

# HEINL RADIO BUSINESS LETTER

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FRANK E. MULLEN

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No. 1673

March 14, 1945

## CROSLEY SALES UP FROM 80 TO 98 MILLION IN 1944

Based on total sales of \$98,168,438, net profit of The Crosley Corporation for 1944, after all changes including taxes, amounted to \$3,299,541, according to the company's annual financial statement which has just been submitted to its stockholders. This compares with total sales of \$80,447,762 and net profit of \$2,694,159 in 1943.

Net profit on the 545,800 shares of common stock outstanding was \$6.04 a share in 1944, compared with \$4.93 a share in 1943. These figures are before renegotiation.

While more than \$17,000,000 more business was done in 1944 than in 1943, the actual increase in production in 1944 was much in excess of \$17,000,000 because the company made substantial reduction in costs and consequent reduction in price to the armed services in 1944, the statement pointed out.

While sales of the company's broadcasting division increased somewhat, the major increase in business was in war production by the manufacturing division, the statement said.

A total of \$10,914,729 was provided in 1944 for payment of Federal income and excess profits taxes, as compared with \$8,436,562 in 1943.

Earned surplus on December 31, 1944, amounted to \$9,063,153 while the figure on December 31, 1943, was \$6,303,621.

Orders on the company's books for future production of war materials amount at this time to more than \$80,000,000 which are, of course, subject to cancellation at any time, depending upon the course of the war, the statement said. Future war operations and the termination of the company's war contracts can be adequately financed through the \$30,000,000 "V-loan" negotiated in 1943, and of which \$11,100,000 is now in use, it is stated.

"The business of the company's Manufacturing Division has been entirely for war purposes, with the exception of some parts and service on pre-war sales of civilian products for use both in this country and abroad, plus the sale of a very limited number of refrigerators for Government purposes out of the frozen stock-pile", the company states. "The total of the Manufacturing Division's business for purposes other than war amounted to less than one percent.

"War products manufactured by the company are, to a large extent, highly critical and include bow turrets for bombing planes; gyroscopic gunsights for the Navy; radio and radar units for the ground and air forces, and other special material for the Navy.



"An interesting development has been the small motor-driven vehicles of various categories which were undertaken by the company and which have been developed experimentally.

"A new light-weight engine, which has been developed, shows promise for use in a post-war automobile and for other applications, such as engine generator sets, air-compressors, and the like. During the past year, an order for 2,000 engine generator sets, using this engine, was obtained from the Navy.

Employed personnel in the Manufacturing Division has remained at a reasonably steady level of about 9,000 persons throughout the year, it was said.

Crosley's peace-time distributing organization, made up of radio and appliance distributors and retailers throughout this country and abroad, has been maintained and enlarged throughout the past year.

"While the personnel handling this part of the company's business is now very small, it has made an excellent contribution to this part of the business and we are prepared to resume peace-time activities on an effective level, when the time comes", the statement pointed out.

"The Broadcasting Division is maintaining its policy of keeping abreast of technical developments and proper steps have been taken to protect its position in the fields of frequency modulation and television", the statement says.

Crosley Corporation employees during 1944 purchased more than \$2,500,000 worth of War Bonds, it was stated.

Officers of The Crosley Corporation are: Powel Crosley, Jr. President; Lewis M. Crosley, Executive Vice-President and Secretary; Charles Sawyer, Vice-President and General Counsel; R. C. Cosgrove, Vice-President and General Manager, Manufacturing Division; James D. Shouse, Vice-President and General Manager Broadcasting Division; George E. Smith, Vice-President, Treasurer, and Assistant General Manager, Manufacturing Division; Lewis M. Clement, Vice-President and Director of Research and Engineering, Manufacturing Division; Robert E. Dunville, Vice-President and General Sales Manager, Broadcasting Division; and E. J. Ellig, Assistant Secretary and Assistant Treasurer.

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#### RADIO PROGRAM MANAGERS SEEK TO SPEED UP WAR EFFORT

The Program Managers Executive Committee of the National Association of Broadcasters and all 17 District Program Chairmen are meeting in Washington March 14, 15, 16 to discuss radio's war programming job, especially the Seventh War Loan Drive.

From 5:30 to 7:00 P.M., Thursday, March 15th, the NAB are to have a cocktail party at the Statler for the program men, Treasury, OWI and other Government officials.

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## "LOOKS LIKE A BUSY SPRING AHEAD" - PORTER TELLS INDUSTRY

In a frank and lengthy address (13 typewritten pages - single space), Paul A. Porter, Chairman of the Federal Communications Commission, discussed many of the problems the Commission is facing. This address was presented last Monday night at a dinner given at the Hotel Statler by the West Virginia and District of Columbia Section of the 4th District of the National Association of Broadcasters. Campbell Arnoux of Station WTAR presided.

Among those at the guest table were Speaker of the House Sam Rayburn, Senator Tunnell of Delaware, Senator Clyde Reed of Kansas, Representative Lea of California and FCC Commissioners Jett, Case, Walker and Durr.

Preceding the dinner was a cocktail party given by the Washington broadcasting stations. Carleton D. Smith acted as host for WRC, Earl Gammons for WTOP, Merle Jones for WOL, and Wayne Coy for WINX.

Chairman Porter was introduced by J. Harold Ryan, President of the NAB, and spoke in part as follows:

"I have never thought there was any back-door to this Commission. But if there ever was I want to assert that as far as I am concerned that door is locked and the key thrown away. The front door is wide open to all who have business before the agency and your views and advice are solicited and welcomed in assisting us in the discharge of our duties.

"I consented tonight to talk about 'Broadcasting of Tomorrow'. The topic is not a limited one even if I felt competent to discuss it. It involves prophecy of the sort that I would not like to undertake. It's dangerous business as well. There is the stern voice of experience to prove just how far wrong can be those who essay to stake out the future. For example, not too many years ago, as time is measured, one oracle spoke thus about the future of broadcasting:

'It is inconceivable that we should allow so great a possibility for service, for news, for entertainment, for education and for vital commercial purposes to be drowned in advertising chatter. . . .

"These were not the words of an irresponsible crack-pot or reckless reformer. This was an utterance of Herbert Hoover at the first radio conference in 1922. Two years later at the conference in 1924, the distinguished Secretary of Commerce and future President had another try at predicting the future of this dynamic industry when he said:

'I believe that the quickest way to kill broadcasting would be to use it for direct advertising.



"Please don't misunderstand me. The only point I am trying to make is that prophecy is really a dangerous undertaking. But Mr. Hoover, as is well known, is a very persistent individual. Again in 1925 he made a final fling at this pastime of prophecy when he said:

'.....Advertising in the intrusive sense will dull the interest of the listener and will thus defeat the industry. Furthermore it can bring disaster to the very purpose of advertising if it creates resentment to the advertiser.

And this particular prophecy was made, you understand, before the days of the singing commercial.

"Now I hope I do not subject myself to the charge that I have made an attack on advertising, free enterprise or private initiative, because I have quoted Herbert Hoover. His early forecasts on the future pattern of broadcasting as he saw it 20 years ago have not come to pass."

"We have under consideration at the present time, however, a procedure whereby promises will be compared with performances. I think the industry is entitled to know of our concern in this matter and should be informed that there is pending before the Commission staff proposals which are designed to strengthen renewal procedures and give the Commission a more definite picture of the station's overall operation when licenses come up for renewal."

"It is my personal position that it is far better for broadcasters themselves to take whatever actions may be necessary to eliminate the causes of general public dissatisfaction. I would view with great reluctance attempts to legislate more detailed standards in the field of the public service obligations of broadcasting. I have grave doubts not only as to the propriety but as to the practicability of spelling out by mathematical formula or some other device the general methods which broadcasters should follow in discharging their public service functions."

"I do not believe that there is a broadcaster in the sound of my voice who does not agree with me that if public clamor against certain practices continues, there is a very real danger that the solutions which might be proposed would be more severe than the realities of the situation require. Broadcasting of the past has been a great and growing force in America; broadcasting of today is making notable contributions to public welfare; broadcasting of tomorrow - my formal subject this evening - will be what you as individual broadcasters make it."

"Sound public policy would, in my judgment, oppose large sums of Wall Street money or any other funds coming into broadcasting as a purely speculative venture. A new empire of the ether - the spectrum space for FM and Television - is about to open up. The way applicants are lining up at the barrier waiting to go is somewhat reminiscent of the Oklahoma Territory at noon April 12, 1889. I do



not know when the signal gun will be fired. It will be soon, I hope. But for the proper development of this valuable new empire, I think we want to exclude the speculators, the high pressure promoters and others who are looking merely for a quick turnover. A sound licensing policy will welcome the true homesteader and should offer grants only to those who want to take up permanent residence in this new empire, cultivate it and improve it and generally operate it in the public interest. And as far as I am concerned, I am looking to broadcasters - the proven pioneers - as the ones who will take the lead in the great developments that lie ahead. And I conceive it to be the duty of the Commission to provide every encouragement to that end."

"What I am asking is full and complete cooperation of all interested elements in building a record from which sound conclusions can be drawn. The allocation hearings just closed were a magnificent example of the way in which industry and government can pull together in reaching an agreement at least on the facts upon which conclusions must be based. There were, of course, some exceptions in the allocations hearings - a few problems too tough to achieve agreement even on the facts. But, in reviewing the spectrum from 10 kilocycles to 30,000,000 kilocycles, the amount of agreement reached is astonishing - thanks principally to industry cooperation in building the record. NBC and CBS both applauded the television allocation, for example. So the day of miracles is not past. I am hopeful that similar cooperative efforts will characterize the clear-channel hearings and from the way we are started, I think that will be the case."

"I've been asked why there was no FM issue written into our clear-channel order. The answer, in part at least, is that it's still too early to determine the effect of FM on AM broadcasting. In the highly unlikely event that FM supplants AM altogether in the next few years, the problem solves itself. No one, of course, seriously believes that's what will happen - certainly not the people who have been buying standard broadcast stations lately. In the somewhat more likely event that after a period of years enough city broadcasters have established themselves so firmly in FM that they just don't seek renewal of their standard broadcast licenses, it may be possible to solve the clear-channel problem by creating some more clear channels in the holes that are thus left open. But even that solution is conjectural and lies in the indefinite future. It's little comfort to the underserved millions today to tell them that some day FM may solve all the problems of standard broadcasting. That's why we're opening the clear-channel problem now, and leaving the effect of FM on clear channels for the future. I need not remind this group that, under the legislation which Congress enacted in 1927 and re-enacted in 1934, a radio channel is public domain, not private property. Congress could hardly have stated that fact more explicitly when it provided - and I quote the Congressional language - for 'the use of channels, but not the ownership thereof, by persons for limited periods of time, under licenses granted by Federal authority, and no such license shall be construed to create any right beyond the terms, conditions, and periods of the license.' The Commission, in setting the terms and conditions, must under the law seek to establish a satisfactory service for the entire country, and that is our basic aim in the clear-channel hearing."

"There are other important fields of non-technical research that could be explored. Questions of social and economic policy are too often based upon the predilections of the individual rather than upon facts. But back in 1938, Senator Wheeler introduced a bill to establish a Director of Research within the Commission. However, I am of the firm opinion that every dollar spent upon the proper kind of research in communications will be returned many times in terms of better service to the public, a more informed attitude by the regulatory authority and perhaps result in a more stable foundation for the industries involved.

"Finally, an increased appropriation is only one phase of getting us ready to do our job properly and promptly; finding the right men to fill the jobs is another. Today, of course, all the money in the world wouldn't get the engineering talent we need. Radio engineers are largely in the armed forces or engaged in vital war communications work. But as these men are released the Commission will want and need the services of some of them. I am hopeful, indeed, that the Commission at the proper time can sit down with the Army Signal Corps and the Office of Naval Communications and work out an arrangement whereby our employment needs will be geared into their demobilization policies. In that way a qualified veteran could walk into the Commission the day he was discharged from the armed forces and find a desk ready and his work laid out.

"Time does not permit discussion or exploration of other problems which lie ahead. I can only say that we have our work cut out for us. In addition to winding up the frequency allocations above 25,000 kilocycles and bringing out a proposed allocation below 25,000 kilocycles, and devising rules and standards of good engineering practice for the new services involved, we also have the clear channel hearing in prospect. Moreover there is the complex question of international communications and the proposals for a consolidation or merger of these carriers. If that completed the agenda for the immediate future, it would be enough. But there's the question of what to do about international broadcasting when OWI is no longer in the field and we must consider that. Added to that is the question of what new communications legislation should be recommended to Congress. And, of course, meantime, we must help prepare for the Inter-American Radio Conference at Rio de Janeiro in June and perhaps a world telecommunications conference thereafter. And always right ahead of us are the hundreds - and perhaps thousands - of broadcast applications staring us in the eye demanding attention when the freeze is thawed."

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#### GREAT LAKES RADIOBEACON CHARACTERISTICS STANDARDIZED

Operating characteristics of the marker radiobeacons in service upon the Great Lakes are now being standardized, as a means of simplifying their use by mariners, the necessary changes being scheduled to be made before the Spring opening of navigation and the concurrent publication of new editions of the Coast Guard's radio-beacon charts. Marker radiobeacons in this area will, in the future, broadcast a series of  $\frac{1}{2}$ -second dashes separated by  $\frac{1}{2}$ -second silent periods, for 15.5 seconds, followed by a silent interval of 14.5 seconds.

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## PORTER FOR LARGER FCC APPROPRIATIONS; SENATE CUTS SLIGHT

Coincident with the news that the Senate Appropriations Committee had cut the Federal Communications Commission only \$4,000 for the 1946 fiscal year, Paul Porter told the broadcasters Monday night that he intended to apply for a supplemental appropriation. The FCC asked for \$2,554,400 for 1946 and the Senate Committee cut this to \$2,550,000. Also they cut out an item "for the purchase, not to exceed, of five autos."

"The opportunity presented by presence of members of Congress here tonight is too tempting to refrain from a little lobbying. I want to lobby quite frankly and openly for a bigger and better FCC appropriation. And I am optimistic enough to hope that the broadcasting industry, which is alleged to have had some experience in this activity, might offer some assistance. Because I think I can prove to you that it is to our mutual advantage that the regulatory and licensing facilities of the Commission be expanded and improved."

"My purposes in seeking a larger appropriation for regular activities -- not just a slightly larger but a much larger appropriation - do not arise from the pride of a bureaucrat who wants a bigger staff or more luxurious assistance, but stems from an honest conviction that the better the job the Commission does, the better not only the public but the industries which the Commission regulates will be served. Let's take a few examples.

"The Commission urgently needs more personnel to process broadcasting applications. On the very day the War Production Board gives the green light for civilian station construction, the Commission will be besieged for prompt action on some 500 applications for new FM stations (more than 350 of which are now on file), almost 100 television applications now on file and many more to come in these and other services. We estimate that when manpower and materials become available, our licensing work will be increased at least ten-fold over the rate that prevailed before the war."

"Many of you broadcasters have applications pending and there are many others in the industry who have been waiting for a termination of the war in order to improve existing facilities or build new stations. Considerable sums have been invested in preliminary engineering and legal work, money has been expended on sites and other preparatory and development expenses have been incurred. After months of waiting and planning you and other broadcasters will want and expect and deserve prompt service from the Commission.

"Frankly, you are not going to get it unless the Commission has the opportunity to expand its facilities and personnel to give this service. All of you are familiar with the amount of work necessary to bring even an uncontested application to final decision. This is not the place to debate whether all the procedures in effect are essential but I think there will be agreement at least upon the necessity of the Commission making an adequate review of the pro-



posals it receives. Then consider the 350 FM and 100 television applications, with many more to come when the green light flashes. Then I will ask you to make a mental estimate of the number of engineers we now have on hand to process them. The Non-Standard Broadcast Section of our Engineering Department is responsible for processing these applications. But, in addition to television and FM, this section also has responsibility for international broadcasting, facsimile, studio-transmitter link and some miscellaneous categories. And the section which has all these duties is composed at present of precisely three engineers."

"It is a source of embarrassment to those of us at the Commission to have to explain to members of Congress and applicants why the matters in which they are interested have been pending for months without action. Frankly, we all have gotten a little weary of having to apologize. We are now going to estimate our work as accurately as we can and submit a plan to the Budget Bureau and Congress which will be designed to achieve the goals we have set for ourselves. And I have every confidence that Congress will view our requirements sympathetically."

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#### THE BROADCASTERS STILL GOOSE-STEP; FORCE OF HABIT

When FCC Chairman Porter was introduced to the broadcasters in Washington Monday night by NAB President Ryan, they quickly arose to their feet as they applauded. Waving them down and referring to former Chairman Fly's mandate that broadcasters stand when the Commissioners entered the hearing room, Mr. Porter exclaimed:

"I thought the rule making you stand had been abolished!"

Chairman Porter got quite a laugh when he complained:

"When your Committee invited me to address this meeting, they told me it was to be held down at Hot Springs. When I heard they had changed to Washington, I tried to get out of it but they held me to my contract."

There was another laugh when Mr. Arnoux of WTAR, presiding, said:

"As at all radio parties, the public address system is not working."

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In the Coast Guard's program for the training of enlisted personnel, the emphasis, at the present time, is on radiomen, radio technicians, and aerographer's mates.

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HARKNESS, NEW RADIO CORRESPONDENTS' HEAD, PRACTICED ON FDR

Earl Godwin, Blue commentator, probably established a world's record as the first man too busy to introduce the President of the United States when, at the recent Radio Correspondents' Dinner, he turned the job over to Richard Harkness, NBC commentator, Vice-President of the Association. Earl, President of the Correspondents, had to make two broadcasts that night, one at 8 o'clock, and the other at 10 o'clock, which necessitated his having to leave the President high and dry (not so dry as might be expected, however).

This was quite a break for Vice-President Harkness as it gave him a fine chance to try himself out as President on a President - a President who could really give him some pointers. And maybe President Roosevelt did, because Earl only served one term. Harkness has ascended to the presidency of the Correspondents' Association and it remains to be seen, having so recently consorted with Mr. Roosevelt, how many terms he will serve.

Other officers chosen for the Radio Correspondents, whose dinners are now in the same class as the Gridiron and the White House Correspondents, were:

Rex Goad, of Trans Radio, Vice-President; William Costello, Columbia Broadcasting System, secretary, and Walter Compton, Mutual Broadcasting Co., Treasurer.

It is said of Mr. Harkness that he works from ten to twelve hours a day on his nightly fifteen minute program. In contrast to his suave colleague, Carleton D. Smith, often mistaken for a Philadelphian but who really hails from Iowa, Harkness, formerly with the Philadelphia Inquirer, was born in Artesian (spelling correct), South Dakota. He is 38 years old and a graduate of the University of Kansas. He began with the United Press, worked for the Washington Bureau of the Philadelphia Inquirer and then joined NBC in April, 1942.

One of his outstanding broadcasts was when on Tuesday night, July 18th - 24 hours before the opening of the Democratic National Convention, Harkness said:

"The word here in Chicago is that Senator Harry S. Truman - the United States Senator from Missouri - is the odds on the choice for the Democratic Vice-Presidential nomination. . It is even likely that President Roosevelt will endorse Senator Truman when the time comes."

Mr. Harkness is a member of the Gridiron, Overseas Writers and the National Press Club.

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## RADIO TUBE SITUATION STILL TIGHT

In view of the continued shortage of radio receiving tubes, the War Production Board is making every effort to get all existing tubes into service and obtain the maximum volume of new tube production, WPB Radio and Radar Division officials told members of the Electronics Distributors Industry Advisory Committee at a recent meeting.

To this end, WPB with the cooperation of other bureaus of the Government, is seeing to it that information as to surplus radio receiving tubes is made available to the manufacturers and distributors, so that any actual surplus supplies may reach dealers and service men for civilian supply.

There is no immediate prospect, however, it was pointed out, that the civilian tube supply situation will improve materially. Rather, it is expected to remain about the same as in late 1944, approximately one and a half million tubes a month.

Regarding the availability of tubes and electronic equipment following the end of the European War, it was said that although certain military requirements may fall off, much of the electronic equipment used in Europe would either have to be tropicized - made moisture and fungus proof - or replaced by new equipment for use in the Pacific theater. In either event, it would appear a continued burden will remain upon the manufacturers of military equipment.

Distributors were advised that lists of available excess or surplus electronic materials may be obtained at all WPB regional offices immediately upon publication each month. WPB, through its Component Recovery Section, desires to aid dealers and distributors in need of parts to fill rated orders. Materials in inventory after the expiration of a 45 day period become available for civilian supply, it was stated. Any distributor may request release of excess material, and if not taken on rated orders in the 45 day period, release is usually approved.

As transformers were reported as becoming critical again, due largely to increasing military demands, closer control by WPB is anticipated, although available production capacity is believed greater than military needs.

Most applications submitted to WPB for the scheduling of transformers for civilian use have been approved, giving the delivery a fixed date. Methods were discussed for simplifying this scheduling procedure, such as a small order exemption on rated orders.

Aluminum phonograph records are "out" except for high rated orders, it was reported, remaining supplies being available only to broadcasting stations making master records, and then only when filling such orders as would not interfere with military and OWI requirements.

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## DON LEE EXECUTIVES COME EAST FOR MBS DIRECTORS' MEETING

Lewis Allen Weiss, General Manager and Vice President of the Don Lee Broadcasting System, and Willet H. Brown, Assistant General Manager and Vice-President of the network, left Los Angeles last Friday for a two weeks' trip to the East Coast. They will attend a Board of Directors meeting of the Mutual Broadcasting System in New York. The meeting will be the first conclave of West Coast executives with the Mutual New York executives since Edgar Kobak, President of Mutual, and Phillips Carlin, Vice President in charge of Mutual programs, visited Los Angeles and the Don Lee headquarters earlier this year.

Mr. Brown will return to Hollywood directly after the Board meeting about March 20, while Mr. Weiss will make two stop-over visits en route home. The first will be a one-day visit to Tacoma, Washington, for a meeting of Northwest affiliates of the Don Lee Broadcasting System. Pat Campbell, Executive Vice President to the office of Vice President at Don Lee, will join Mr. Weiss in Tacoma for the regional meet. The two network executives will return to Hollywood March 26th.

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## SYLVANIA ELECTRIC \$2,053,235 IN THE CLEAR

Sylvania Electric Products, Inc., reported yesterday for 1944 a consolidated net income of \$2,053,235 after all charges, taxes and provisions for contingencies. The company also disclosed plans for expanding its production this year to meet increased Army and Navy requirements.

Representatives of the concern, according to the New York Times, revealed at a luncheon in the Bankers Club that less than 12 percent of its record sales volume of \$101,527,015 in 1944 was for civilian consumption. Sales, including those of the Colonial Radio Corporation, a wholly owned subsidiary acquired last May, were 67 percent above 1943.

The net profit was equal to \$2.04 each on 1,005,000 shares of common stock outstanding at the end of the year. This compared with \$1,567,936, or \$1.79 each on 854,474 shares in 1943. Federal income taxes, excess profits taxes and surtaxes for 1944, less post-war refund, were estimated at \$8,059,334, or 72.9 percent of the \$11,052,570 net income before taxes and other provisions.

Radar equipment and other electronic tubes formed a large part of critical war supplies turned out by Sylvania last year. Walter E. Poor, the President, disclosed, Colonial Radio was a leader in production of receiving and transmitting apparatus for military aircraft, he said.

Some 90 percent of Sylvania's employees are women, and post-war plans anticipate a total employment of 4,500 men and 8,500 women, if times are prosperous, it was announced.

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## ADMIRAL HOOPER WINS FRANKLIN INSTITUTE GOLD MEDAL

Selection of Standord Caldwell Hooper, Rear Admiral, USN (retired), and Lewis F. Moody, of Princeton University, as winners of the Elliott Cresson Gold Medals in 1945 was announced Monday by Dr. Henry Butler Allen, Secretary and Director of The Franklin Institute, Philadelphia.

Since the founding of the Cresson Medal in 1848, it has been awarded by the Institute "for discovery or original research, adding to the sum of human knowledge, irrespective of commercial value" to such scientists as Professor and Madame Curie, Rudolf Diesel, Tolbert E. Lanston, Nikola Tesla, Tinius Olsen and Roger Adams.

Admiral Hooper receives the award this year "in consideration of his pioneering leadership and practical utilization of discovery in the field of radio for the U. S. Navy." He was born at Colton, California, in 1884, and showed an interest in communications at a very early age. He is credited with being on the rolls of the Southern Pacific Railway as relief ticket agent at the age of nine with the responsibility of receiving train orders by telegraph.

Following his graduation from Annapolis in 1905, he spent five years on sea duty. He then obtained an appointment as instructor at Annapolis so that he could keep in touch with the infant art of "Wireless" by working at the Laboratory of the Bureau of Standards on weekends, where he worked all day and almost all night, sleeping on a table under a borrowed blanket for a few hours before he began work again early next morning.

Admiral Hooper's long career in Navy radio really dates from 1912 when he was appointed Fleet Radio Officer, a post he himself had suggested as necessary for the proper administration of this new method of communication. With his accession to this position he began the building up of the radio system of the U.S. Navy and was so successful that, in 1915, at the completion of his tour of duty, he was made head of the Radio Division of the Bureau of Ships. He commanded a destroyer for a few months in 1918 but was soon returned to a second tour as head of the Radio Division which lasted until 1923, followed by a third tour from 1926 to 1928 - a reappointment without precedent in naval annals. Between 1915 and 1928, Admiral Hooper was the guiding spirit in developing naval radio from little more than a toy to the essential communications medium it had become by that latter date.

In 1925, between his second and third tours as head of the Radio Division, he again served as Fleet Radio Officer on the cruise to Australia and carried out the Navy's pioneer tests of what were then very high frequency waves.

In 1927-1928, he was Chief Engineer of the Federal Radio Commission, (Now F.C.C.).



In 1928 he became Director of Naval Communications and in 1934 Chairman, Naval Research Committee and Director, Technical Division, Naval Operations. Since 1940 and until his recent retirement he has been Director of the Radio Liaison Division.

He is credited with being one of the Navy leaders who suggested to the General Electric Company at the close of World War I the formation of the Radio Corporation of America.

The medals will be presented on April 18, at the annual Medal Day ceremonies of The Franklin Institute.

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### MISSISSIPPI SENATOR THUMPS CHEST DENOUNCING PEARSON

Senator Bilbo (D), of Mississippi, worked himself into a rage attacking Drew Pearson, Blue Network commentator, and newspaper columnist, on Monday.

"It is not only generally known, but it is universally admitted, that Drew Pearson is the biggest and most notorious liar in America today", the Mississippi Senator declared. "Not only is Pearson recognized as being the biggest liar, but he is also recognized as being the most perfect smear artist of the press and radio. He will go down in history as Drew Pearson the sponge (laughter), because he gathers slime, mud, and slander from all parts of the earth and lets them ooze out through his radio broadcasts, and through his daily contributions to a few newspapers which have not yet found him out.

"In his radio broadcasts he includes a feature of predictions of things to come. I wish to add one prediction, namely, that he will go down in history as Drew Pearson the sponge. He is so great a liar and so vicious that it becomes necessary for the President of the United States to denounce him as a chronic liar. The Secretary of State, that grand old man, Cordell Hull, found it necessary to denounce him as an infamous and pusillanimous liar. The Senator from Georgia (Mr. George), the Senator from Tennessee (Mr. McKellar), the Senator from Maryland (Mr. Tydings), and the Senator from Louisiana (Mr. Overton), all outstanding Members of this body, have found it necessary from time to time to denounce him and call him what he really is - a liar."

Here Senator McKellar (D), of Tennessee, broke in with:

"The Senator from Mississippi will recall that what I had to say about him was exceedingly and excessively mild."

"Yes", Senator Bilbo replied, "in comparison to what I proposed to do to this gentleman a little later on the Senator is correct."



"Mr. President, it now becomes my duty, by request, to call the attention of the Senate and the country to a Drew Pearson article in the Washington Post in which he denounces and slanders the Walter Reed General Hospital.

"On two or three occasions recently, while we have had under consideration the Aubrey Williams case, Mr. Pearson has stated in his broadcasts that there is a religious issue involved in the Williams case. Any newspaper man or radio broadcaster who wanted to know the truth could find out the truth because here is a copy of the hearings which is available to him and was at the time he made the statement. In justice to the Committee, to the Senate, and to the Congress, I say to you that not one member of the Committee and no visiting Member of the Senate asked Mr. Williams one word on earth about his religious views or convictions. We are all aware of the Constitution. But, instead of telling the truth, Pearson is trying to make a false issue which is not involved in the Williams case."

A full account of Senator Bilbo's remarks appears in the Congressional Record of March 12th.

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B U L L E T I N

CHARLES R. DENNY, JR., NAMED AS COMMISSIONER OF FCC

President Roosevelt today (Wednesday) named Charles R. Denny, Jr., General Counsel of the Federal Communications Commission, to serve out the term of former Commissioner Tam Craven, as FCC Commissioner. Mr. Craven's term expired July 1, 1944. Mr. Denny's term is for seven years ending in 1951, and the salary is \$10,000 a year.

Mr. Denny is a Democrat and was born in Baltimore, Maryland, in 1912. He attended Washington, D.C. Public Schools and later graduated from Amherst and the Harvard Law School.

He served as an Assistant Attorney General in the Justice Department from 1938 to 1942, at which time he went to the Federal Communications Commission as Assistant General Counsel, and became General Counsel in October, 1942.

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A new book, "International Telecommunications", by Brig. Gen. Sir Osborne Mance, Assisted by J. E. Wheeler, has been published by the Oxford University Press, 114 Fifth Avenue, New York, N. Y. It consists of 90 pages, and the price is \$1.00.

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 ::: SCISSORS AND PASTE :::  
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Says John L. Will Not Get Away With A "Petrillo" But -  
 (Frank Kent in "Baltimore Sun")

John L. Lewis will not get his plan of a 10-cent royalty on production for his union though Mr. Petrillo did defy the Government and get exactly that.

If this plan should become established, labor unions could usurp the Government field of taxation. They would become competitive taxing agencies and industry would be crushed by double taxation. It is the shortest road to Communism yet discovered.

Congress, of course, should enact a law prohibiting unions from levying taxes on the output of any industry. But Congress will not do this for the same reason Congress has not passed any effective bill regulating labor abuses since the war began. This is because it cannot get the support of Mr. Roosevelt. Instead, he has opposed every effort in that direction.

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Early Sylvania Results Foreshadow Unparalleled Business  
 ("Sylvania News")

As mentioned briefly in the last issue of your News, Sylvania is engaged in a nationwide survey of both consumer and retailer in an effort to better calculate post-war production.

Some of the questions are how much will the average person spend for television. Do they want it? Does the public want F.M. in its post-war radio, and how much extra will they spend for this feature? Do radio set owners buy the same brand of radio the second time? Does the average prospective buyer shop around before buying a radio? What is the leading point in selling a new radio; reception, tone, quality, attractiveness of set, economy?

To the dealer these questions are typical. What type of tube is preferred - glass or metal? Do you think there are too many types of tubes? How many are thought adequate? What are the main reasons for set failures? Will midget and shortwave sets enjoy greater popularity after the war?

The results of the survey to date are gratifying and portend a future unparalleled in the electronic industry.

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One Way To Keep 'Em On The Farm!  
 (Carolyn Bell in Washington Post)

After an unsuccessful househunting expedition, Mrs. Homer Capehart, wife of the Indiana Senator and juke box manufacturer, has returned to her home town.

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What If Everybody Tries To Do The Public That Way!  
( "Editor and Publisher" )

Hardly a publication in the land refrained from pointing with alarm to the dangerous precedent established when James Caesar Petrillo forced on the music industry his royalty plan for payment into that union treasury of two cents a record manufactured. The demand by John L. Lewis for royalty payments of 10 cents per ton of coal mined is justification for this alarm. If Lewis is successful the future defies speculation as to what other unions will demand, and probably get.

What, for instance, will the telegraphers' union or the telephone operators demand? \* \* \*

Take the unions in the newspaper industry. The ITU is admittedly one of the best operated unions financially in the country. Will this new idea influence the ITU to ask for royalties on every thousand ems of type that are set, or on every column of type that is printed whether it be text or advertising?

Will the newspaper guild demand a royalty on every story produced? How about the photo-engravers, the pressmen and the stereotypers? \* \* \*

Petrillo's union is merely an example of one powerful group exacting tribute from the rest of the people through a disguised tax. The power to tax belongs only in the hands of government and should remain there.

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Puts Walter In The \$10,000 A Week Class  
(Leonard Lyons In "Washington Post")

The Eversharp Company this week offered Walter Winchell, who certainly can use it, \$10,000 per weekly broadcast, for five years.

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Petrillo Seeks \$6,000,000 Yearly; John L. \$60,000,000  
(Westbrook Pegler in "Washington Times-Herald")

Petrillo expects to reap \$4,000,000 a year to start, but hopes, by extending his sales tax to movie admissions, to run it up to \$6,000,000 a year, at least.

He says it is his intention to hold the money until the fund reaches \$100,000,000 and then begin unemployment payments to musicians thrown out of work by the mechanization and repetition of music. Assuming that this would take 15 years, many of the distressed musicians will be dead before their unemployment benefits are released and granting Petrillo's argument that most of them will be thrown out of jobs very soon, it follows that most of them will take up other work and drop out of Jimmy's union.

Thus, by the time the \$100,000,000 is ready for distribution, the membership might be down to no more than, say, 25,000, a possibility that surely has not eluded men so shrewd and far-sighted as Petrillo and his counsel, Joe Padway, honored friends, both, and devoted followers of Mr. Roosevelt.

It is just a momentary idea, subject to change at his own discretion, under the close and curious structure of his union. So is the "intention" of John L. Lewis to use his sales tax of \$60,000,000 a year for "modern medical and surgical service, hospitalization, insurance, rehabilitation and economic protection."

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TRADE NOTES

Hundreds of radio broadcasters from coast to coast are being called upon today to lend their support - in an unusual manner to the campaign now being conducted by the Institute of Radio Engineers, to raise \$500,000 for the erection of a new building to carry on its engineering activities in radio and electronics.

In letters to every broadcaster of stations ranging from 100 to 50,000 watts, J. R. Poppele of WOR, Chairman of the Broadcast Division of the Fund, outlined how they can contribute to the erection of the new engineering center.

"Here is 'watt' you can do", Mr. Poppele wrote.

Phil Hoffman, General Manager of KRNT, and Orville Lawson, Promotion Manager, left this week for Chicago and New York. They will stop off for a luncheon to be held at the Palmer House in Chicago for advertising executives who will view the WNAX motion picture of the Mid-West Farmer Day, built around the WNAX September 4 promotions. From there they will go to New York to attend meetings of the Blue Network, and where Mr. Hoffman will take part in the Cowles Broadcasting Group executive meetings.

Don Inman, Station Manager of WNAX, with studios in Yankton, S. D., and Sioux City, Ia., will also be present.

"RCA Shout", a new work by Phil Moore, salutes the sponsors of "Music America Loves Best", Sunday, March 18 (NBC, 4:30 P.M., EWT).

A new line of 2 1/2-inch hermetically sealed panel instruments, housed in steel cases and immune from the effects of humidity, moisture, chemical fumes, and other harmful agents, has been announced by the General Electric Company. These new instruments, for direct-current voltmeters and ammeters and for a-c radio-frequency ammeters, can be furnished in all standard ratings mentioned in, and conform to the performance requirements of, American War Standard ASA Specification C-39.2-1944.

A subscriber writes:

"I note in your Trade Notes on Page 15 of your February 28 issue, that you speak of AT&T playing with micro-waves. Of course, you know that AT&T have had television included in all their franchises with the various cities throughout the country.

"Also, I was told the other day that one type of coaxial cable will be down to a cent a foot. Both of the above bring closer my thoughts of television coming into the home over the telephone wire."

Radiophoto transmission between the European battle area and America over one of its 400-watt mobile transmitters was announced by Press Wireless, Inc. According to J. W. Chaplin, Director of Communications, the picture circuit is being operated in cooperation with the Army Signal Corps.

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