or shape. Therefore, recordings of speech, music or other sound intended for playback on the air using the electrical medium of radio broadcasting are amply described in the term 'on the air playback'. 'Platter turning' and 'pancake turning' are slang terms used mostly by Petrillo and his American Federation of Musicians.

"Both companies have stated time after time, and they repeated this in their letters to NABET, that they are the innocent victims of the jurisdictional fight between NABET and the AFofM. This is hardly fair or accurate. The National Broadcasting Company and the Blue Network Company signed a contract with Petrillo's AFofM last January. At that time they already had valid and unexpired contracts with NABET and under those contracts NABET operated the turntables used for on the air playback. Yet the network contracts with Petrillo gave this assignment to the members of his union too, and then NBC and the Blue Network had two contradictory contracts running at once. Maybe the relevant clause in Petrillo's contract slipped by without notice or its conflict with the existing NABET

contract was not appreciated. Maybe the networks felt that pressure from Petrillo was too great to resist. Whatever the reason, it was the signing of the contradictory contracts by the networks that caused the trouble, not any desire by NABET to start a jurisdictional dispute. NABET does not see why it should be manhandled out of its contracts which have been supported by the NLRB. Nor does NABET think that to succumb to such pressure is in the best interest of the industry or the public. The companies claim to be acting to 'protect' the public. NABET insists that this is not true. Every action NABET has taken has been an effort to protect the jobs of its members. In protecting its members it is fighting for law and order which is the real issue that is actually in the best interest of the public. It is also fighting the battle of the independent radio owners who are next on Petrillo's list.

"If broadcasting in the United States is to remain a free, privately operated industry, all factors must pursue lawful courses. By failing to expedite renewal of the contracts between the networks and NABET, in making secret agreements with Petrillo who seeks only encroachment within the industry because he is powerful enough to enforce his desires, the networks are opening the door to the unjust exploitation of all industry, and can hardly be said to be acting in the best public interest."

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PAUL GASCOIGNE, PIONEER WASHINGTON BROADCASTER, DIES

Paul Gascoigne, former Manager and announcer of Station WCAP, then owned by the Chesapeake & Potomac Telephone Company, one of the first broadcasting stations in Washington, D. C., died here early this week at the age of 60.

Mr. Gascoigne, as Commercial Manager of Chesapeake & Potomac Telephone Company, had been in charge of the office which handles the Government telephone business in Washington.

He was a native of New York City and was educated in public schools there. He entered the service of the New York Telephone Co. in 1913 and transferred to the local company in 1920.

Among WCAP's competitors was Station WRC, owned by the Radio Corporation of America, and then headed by F. P. Guthrie, now Washington Manager of R.C.A. Communications, Inc. When the A. T. & T. sold its station WEAJ in New York to the newly formed National Broadcasting Company for the then almost unheard of figure in radio circles of \$1,000,000, a stipulation was that the A. T. & T. would retire from the broadcasting business. This resulted in the closing down of WCAP in Washington and Mr. Gascoigne returned to the C. & P. Telephone Company where he remained until the time of his death.

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LA ROCHE IS KNOCKING THE SPOTS OUT OF THE SPOTS

Spot announcements are driving listeners away, Chester J. La Roche, Executive Vice-President of the Blue Network, is convinced.

"To him those little breaks between major programs are the hitch-hikers of the air-waves", says Jerry Walker in the Editor and Publisher.

"Right away, Station WJZ, New York, is going to do something about it, Mr. LaRoche announced, at a cost of \$200,000. Advertisers are being notified that no spot commercials will be accepted by the station for use between 8 and 10 P.M. daily. In one hour, Blue's executive director discovered, WJZ broadcast 15 commercials.

"After WJZ", he said, 'it will become the Blue Network policy.'

"What's more, the Blue Network is going to refuse to advertise 'certain products', because Mr. LaRoche, onetime Chairman of the Board of Young & Rubicam and Chairman of the War Advertising Council until he took up the radio job recently, is convinced that it's advertising that really makes money.

"If the product is there and the price is right, he said, advertising creates the real profits.

"Mr. LaRoche has ideas which he hopes will make the Blue, which was 'everything NBC didn't want', definitely one of the Big Three.

"One of the things he's thinking about is taking over the Center Theater at Rockefeller Center and a big movie studio in Hollywood as points of origin for programs.

"Covering the election returns cost the Blue Network about \$70,000, Mr. LaRoche reported, and it cancelled \$60,000 worth of commercial shows to broadcast the New York Herald Tribune Forum sessions, with a 25 to 30% gain in listeners.

"The policy of the Blue, Mr. LaRoche said, is to give organized labor 'as much time as it needs to tell its story; not as little as we can.'

"We will work with the FCC, not fight it, if it's right in the broad overall conception of a network, but we don't have to take second place to Wheeler or anyone else.'

"Television is just 'in the think stage', Mr. LaRoche said, 'but we have the edge on the movies. They're horrified because we know how to give away a show to sell a product and they don't.'

"The type of program Mr. LaRoche doesn't 'go for' is the one where 'big brains' dominate and make it virtually impossible for the sponsor to get across the story of the product to which the listeners should be grateful for the program."

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WEISS ROLLS OUT THE RED CARPET FOR KOBAK IN HOLLYWOOD

Edgar Kobak, President of the Mutual Broadcasting System, who arrived in Hollywood Tuesday, January 2nd, was guest of honor at a luncheon at the University Club given last Thursday by Lewis Allen Weiss, Vice President, General Manager of the Don Lee Broadcasting System and Executive Vice President of Mutual. Guests were advertising executives, radio executives and members of the radio press.

Mr. Kobak's current visit to Hollywood is his first official trip to the West Coast since his appointment late last year to the presidency of the network. Accompanied by his wife, the radio executive combines his official trip to California with a holiday visit at San Luis Obispo to see his son, an Army Lieutenant stationed at Camp Roberts, Calif.

A luncheon attended by Don Lee network department heads last Wednesday was given by Mr. Weiss at Mr. Kobak's introduction to the West Coast headquarters of the Mutual-Don Lee network.

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CHAS. F. PEKOR, JR. MOVES UPSTAIRS IN CBS PRESS SERVICE

Charles F. Pekor, Jr. has been named Assistant to the Director of CBS Press Information, George Crandall, Director, announced last Friday. Assistant Director of CBS Press Information is Arthur Perles.

Mr. Pekor came to CBS a year ago to handle special press assignments in various sections of the country. Since that time he has visited some 100 CBS station-cities plus others, and traveled through all sections of the United States for the network with the exception of the Southwest.

Prior to joining CBS, Mr. Pekor, who is a native of Georgia, was associated with the National Broadcasting Company for seven years. At the time he resigned, he was Feature Editor of the NBC Press Department.

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BAND REFUSES TO PLAY FOR "BREAKFAST CLUB" ON BLUE

The Blue Network's "Breakfast Club" program, 9 to 10 A.M. EWT, went on the air without music Tuesday and Wednesday, January 9th and 10th, because of a musicians' dispute.

While neither officials of the network nor the Chicago Federation of Musicians (AFL) would comment, a reliable source said the musicians were refusing to play on the show unless the program's producer and the orchestra leader were replaced. The musicians were reported playing on other programs on the same network.

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 :: SCISSORS AND PASTE ::
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"There's A Way Where There's A Will-O"

Our courageous Mr. President
 Prolongs a peccadillo:
 He simply doesn't dare say "no"
 To Mr. James Petrillo!

- (Terry Perkins in Washington Herald-Tribune)

Localizing Radio

Because the range of an FM transmitter is limited at its horizon, there will be room in each frequency for many more stations to operate free from interference with one another.

Paul W. Kesten, Executive Vice President of the Columbia Broadcasting System, made this statement to the Federal Communications Commission: "Under a policy of licensing which we hope the Commission will adopt, 100 FM frequencies should make possible between 4000 and 5000 stations . . . A rough estimate indicates that at least 10 Nationwide networks could be possible under such a plan, with as many as 25 or 30 stations operating in such of the larger markets as New York, Chicago and Los Angeles."

The licensing policy which Mr. Kesten advocates and which he calls "the single-market plan for FM radio" has now been presented in detail by his company. This is its essence: "That FM licenses be limited, by commission policy, to coverage of the single market area within which they are broadcasting rather than covering several separate markets (by placing a high, and high-powered, transmitter somewhere between them)." This would mean, for example, that Washington stations would be confined to Washington, and Baltimore stations, operating perhaps on identical frequencies, would be confined to Baltimore; and all would be, from the point of view of transmission facilities, on a basis of absolute equality.

- (Washington Post)

Doubts If U.S. Big Enough To Win Any Petrillo Contest

Tax experts have suggested a test case to determine whether J. C. (for Caesar) Petrillo's Musicians' Union can be required to pay Federal income taxes on the \$4,000,000 or more a year in fees it will collect from companies that make phonograph records.

If the companies raised wages by this amount, the Government would get part of it through taxes on the employees' incomes.

If the companies had \$4,000,000 in increased profits, the Government would get much more of it. First, corporate income taxes at wartime rates would take as much as 85½ percent in many cases. Then, when the balance was distributed in dividends, the stockholders would have to pay individual income taxes on what they received.

But the money will be paid, instead, into the Union's treasury. And Congress has exempted labor organizations from income taxes. However, the experts suggest, it might be established that the Petrillo union has gone into business for profit, and that Congress didn't intend income from such profit-making activity by unions to be tax free.

Well, it would be an interesting case. Now that Mr. Petrillo has shown the way - now that he has defied the War Labor Board and the President of the United States, and proved that he can compel recording companies to pay fees to his union or be put out of business - other unions are likely to follow the example. And, if the proceeds of this form of extortion can't be taxed, the Government may lose a lot of badly needed revenue.

But past events have made us pretty doubtful whether the Government is big enough to win any contest with Mr. Petrillo.

- (Washington News)

The Men We Have To Thank For Radio

Step by step in the biographies in his latest book "Radio's 100 Men of Science", Orrin E. Dunlap, Jr., traces the story of radio and introduces us to many pioneers whose names the public never hears, except those of Edison, who discovered the "effect" on which the vacuum tube is based, and Lee De Forest, who invented the tubes. In the end we are led to television and the men who created it - Nipkow, Baird, Jenkins and Zworykin.

It was a happy thought to present the history of radio in this way. The reader not only sees the evolution of a wonderful art but makes the acquaintance of the great personalities who created it.

- (Waldemar Kaempffert in New York Times)

Pegler Still After Alleged Communist Commentator

The case of William Gailmor, the New York radio news interpreter employed by the Blue Network, continues to command my interest.

This man is an imposter and a convicted thief, facts which would not necessarily disqualify him for his job, but he is also a propagandist who damns Fascism but not Communism and, to this extent, may be said to follow the line. Then, too, his sponsor, Samuel J. Novick, of the Electronic Corporation of America, is found among the directors of a new radio company called the Peoples Forum Foundation, who include several known Communists.

When these facts were presented to the Blue Network, the executives of the company decided that they were still insufficient to bar Gailmor and his propaganda from the air. Such a verboten would have raised an issue of freedom of expression and the Blue really would have found itself in a very unpleasant situation.

- Westbrook Pegler in Washington Times-Herald)

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The Rudolph Wurlitzer Company, Cincinnati, stipulated with the Federal Trade Commission that it will discontinue representing that any radio receiving set it sells contains a designated number of tubes or is of a designated tube capacity, when one or more of the tubes referred to do not perform the recognized and customary functions of radio tubes in the detection, amplification and reception of radio signals.

The company further agrees to cease and desist from representing as new any radio receiving set or other article of merchandise which has been used, reconditioned or rebuilt, and from failing to reveal clearly that such set or other article has been used, reconditioned or rebuilt.

 There has been renewed pressure exerted in favor of the appointment of Col. Theodore Bartlett to the vacancy on the Federal Communications Commission. Colonel Bartlett now in the Army was formerly an Assistant to Commissioner George Henry Payne.

 Surplus disposal and other problems relating to transmitting tube production, will be considered at a meeting of the RMA Transmitting Tube Section, of the Transmitter Division, on Wednesday, January 17, at the Roosevelt Hotel, New York. H. C. Vance, of RCA Victor, Camden, N. J., is Chairman of the Transmitting Tube Section.

 An election to choose a collective bargaining agency for workers of the Bendix Aviation Corp. Radio Division plants in the Baltimore area was ordered held on or before February 3 by the National Labor Relations Board.

The Board directed that the workers vote for the CIO United Electrical Radio and Machine Workers, the AFL International Association of Machinists or for no union.

 The Radio Correspondents' Association Dinner will be held at the Statler in Washington this Thursday (January 11) instead of the following Saturday as originally scheduled.

 F. A. Hiter, Senior Vice President of Stewart-Warner Corp., Chicago, has been elected a member of the Board of Directors of the Radio Manufacturers' Association. He has been elected unanimously by the Executive Committee of the RMA Set Division, to fill a vacancy on the Board of Directors succeeding L. L. Kelsey, formerly with Stewart-Warner Corp. but now with the Belmont Radio Corporation.

 Domei said recently that "a party of recording experts" from the Japanese Broadcasting Association had "successfully recorded" the sound of the engines of the B-29 Superfortresses and that the recordings would be broadcast to the Japanese nation "in order to familiarize the public with the sound". The dispatch was reported by the Federal Communications Commission.

The regular, quarterly meeting of the Blue Network's Stations Planning and Advisory Committee will be held in New York on January 16th.

Children are taking to television like fish to water and special programs are being presented for them, according to a recent telephone survey conducted by General Electric's television station WRGB at Schenectady, N. Y. It revealed that 26 percent of the listening and seeing audience consisted of children under 18 years of age. On other personal contact surveys, it was discovered that it was the youngsters who could answer most quickly the questions asked and who could "tune in" the set most accurately.

Summarizing testimony presented before the FCC Allocation hearings, Roland C. Davies, Washington editor for the Caldwell-Clements publications, estimates in the next five years - 100 television stations, costing \$60,000,000; 4,000 FM transmitters, costing \$120,000,000; 20 million FM receivers, costing \$2,000,000,000; 6,000 airports, all radio-radar equipped; 200,000 vehicles with radio transmitters; 5,000,000 interstate trucks with 2-way radio.

Addressing the 100th session of the United Nations Information Board in Washington, Elmer Davis, Director of the Office of Information said: "This is a very novel procedure. The usual practice in any form of social organization is to adopt a constitution and by-laws before undertaking any regular work* * *You have been at work for over four years and only now are setting about drawing up your formal organization and rules.

As this center became known, the demands upon it kept increasing. At one moment, it was a press agency which wanted a historical date; at another, a radio program which wanted a United Nations statesman; at still another, a motion picture producer who wanted to check a fact, or a magazine which needed a special photograph, or an important gathering which had to have a speaker. This soon made it necessary to buttress the board by creating special technical committees in the various fields of press, radio, motion pictures, exhibitions, documentary, and post-war and other problems.

Four new District Managers for the General Electric Company's Electronics Department have been announced by A. A. Brandt, General Sales Manager of the Department. They are R. L. Hanks, Manager of the New England District with headquarters at Boston; R. B. Jacocks, Manager of the Atlantic District with headquarters at Philadelphia; H. J. Mandernach, Manager of the New York District with headquarters in New York City; and R. J. Meigs, Manager of the West Central District with headquarters in Kansas City, Mo.

Drew Pearson makes this reference: "Isolationist Indiana Senator Homer Capehart, who has his own delusions of grandeur and fancies himself a possible presidential candidate in '48."

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