

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

RECEIVED
OCT 5 1945
FRANK E. MILLER

RECEIVED
OCT 11 1945
J. H. MALDONALD

INDEX TO ISSUE OF OCTOBER 3, 1945.

| | |
|--|----|
| I T & T Reveals War Secret Pulse Time Modulation Details..... | 1 |
| Poll Shows FM Transmitters Can't Be Delivered By Dec. 1..... | 2 |
| Westinghouse Joins Television Broadcasters..... | 3 |
| Official Washington Helps Inaugurate 15th Pres. Of NAB..... | 4 |
| Miller, New NAB Pres., In Maiden Speech Socks Plug-Uglies..... | 6 |
| Reported That Emerson Is To Be Sold To Federal Radio..... | 8 |
| Ralph Atlass Plans New Chicago FM And Television Center..... | 8 |
| Petrillo Again Shows His Teeth; Network Strike Looms..... | 9 |
| Brig. Gen. L. L. Hill New War Dept. Public Relations Head..... | 9 |
| Al Jennings Loses \$100,000 Libel Suit Against Don Lee..... | 10 |
| \$175,000 To Butcher For Eisenhower Diary Magazine Rights..... | 10 |
| Capital TV Towers O.K'ed; Uniform Height Next Question..... | 11 |
| Second Television Convention To Be Held Next Spring..... | 11 |
| Radio Size Of Match Box Seen Outgrowth Of Secret Fuse..... | 12 |
| Nance, of Zenith, Sees Need Of Sustained Consumer Demand..... | 12 |
| Scissors And Paste..... | 13 |
| Trade Notes..... | 15 |

October 3, 1945

I T & T REVEALS WAR SECRET PULSE TIME MODULATION DETAILS

A revolutionary development in radio-telephony, said to be capable of making possible a nation-wide long distance telephone system without wires, a wartime secret, was revealed last week in New York by the Federal Telecommunication Laboratories of the International Telephone and Telegraph Corporation at the International Telephone Building. The development, known as Pulse Time Modulation, for the first time produces a system whereby twenty-four or more conversations can be carried on the same radio frequency simultaneously without interference with each other.

The PTM system is also applicable to the transmission of color television with sound on the same Micro-ray channel, Federal engineers asserted. If used for radio broadcasting, it would make possible the simultaneous transmission of twelve different programs from the same station, they said. Public demonstration of PTM in color television transmission, the engineers said, awaits further refinements in the art of full color broadcasting, which they expect "any day".

An outstanding telephonic feature of PTM, Federal engineers explained, is that telephone exchanges employing the system are automatically operated, reducing operational costs to the minimum and thus providing cheaper service. Absence of wires means little maintenance costs, they added, and little hazard of interruption of service due to floods, wind and ice storms.

The PTM system is the culmination of years of work in the I. T. & T. laboratories here and abroad and stems from the successful experiments of more than a decade ago by the system's laboratories in France and England with the Micro-ray across the English channel. Its final development was greatly accelerated during the war and it was not until last Thursday that the Navy Department lifted the war-time restrictions against publication of information concerning it.

The demonstration was conducted on the 32nd floor of the International Telephone Building, from which the PTM channel was beamed to a repeater station at Telegraph Hill, near Hazlet, N.J. From there the signals were beamed to a second repeater station at the new Federal laboratories at Nutley, N. J., and thence back to the top floor of the building in New York. Although the circuit started and finished at 67 Broad Street, it constituted an 80-mile long-distance telephone circuit. Federal engineers stated the circuit could be 8,000 miles long or more and still maintain the same quality of transmission. They explained repeater stations must be installed at intervals of approximately 30 miles along the circuit

as the extremely high frequency Micro-ray energy travels on the line of sight.

The repeater stations boost the strength of the Micro-ray energy without causing the distortion that sometimes results from wire-line repeaters, the engineers stated. The repeater stations operate automatically and are entirely without human attendance. Those at Telegraph Hill and at Nutley are located atop high towers.

The engineers explained that, in effect, the PTM system "chops" the conversation up into small bits and fits them back together again at the point of reception. The transmitter hurls the signals out over the Micro-ray beam at 1,300 million vibrations a second. The pulses are so rapid and the bits of conversation fitted so compactly in time intervals that when they are filtered at the receiving end and each conversation is re-integrated, the human ear is incapable of detecting the process. A faithful reproduction of each of the twenty-four speakers' voices is produced, each one being selected automatically for the receiving station individually called.

The key to the filtering process is the Cyclophon tube, also developed by the Federal Laboratories. Federal engineers compare the audible results which PTM presents to the ear with visual effects which the motion picture presents to the eye. Although the screen in a motion picture theater is completely dark much of the time that a film is being shown, the eye is not quick enough to detect the dark intervals. The effect of PTM on the ear, the engineers said, is as flawless as the effect presented to the eye by the modern movie.

X X X X X X X X

POLL SHOWS FM TRANSMITTERS CAN'T BE DELIVERED BY DEC. 1

The Federal Communications Commission has been advised by the Radio Manufacturers' Association that a poll which they have made of manufacturers reveals that it will be impossible to deliver transmitters in time for FM broadcasters to get on the air on the new FM band by December 1st and start programs January 1st.

It has been learned that this information has been conveyed to Chairman Paul Porter of the FCC in a letter from Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, written on September 24th, at the direction of R. C. Cosgrove, President of the Association.

The letter was not made public but read as follows:

"For the information of the Federal Communications Commission regarding production and delivery of FM transmitters for service on the new frequencies assigned recently by the Commission, transmitted herewith, by direction of President R. C. Cosgrove of the Radio Manufacturers' Association, is a report covering a recent survey made by the Broadcast Transmitter Section of the RMA Transmitter Division. Mr. C. W. Miller of Westinghouse Electric Corp. of Baltimore, Chairman of the RMA Broadcast Transmitter Section, "polled" the manufacturers of FM broadcasting transmitters regarding production and availability of transmitters which will cover the new FM frequencies. Following is the report submitted September 6 by the Broadcast Transmitter Section to the Executive Committee of the RMA Transmitter Division, whose Chairman is Mr. C. J. Burnside:

"As a result of widespread interest in the broadcast field as to the availability of broadcast transmitters for the new FM band recently announced by FCC, the Chairman of the Transmitter Section of the Transmitter Division polled the manufacturers of FM broadcast transmitters on the question of probable delivery dates.

"The consensus of the data received from seven companies, indicating their intentions to build some or all of the FM transmitter ratings, indicates that the transmitters in the power range 250 watts to 3 KW will begin to become available between February and May of 1946 from six manufacturers. The 10 KW rating will begin to become available between April and August 1946 from three manufacturers.

"Availability dates for ratings above 10 KW are still undetermined by most manufacturers.

"In this poll no information was obtained as to the possibility of converting existing stations to the new frequency band or of the time which might be required to do so."

Commenting upon the letter, a well-known FM authority said

"You will note they are silent on the subject of when deliveries of 10 KW jobs can be made, and all the important stations are 10 KW or over. Also it is usually six months from the time deliveries are made on transmitting stations before they are on the air."

X X X X X X X

WESTINGHOUSE JOINS TELEVISION BROADCASTERS

The Westinghouse Electric Corporation, manufacturing division, of Baltimore, Md., has been admitted as an affiliate member of the Television Broadcasters' Association, Inc.

Syracuse University and Western Reserve University have been added to the Association's educational roster.

X X X X X X X X X

OFFICIAL WASHINGTON HELPS INAUGURATE 15TH PRES. OF NAB

Former Justice Justin Miller, who served on the U. S. Court of Appeals for eight years, was given a great send-off as new President of the National Association of Broadcasters at the Statler in Washington last night (Tuesday).

There was merriment when Don S. Elias, of WWNC, toastmaster, introducing Paul A. Porter, Chairman of the Federal Communications Commission, said: "We all have great respect for him. There is a reason for this and I don't have to elaborate."

Chairman Porter said, "The Commission is now at grips with the heaviest burdens in its history. He predicted capital expenditures and production of consumers goods in excess of five billions of dollars in the communications field alone during the next few years. This means jobs and an unprecedented expansion in facilities and services. The speed with which these developments begin depends in no small part upon the facility with which the FCC discharges its functions and it is making every effort to avoid becoming a bottleneck."

Mr. Porter further forecast between two and three thousand FM stations within the next several years, and television stations in 187 key cities within five years.

At the end of five years of full production of television sets, Mr. Porter said, one manufacturer told FCC recently home users will be buying one billion dollars worth of television sets each year.

The FCC Chairman said a transcontinental, coaxial cable to carry television broadcasts, as well as "heavy telegraph traffic" is now being laid by Bell Telephone Co. at a cost of 56 million dollars.

The speaker said that the Western Union proposes to modernize its entire telegraphic operations and do away with telegraph poles by using frequency modulated carrier channels on radio beams, telefax, and facsimile.

J. Harold Ryan, retiring President of NAB, who received a tribute second only to Judge Miller, said, in part:

"The National Association of Broadcasters is the oldest organization connected with broadcasting. It was founded in 1922 by pioneer companies interested in radio and broadcasting and its first President was Commander Eugene F. McDonald, Jr., now President of Zenith Radio Corporation. In the twenty-three years since its founding the Association has grown from a group of a few members to one composed of 667 stations, 2 networks and 39 associate members, a total of 708 members.

"We hear a great deal at the present time about the over-commercialization of radio. Some of this is justified. Now that we are returning to ways of peace it will be the concern of every prudent station manager to see that his station does not offend his listeners in this particular. I cannot but wonder, however, if some of the complaints about commercialization may not unintentionally be aroused by the very patriotic action that broadcast stations have taken during the war in carrying messages from the Government, its departments and agencies.

"Not only did the formation of BMI bring a healthy competition into the music business and furnish opportunities for rising young musicians, who might otherwise have been denied them, but it has enabled broadcasting stations in five years to obtain the licensed numbers of both ASCAP and BMI for \$16,600,000 less than the broadcasting industry would have paid to ASCAP alone under the terms of the contract which was in effect in 1939 and which ASCAP refused to renew. This fight against the monopolistic tendencies of ASCAP was the first example of what the combined forces of the broadcasting stations of the country could do.* * *

"The radio stations of America now licensed have the possibility of producing as many as 65,000 15-minute programs in a single day. * * *

"As an advertising medium the growth of radio has been most phenomenal. Starting with 1927, which is the earliest year for which cumulative figures are available, radio did approximately \$5,000,000 of advertising with 7,000,000 radio sets in use. Last year, with 60,000,000 radio sets, the value of all broadcast advertising was approximately \$391,000,000. In the field of national advertising alone radio leads, exceeding the dollar amount carried in either magazines or newspapers. In 1944 the national advertising on the radio exceeded by \$100,000,000 the amount carried in newspapers. In the field of local advertising radio stands at a considerable disadvantage to newspaper totals, figuring in 1944 only about one-quarter of the dollar volume."

Distinguished guests included Gen. George C. Marshall, Gen A. A. Vandegrift, Commandant U.S. Marine Corps; Senator Burton K. Wheeler, Chairman of the Senate Interstate Commerce Committee; Joseph W. Martin, Minority Leader, U. S. House of Representatives; Senator Wallace White, of Maine; Ewin L. Davis, Chairman of the Federal Trade Commission; Attorney General Clark; Justice Stanley Reed, U. S. Supreme Court; Secretary of the Treasury Fred M. Vinson; Postmaster General Robert E. Hannegan and Glen Bannerman of the Canadian Broadcasters' Association.

Such a large number was present and so many notables (some of the diners sitting almost back on "K" Street about a block away) that it was impossible to tell who was there and who was not. Almost lost down in the crowd was James L. Fly, former Chairman of the FCC, now practicing law in New York.

Among those from the industry listed at Head Table No. 1 were:

Charles R. Denny, Member, Federal Communications Commission; A. D. Willard, Jr., Executive Vice-President, NAB; E. K. Jett, Member, Federal Communications Commission; Maj. Gen. Frank E. Stoner, Chief, Army Communications Service; Maj. Gen. Harry C. Ingles, Chief, U. S. Army Signal Corps; Mark Woods, President, American Broadcasting Company; Paul Kesten, Executive Vice-President, Columbia Broadcasting System; Alfred McCosker, WOR, Ex-President, National Association of Broadcasters; Niles Trammell, President, National Broadcasting Company; Edward J. Noble, Chairman of the Board, American Broadcasting Company; Edgar Kobak, President, Mutual Broadcasting System; Rear Admiral Joseph Redman, Director, Naval Communications Division; Paul A. Walker, Member, Federal Communications Commission.

Among those listed at Head Table No. 2 where NAB District Directors were seated, were:

Kolin Hager, WGY, Schenectady; Frank M. Russell, Vice-President, National Broadcasting Company, Washington; James D. Shouse, WLW Cincinnati; Paul W. Morency, WTIC, Hartford; J. Leonard Reinsch, WSB, Atlanta; Frank Stanton, Vice-President and General Manager, Columbia Broadcasting System; and T. A. M. Craven, WOL, Vice-President Cowles Broadcasting Company, Washington.

X X X X X X X X

MILLER, NEW NAB PRES., IN MAIDEN SPEECH SOCKS PLUG-UGLIES

Although Justin Miller, new President of the National Association of Broadcasters, has made no pretense at having great knowledge of radio, he revealed the fact at the big dinner given in his honor by the broadcasters last night (Tuesday) in Washington that he was quite familiar with the plug-uglies and gave them a resounding whack. Assuming for the moment his old judicial role, the former Justice of District Court of Appeals said:

"In family and social life we are familiar with self-disciplines which do not require the sanction of law. It would be considered bad manners in most households - although not prohibited by law - for host or guest to tell a nauseating story at the dinner table. And many people would consider it in bad taste for a speaker to tell an off-color story in the midst of a memorial address. Some of us think it is equally poor taste to insert a nauseating plug-ugly in the midst of a serious news commentary. If the result is to prevent that broadcast from being heard at many a family fireside, it would seem to be equally poor business. Those with axes to grind, as well as persons seriously concerned with the importance of properly balanced programs for public consumption, make embarrassing demands for time, for changed regulations, and for preferred treatment on the air. Far more than is generally realized, the radio executive stands between importunate, shortsighted advocates of this or that, on the one hand, and the general public on the other.

"For these and similar reasons many attacks have been made upon radio broadcasting, and many demands for restrictive legislation and regulation. Wiser counsel has prevailed, however, and we are witnessing a steady coming-together of natural leaders - in government, in the industry, in civic and professional life - for the purpose of discovering a substantial basis for self-control and self-discipline along the line of greatest public interest."

Our idea of a judge is that he is the one man who would never have to be interrupted during a meal but Judge Miller, bowing to his new master the microphone, left the banquet hall at the Statler for the WTOP-CBS studios, several blocks away, to broadcast a portion of his speech at 10:35 P.M., immediately following an appeal by President Truman over all networks for the National War Fund.

Some of the highlights of Judge Miller's inaugural address follow:

"One of my friends, in commenting upon my new work, said he hoped I could persuade the radio people to stop calling broadcasting an 'industry'. I replied that so long as the Justices of the Supreme Court choose to call its highly professional and governmental activities the 'business' of the court, I see little possibility of inducing my present associates to abandon a similar terminology which seems to satisfy them.

"My friend's proposal suggests, however, the widespread reach of interests and activities which are included in this lusty young agency of communication, entertainment and education. What word is broad enough in its meaning to include the work of scientists, artists, engineers, executives and members of the various other crafts, guilds and professions who combine their skills and talents in radio broadcasting; and what is to be its ultimate sphere?"

* * * * *

"The one inescapably obvious point which appears from all that has gone before, is that our future depends upon how we use these great powers which scientific discovery makes available to us.

* * * * *

"Radio provides the mighty vehicle of communication which can carry us to this end. But it provides opportunity, also, for misuse and for the hastening of destruction. In this sense it is just as explosively dangerous as is the process of atom smashing.

"For this reason there are those who speak for government-owned radio. This reflects an old tendency, as applied both to the individual who wishes to speak and to the means which he would use. Tyrants of early days cut out men's tongues. That took care both of the individual and the means. Tyrants of later days suppressed newspapers and destroyed printing presses. Those in power, frequently, are tempted to destroy or suppress their critics."

* * * * *

"Radio must meet the challenge both of the balanced program and the balanced budget."

* * * * *

"The leaders of radio have no doubt of their ability to assume their full responsibilities. Although the industry is scarcely a quarter century old, it has already perfected an organization of broadcasters and established canons of conduct which compare favorably with those of professional groups with centuries of experience behind them. * * *"

X X X X X X X X X X

REPORTED THAT EMERSON IS TO BE SOLD TO FEDERAL RADIO

A rumor prevails that the Emerson Radio and Phonograph Corporation of New York is soon to be taken over by the Federal Telephone and Radio Corporation, manufacturing subsidiary of the International Telephone and Telegraph Corporation.

Emerson Radio, of which Benjamin Abrams is President, occupies a substantial position in the radio set field and has for its slogan, "largest manufacturer of small radio sets in the world".

X X X X X X X X

RALPH ATLASS PLANS NEW CHICAGO FM AND TELEVISION CENTER

Ralph L. Atlass, of the famous Atlass brothers of Chicago, is apparently not letting any grass grow under his feet in getting ready for FM and television in Chicago. For additional studio space, he is endeavoring to secure the entire top floor of the Lincoln Tower, formerly the Mather Building, one of the highest structures in Chicago.

WIND, of which Mr. Atlass is President, will retain its present AM studios in the Carbide and Carbon Building. He had an option for the top floor of this building as owner of WJJD but took over the option on the Mather Tower for WIND when Marshall Field purchased WJJD from Atlass a year or so ago.

Mr. Atlass has just engaged Ellery Plotz as technical supervisor. Mr. Plotz, recently released from the Army, was formerly an engineer with WBBM, Chicago. Other additions will be made to the staff.

X X X X X X X X X X

PETRILLO AGAIN SHOWS HIS TEETH; NETWORK STRIKE LOOMS

By way of making known his resentment at the action of the National Broadcasting Company, through Frank E. Mullen, Vice-President and General Manager, and the American Broadcasting Company, Mark Woods, President, last week signing new contracts with the National Association of Broadcasting Engineers and Technicians, an independent union, James C. Petrillo, President of the American Federation of Musicians, on Monday night called out the second radio band in two nights.

It was understood that sporadic walkouts could be expected to continue without advance notice, possibly culminating in a decision by the musicians to quit all programs on NBC and later those on the network of the American Broadcasting Company.

The cause of the renewed dissension in the radio industry reportedly was an outgrowth of the action last Friday of the NBC and American chains in signing new contracts with the NABET. The musicians union affiliated with the American Federation of Labor, long has contested NABET's jurisdiction over "platter turners", those who attend to the operation of record turntables in radio studios.

Since Mr. Petrillo is appealing his case against NABET to the United States Supreme Court, the Federation, it was believed, has decided to show indirectly its displeasure over the turn of events by citing a series of unrelated grievances. Broadcasting officials have long conceded that such a course by the union could mean serious difficulties in day-to-day operations.

The incidents precipitating the union's first steps involve differences between the Federation and Stations WAPO in Chattanooga and WSMB in New Orleans. The stations, both NBC affiliates, have not agreed to terms proposed by the union, with the Federation endeavoring to force capitulation by bringing pressure on the network. NBC was understood, however, to have refused to inject itself into the local disputes lest it run the risk of inviting court action on charges of engaging in a "secondary boycott".

X X X X X X X X X

BRIG. GEN. L. L. HILL NEW WAR DEPT. PUBLIC RELATIONS HEAD

Luther L. Hill, Executive Vice-President of the Cowles Broadcasting Corporation on leave, a West Point graduate, recently promoted to Brigadier General, becomes Director of the War Department Public Relations Bureau in a reorganization that makes Maj. Gen. Alexander D. Surles, former Director, Chief of all War Department information agencies.

General Hill, a brother of Senator Lister Hill of Alabama, resigned from the Army in 1923. He became Cowles Vice-President and General Manager in 1936 and was recalled to active service in 1942.

X X X X X X X X X

AL JENNINGS LOSES \$100,000 LIBEL SUIT AGAINST DON LEE

One of the oddest libel cases in the history of radio and which newspapers in the East, as well as throughout the country, gave much publicity came to a close Tuesday in Los Angeles when Al Jennings, 82 years old, convicted but pardoned train robber lost his \$100,000 suit for defamation of character against the Don Lee Broadcasting Company.

Taking with them the hair-raising script of the "Lone Ranger" broadcast of Aug. 7, 1944, and the two personal experience books, "Looking Backwards" and "Through the Shadows with O. Henry", members of the jury went into seclusion to deliberate.

The eleven women and one man in the panel, however, did not read the books nor the script, nor did they compare them with the real life story testimony of the former outlaw. They did not need them, for it took them only 20 minutes to arrive at a ten to two verdict in favor of the defendant, the radio station.

Jennings charged that the broadcasting company had depicted him as contributing to the delinquency of a minor by inducing a boy to join his outlaw band.

X X X X X X X X X X

\$175,000 TO BUTCHER FOR EISENHOWER DIARY MAGAZINE RIGHTS

Magazine rights to the war diary kept by Capt. Harry C. Butcher, USNR, aide to General Eisenhower for three years at SHAEF, have been bought by the Saturday Evening Post for \$175,000.

In announcing this, the publication said it believed the figure was the highest price ever paid for such rights.

The magazine will run a series of from seven to 10 installments beginning in the late Fall or early Winter. It also will be out in book form under the tentative title of "Three Years With Eisenhower" and published by Simon & Schuster.

Captain Butcher, formerly Washington Vice-President of the Columbia Broadcasting System, began the diary in the Summer of 1942 at the suggestion of General Eisenhower, who asked for a recording of both official and personal doings at headquarters.

X X X X X X X X X X

Engineering phenomenon which aids Stratovision - newly announced system of airborne television developed by Westinghouse and The Glenn L. Martin Company - is said to be the fact that as antenna elevation is increased, power required to deliver the same usable signal to a given area is sharply reduced.

X X X X X X X X

CAPITAL TV TOWERS O.K'ED; UNIFORM HEIGHT NEXT QUESTION

The National Broadcasting Company and Bamberger Broadcasting Service, Inc. won another round in the fight to build television towers in Washington when the Board of Zoning Adjustment granted them this permission last week. The Commissioners of the District of Columbia, however, must pass finally on all towers and antennas but the Zoning Board having approved, this is believed to be merely a matter of form.

In granting permission for the towers the Board of Zoning Adjustment lowered the Bamberger request for a 300-foot tower to a 200-foot one.

NBC proposes to build a 350-foot tower behind the Wardman Park Hotel, while Bamberger plans to build its tower at Fortieth and Brandywine Streets, N.W.

Tomorrow (October 4) the Federal Communications Commission is slated to consider a proposal that television towers must be 500 feet above the average terrain in a 10-mile radius. The original Bamberger application of 300 feet would have met that requirement, but NBC's tower does not. Since the Board lowered the Bamberger tower, both companies may have to return and request higher towers.

Complaints addressed to members of Congress as a result of the Washington situation, have again raised the question as to why television towers should not be put in parks instead of residential sections. This has been resisted by the National Capital Park and Planning Commission but, according to Carleton D. Smith, General Manager of WRC, the broadcasting companies have taken no sides in the matter.

District Committee Chairman Jennings Randolph (D), West Virginia, called on the fiscal affairs subcommittee to review the television tower protests, together with the suggestion which came from Representative Thomas D'Alesandro (D), Maryland, that a law allowing towers in parks might end the trouble.

X X X X X X X X X X

SECOND TELEVISION CONVENTION TO BE HELD NEXT SPRING

J. R. Poppele, President of the Television Broadcasters' Association, Inc., announced today that the Second Convention of the television industry will take place in New York City next Spring, either late in March or early in April.

"Television will begin moving in a big way in 1946", Mr. Poppele declared. "Instead of holding our Convention in December, as we did last year, the event has been moved to next Spring when television receivers will be ready in quantity for sale to the public. Interest in television is mounting daily and will reach its peak when the much-awaited receivers are ready for the retailer. All of the latest models ready for distribution will be shown at the TBA convention", Mr. Poppele declared.

X X X X X X X X X X

RADIO SIZE OF MATCH BOX SEEN OUTGROWTH OF SECRET FUSE

Harry Diamond, a scientist in the National Bureau of Standards, said he believed there was a possibility of making a radio set the size of a penny matchbox as a result of the development of the secret radio proximity fuse which was used with devastating effect against both the Japs and the Germans. Mr. Diamond said that at least two radio firms are studying this possibility.

The fuse, a self-contained miniature sending and receiving set installed in the nose of shells, bombs or rockets, automatically explodes the projectile when it is close to the target.

The fuse was developed jointly by British and Americans who previously had been working independently of each other on the same type of project. The Canadians also cooperated.

Mr. Diamond said there were limitless applications of the fuse to peacetime uses and that he was certain that various industrial organizations which participated in its development and production would disclose them as time goes on. But the matchbox radio, he said, is possible as a direct result of the development of the tiny tubes and other components and the manufacturing processes developed during the war.

X X X X X X X X X X

NANCE, OF ZENITH, SEES NEED OF SUSTAINED CONSUMER DEMAND

Management of American industry must become sales minded and create a sustained demand for consumer goods, this year, next year, and in years to come, if it is to maintain a high level of employment and preserve our competitive system of free enterprise, according to J. J. Nance, Vice-President of Zenith Radio Corporation. The alternative, he said, is large government spending, with a perpetual tax burden of unprecedented severity and a continual growth of government regulation. Mr. Nance spoke Tuesday at a luncheon meeting of the Sales Executives Club of New York.

Mr. Nance said that the Achilles heel of industry today is its ability to create a sustained consumer demand. He said that in order to sustain industry and provide adequate employment, we must hold up our national income and consumer expenditures to levels that come at least close to those of wartime boom years.

"But this time", he pointed out, "we must do it without the aid of the enormous government deficits which financed the war; we must do it from the sale of goods to consumers. Last year, when selling was not a problem, we manufactured and shipped merchandise to the value of 156 billion dollars, nearly three times our output in 1939. Next year, when everything we manufacture must be sold, what will our volume be?"

X X X X X X X X X X

::: _____ :::
 ::: SCISSORS AND PASTE :::
 ::: _____ :::

FMBI Sets Policy For Free Competition
 (Jerry Walker in "Editor & Publisher")

Determined to avoid the technical restrictions which have hobbled broadcasting up to now, the FM station operators took a definite stand for a "truly free radio" in a statement of policy adopted this week at a meeting of the directors of FM Broadcasters, Inc. in New York City.

A special committee headed by Wayne Coy of the Washington Post radio stations first set forth the policy and then the statement was adopted by the Board.

The statement warns that the assignment of only 70 channels of commercial FM will result in the same artificial limitations which have hindered the development of amplitude modulation broadcasting and maintains that "it now becomes necessary for FMBI to urge a substantial increase in the number of channels assigned to this service."

In pointblank language, the statement concludes: "Only by the assignment of more channels to FM broadcast service can the hopes and aspirations of a truly free radio be realized."

The events of the past few weeks, since the assignment of FM to the "upper band" by the Federal Communications Commission, have disclosed many diverse problems which must be solved if FM broadcasting is to have opportunity for free development and expansion circumscribed only by the innerent technical limitations of the art. That is the position of the official FM trade group which includes many newspaper publishers who have radio interests.

"The failure of the FCC to act in recognition of the need for a sufficiently large number of channels to provide for adequate expansion and the regulations and restrictions apparently resulting from this failure now impose artificial limitations", the statement contends.

"More than that", it adds, "the assignment of only 70 channels to commercial FM (80 channels in Area 1) has brought about in large measure the same scarcity of license availability which has characterized amplitude modulation broadcasting and which in very large part is responsible for most of the regulator issues facing that art with growing tension today."

- - - - -

Elliott And FDR Vs. U. S. Grant
 ("New York News")

The two Ulysses S. Grant administrations (1869-77) are generally cited as tops in shady inside deals. The Elliott Roosevelt story ties, if it doesn't outdo, anything that ever came out on the Grant regime. President Grant was in the habit of putting nice things in the way of his friends, but not in the way of his own son.

- - - - -

Called New White House Mystery Man

(Drew Pearson in the "Washington Post" writes the following about George Allen, a Director in the Aviation Corporation and recently elected a director in the Federal Telephone and Radio Corporation)

George Allen is turning out to be the most potent mystery figure around the White House.

The best story-teller in the Capitol (with the exception of Chip Robert), Allen was transplanted to Washington by Senator Pat Harrison of Mississippi, and has thrived here ever since. First he was Commissioner of the District of Columbia, later became Vice-President of the Home Insurance Co., which he still is.

But the smartest thing George ever did was to attach himself to the Truman Vice Presidential campaign train last year and become the close buddy of the man who was to be President. While big-shot politicians were hanging around Roosevelt, George Allen traveled with the neglected Vice President, amused him and helped write his speeches.

So now, Allen is constantly around the White House, a potent, charming, and very reactionary adviser. He was even consulted about the three new judges for the Court of Appeals for the District of Columbia - which may be one reason why Truman picked three former supporters of the power companies. He was also given credit for working with Leo Crowley suddenly to terminate lend-lease. Finally he is credited with authoring the Senate memo which undermined the Kilgore \$25-a-week compensation bill. * * *

Some of Truman's sensatorial friends are wondering whether the continued influence of the gentleman from Mississippi is healthy.

Current wisecrack in the Nation's Capital: The Northern carpet-baggers once invaded Mississippi, but now Mississippi has reversed it and recaptured Washington. Not only does George Allen sit at Truman's elbow, but Senator Bilbo, Chairman of the District of Columbia Committee, is virtual "Mayor" of Washington, while the son of the late Senator Vardaman of Mississippi is Truman's Naval Aide.

And Kick Off He Did!

(Leonard Lyons in "Washington Post")

In London the Marquis of Queensbury gave a dinner party for the American radio men who recently toured Europe. King George of Greece attended, and when the hour became late, Joe Ream, Vice-President of CBS, slapped His Majesty on the back and said: "King, old boy, you don't mind if I kick off, do you?"

X X X X X X X X X

:::
 ::: TRADE NOTES :::
 :::

There was a laugh at the press table when Paul Porter said in his speech at the National Association of Broadcasters' dinner Tuesday night that with "a limited staff, the Commission expects to work night and day to give the industry service" on the numerous applications that are piling up. The thought of a "limited" staff at the FCC (one of Washington's outstanding political Christmas trees) or of anyone at the Commission "working night and day" apparently struck the funnybone of the newspapermen.

Senator E. H. Moore (R), of Oklahoma, said last week the highest estimates of responsible sources indicate that approximately fifty to fifty-two million jobs will be required in the postwar period to prevent any substantial amount of unemployment.

Stating that the Statistical Abstract in 1940 showed an experienced labor force in certain categories such as the communications, telephone, telegraph and radio fields required 410,000 persons.

There was some conjecture when former Senator Clarence C. Dill (D), of Washington called on President Truman last Friday. Co-author of the original Dill-White radio law, Mr. Dill retired after serving two terms in the House and two terms in the Senate. He was later defeated for governor of Washington.

First post-war radios manufactured by the Sonora Radio and Television Corporation, Chicago, will be on the market about the middle of October, Joseph Gerl, corporation president, told a meeting of radio dealers in Buffalo last week. He said that sets will be plentiful by the time the Christmas shopping season is under way and will be priced at 1941 levels because the company "cannot wait for OPA red tape to unwind".

Operations of the Bendix Aviation Corporation for the nine months ended with June resulted in a net income of \$10,376,643 after all charges, including \$53,032,679 provision for taxes \$2,700,000 reserve for contingencies, and provision for estimated price adjustments under the Renegotiation Law, Ernest R. Breech, president.

The company expects to get into production almost immediately in certain products including radios and radio phonographs.

Harry J. Wines has been elected Vice President of Zenith Radionics Corporation of New York. This corporation is a wholly owned subsidiary of the Zenith Radio Corporation of Chicago. Mr. Wines has been General Manager of the New York firm, which distributes Zenith products through the New York and New Jersey area, since its organization late in 1943.

Mr. Wines said that if the pricing situation on parts and cabinets is straightened out, the new Zenith line of radios will be ready for showing about the middle of this month.

Nine radio models, with "production all set to roll", were announced Monday by RCA Victor in an advertisement directed to dealers. Announced approximate list prices ranged from \$24.95 for the low-priced table model to \$200 for the radio-phonograph combination with record changer. It was stated that an advertising campaign for the line will lead off a color spread in the Nov. 26 issue of Life.

The International Telephone and Telegraph Corporation disclosed Tuesday that it is negotiating with a group of banks headed by the National City Bank of New York for a loan of \$30,000,000. The proceeds from the loan, with current funds of the corporation, will be utilized to redeem I. T. & T.'s entire outstanding 5 per cent debentures, due in 1955 at the call price of 105, involving an outlay of \$45,700,000. I. T. & T. has liquidated already this year \$12,600,000 of debt.

Notwithstanding the difficulties in the transfer of funds from many of its subsidiaries, I. T. & T., parent concern of a world-wide communications and manufacturing system, will upon completion of this operation, have reduced its outstanding debt by \$87,000,000 in ten years.

On file for action by the Federal Communications Commission are now 513 applications for new FM stations, 129 applications for commercial television stations; 265 applications for new AM stations, 147 applications for changes in existing standard broadcast stations.

Clure H. Owen has joined the General Engineering Department of the American Broadcasting Company as Allocations Engineer.

Mr. Owen will study allocations problems for standard broadcast, FM and Television facilities; be responsible for the design of directional antenna systems, determine the location of suitable transmitter sites and generally work towards the improvement of network coverage. He also will cooperate with the Station Relations Department of ABC in advising affiliates regarding allocation problems. Prior to joining ABC, Mr. Owen was with the FCC as Assistant Chief of the Broadcast Engineering Division.

The War Production Board, through its Industry Personnel Committee, is assisting its employees from the fields of journalism, public relations, advertising and radio, in their effort to relocate with industry.

It is the Committee's belief that these persons have increased their value to industry through their service with WPB.

"They came to Washington at the outbreak of the war", a spokesman said, "bringing expert knowledge and long experience in informing the public. Their experience has been broadened, rounded out, during the war years when it became their job to interpret highly technical orders and regulations for businessman and consumer alike. Industry, I am sure, will benefit when these people return to private employment."

X X X X X X X X