

HEINL RADIO BUSINESS LETTER

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December 19, 1945

PORTER SEEN PREFERRING FCC TO WHITE HOUSE SECRETARIAT

Whether or not Paul A. Porter, Chairman of the Federal Communications Commission, leaves that position to become one of the White House secretaries is believed to hinge on a conference Mr. Porter had with President Truman on Monday. Presumably Mr. Porter called on the President to make a personal report on the recent communications conference at Bermuda participated in by the United States and the British Commonwealth.

However, it is definitely known that President Truman offered Chairman Porter the secretaryship sometime ago. Also it is known that Mr. Porter desired to remain at the FCC. Furthermore, it was intimated that he might be interested in some lucrative commercial offers which have been coming his way. In addition to all this, he has been mentioned for Governor of Kentucky and later Senator.

The persuasive powers of President Truman, however, are well known and if he really has need for Mr. Porter, it is a foregone conclusion that he will draft him. The writer thus far has seen no speculation as to just what duties President Truman has in mind for Mr. Porter but one niche he would fit into would be the press secretaryship if, as reported, Charley Ross should resign. Mr. Porter, a former newspaper man, served as Director of Publicity of the Democratic National Committee in the 1944 campaign, having succeeded that past master of publicity, Charles Michelson. In that contest Mr. Porter was the right-hand man of Chairman Robert Hannegan, now Postmaster General.

Another supposition was that Mr. Porter, being a lawyer, might be in line to succeed to the spot vacated by Judge Rosenman.

If Mr. Porter should leave the FCC either temporarily or permanently, the question immediately arises as to who would be his successor. The Vice-Chairman of the Commission is Paul A. Walker (same first name and initial as Porter, oddly enough). Mr. Walker, a Democrat, is the only one left of the original appointees to the FCC in 1934 and his term expires next July. Mr. Walker has concerned himself more with public utilities and is credited with having brought about the big A. T. & T. investigation some years ago.

If Mr. Walker didn't succeed automatically to the chairmanship, another likely candidate would probably be Commissioner Charles R. Denny, also a Democrat, and the newest member of the Commission. Considerably younger than Mr. Walker, who is 64, Mr. Denny is only 33, and made a name for himself as General Counsel for the Commission. A native of Baltimore, Mr. Denny is a graduate of Amherst and Harvard and was formerly an attorney in the Justice Department.

It is, of course, possible if Mr. Porter leaves the Commission permanently that President Truman might appoint an entirely new Chairman but it is believed at the Commission if the President asked Mr. Porter's advice, the latter would favor Mr. Denny as Porter and Denny are known to be very close.

The most vocal member of the Commission, Clifford J. Durr, a Democrat, and brother-in-law of Supreme Court Justice Black, who has been active along certain lines - too active to suit some of the broadcasters - might have to be reckoned with. In fact, the only member of the Commission who could probably be definitely counted out would be Commissioner E. K. Jett, who has never wanted to be Chairman, and who at his own request was specifically exempted by President Roosevelt in November 1944 when Jett was temporarily appointed Chairman to succeed James L. Fly and to sit on the lid until Mr. Porter was appointed in the Fall of 1944.

Stating that the visit to the White House by Paul Porter renewed speculation that he might be named as an assistant to President Truman, Edward T. Folliard of the Washington Post wrote:

"The idea that Porter be given a White House post appears to have originated on Capitol Hill. Liberal Democrats in Congress felt that he would be a valuable aide to President Truman, especially in the role of a coordinator.

"Porter, according to his friends, would much prefer to remain as Chairman of the FCC, which now is engaged in making allocations for new FM and television stations. It has been reported that he made his feelings known to President Truman a couple of weeks ago. Thereafter the word was passed in radio circles that he would not join the White House staff.

"Then came Porter's call at the White House yesterday to fan the speculation anew. On leaving President Truman's office, he said he made a report on the recent conference at Bermuda, where delegates of the United States and the British Commonwealth of Nations discussed postwar communications rates. Porter said Mr. Truman was very much interested in the Bermuda conference, but others observed that the matter might very well have been covered in a memorandum."

Like the Chief Executive, Mr. Porter is a Missourian, though he is generally thought of as a Kentuckian, having been born in Joplin 42 years ago. He began his career as a reporter on the Lexington (Ky.) Herald, but later turned to law. He came to Washington in 1933, intending to remain only three months. However, he became an ardent New Dealer and served for four years as a special counsel to the AAA in the Department of Agriculture.

In 1937 he became Washington counsel for the Columbia Broadcasting System. When the United States got into war, he became a Deputy Administrator of OPA under Leon Henderson, and it was he who set up the Nation-wide system of rent control. Thereafter he served under Fred Vinson in the Office of Economic Stabilization, where he handled matters of price policy.

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ONLY 5% OF RADIO SETS PRICED; MEANS BIG PRODUCTION DELAY

Despite a rising rate of radio set price approvals, OPA at the end of the third week of weekly reporting had priced only a small proportion, probably less than 5 percent, of the expected number of 1946 models of radios and phonographs, according to the industry estimates, the Radio Manufacturers' Association reports.

Altogether between 2500 and 3000 models are expected to be priced by OPA.

The latest report, which covered prices approved only through the week ending December 7th, brought the total price approvals to 90 radios, chiefly table models, and 36 phonographs. The third week's report included radio-phonograph combinations and consoles for the first time.

With Christmas almost here, radio set production is rising as larger companies obtain price approvals, but manufacturers believe there is not enough time to change their gloomy predictions of relatively few radios, probably under 250,000, for the Christmas trade.

A threatened shutdown of radio parts manufacturers, which came abruptly following an OPA announcement of a new regulation which would require the rollback of many parts prices, was apparently averted last week when OPA agreed to postpone the effective date of the order from December 3rd until January 15th, except on new orders and orders on unpriced products.

The regulation, when issued, was made effective immediately on December 3rd, and made it illegal for parts manufacturers to deliver shipments to their buyers at previously-approved prices after that date if they were "out of line". Protests from the parts manufacturers and notifications to set manufacturers that they were halting production brought quick action from OPA.

What effect this rollback on parts prices may have on set prices already approved was not immediately apparent, but OPA officials expressed confidence that manufacturers would lower their own prices if their costs for parts are cut. Parts manufacturers, on the other hand, indicated they may try to upset the rollback order before January 15th. A hearing may be demanded by the OPA Radio Parts Manufacturers' Industry Advisory Committee.

Meanwhile, one large parts manufacturer is shut down by a prolonged strike, and strikes are threatening to halt the production of receiving sets by some of the larger set manufacturers.

Large volume production is not expected before the Summer or Fall of 1946 if current deterrents continue, and it may be delayed longer if they increase.

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RCA GIVES EDITORS RINGSIDE TV SEAT; CBS QUICKLY COUNTERS

In a surprise move the Radio Corporation of America assembled the radio editors of New York and Washington at the RCA Laboratories at Princeton, N.J., and shot the works on what the RCA had accomplished in television since the beginning of the war. The demonstration included both black-and-white and color pictures. More later about the big rise the color part of it got out of the Columbia Broadcasting System.

For the RCA black and white display the visitors seated in a small theatre were able to see the same picture at the same time (a) on a pre-war set, about 6 x 8 inches, (b) on a console, about the same size, (c) on a table model 4½ x 6 inches and (d) on an enlarged screen, almost the size of a newspaper page. Thus the observer could make an instant comparison between the pictures all of which were being transmitted by radio from WNBC, the National Broadcasting Company's station atop the Empire State Building in New York a distance of 47 miles.

The outstanding difference between the prewar and present pictures were their brightness. In fact, the prewar picture which we thought was so wonderful at the time looked like an old faded photographic print in comparison.

Then the RCA showed some color pictures broadcast from RCA Laboratories to the Princeton Inn, two and a half miles away. These, however, they damned with faint praise and that was what got the quick comeback from the Columbia Broadcasting System which has been majoring in color. Also it was said Columbia wasn't any too happy about RCA springing a television show at this particular time as CBS had planned a little surprise along those lines themselves.

It was stated by Gen. David Sarnoff, of RCA, that no progress had been made in color since before the war, that no real progress would be made until the mechanical methods now in use could be supplanted by an electronic system and finally that it would be at least five years before anything could be expected along this line. Paul Kesten, CBS Executive Vice-President, countered by saying that that was a safe estimate inasmuch as it was about three or four more years than Columbia thought it would take.

Although the pictures reproduced by the mechanical color system show promise, RCA engineers pointed out that color television is still distinctly in the laboratory stage of development, with obvious shortcomings. There is much technical development, they said, that needs to be completed before a practical color television system will be ready for the home service to the public. They estimated that this will require about five years.

On the other hand, the demonstration of the RCA black-and-white all-electronic television system, they said, clearly showed that it is now ready for the home. They presented sharp pictures on a screen as large as a newspaper page, with brilliancy, definition

and contrast equal to motion pictures. The pictures were bright enough to be seen in a fully lighted room.

"Eventually, coast-to-coast network television will be made possible by automatic radio relay stations, coaxial cable and stratovision", said Niles Trammell, President of the National Broadcasting Company. "Each may supplement the other in linking television stations into networks.

"Unattended radio relay stations, spaced from 20 to 50 miles apart, can transmit television programs from city to city.

"A regional New York-Washington television (coaxial cable) network is planned to link those two cities and intermediate points in 1946. Another link, New York-Boston, is planned for 1947. Gradually regional networks may be expected to develop around key cities such as Chicago, Cleveland and Los Angeles. And the coaxial cable will be extended from Washington through the South and Southwest, toward Dallas. Ultimately, it will connect with regional networks in the Middlewest and West to provide national coverage."

"Interesting as the color pictures which you have seen have been, we are convinced through our achievements in all-electronic black-and-white television that any mechanical color system is outmoded", said Dr. C. B. Jolliffe, Executive Vice-President of RCA Laboratories. "The objective of RCA is to create an all-electronic color system equal in clarity to that of our present black-and-white all-electronic method, and to give to the American public the finest television system in the world."

Dr. Jolliffe called attention to the fact that today's color demonstration employed a directional beam transmitter and parabolic antenna. The power was 1/20 of a watt, which is infinitesimal compared with the 50,000-watt transmitters used by standard broadcasting stations. A new electron tube developed during the war made this accomplishment possible on a carrier frequency of 10,000 megacycles - a frequency twenty times higher than any used heretofore in television. The wavelength at such a frequency is only three centimeters.

A new method of transmission used in the demonstration permits sound-and-sight signals to be carried on the same wave. The sound is transmitted during the very brief periods when the scanning beam is inactive and insures high fidelity reproduction.

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FCC AUTHORIZES RADAR TO BE USED ON FERRYBOAT

The Federal Communications Commission has granted its first approval for the civilian use of radar. Radar equipment will be used experimentally on a ferry operating in Puget Sound, Wash. The agency authorized the Raytheon Manufacturing Co., New York, to install on the SS Kalakela such experimental radar equipment. The company plans to develop radar in connection with radio aids to commercial marine navigation.

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"OBSCOLESCENCE MEANS PROGRESS", SARNOFF DISCUSSING TELEVISION

Addressing radio editors at the television demonstration in the RCA Laboratories at Princeton, N.J., David Sarnoff, President of the Radio Corporation of America, said:

"This is the first of a series of postwar progress reports on the advance of television. What has been accomplished in today's demonstration is the result of years of research and the expenditure of millions of dollars in pioneering and development.

"Our research men and engineers have built a practical all-electronic television system for the transmission and reception of excellent pictures in black-and-white. There is every reason why television should go ahead as a service to the public.

Warning that obsolescence in television is a necessary part of its progress, General Sarnoff pointed out:

"In a science, art and industry so vast in scope and possessing possibilities for unlimited growth as television, obsolescence is a factor which the public and the broadcaster must always face as a guarantee of progress.

"There will be obsolescence in television systems, transmitters and receivers. The purchaser of a receiving set, or the licensee of a transmitter, buys his receiver or installs his transmitter with the knowledge that he is pioneering in the development of a new service. Obsolescence will and must take place. When and how soon obsolescence occurs will depend upon the ingenuity and creativeness of the scientists and engineers within and outside of the radio industry.

"Similarly the network operator makes an investment in the new art as part of his obligation to the public.

"We do not fear obsolescence; we welcome it", said General Sarnoff. "That is why American industry continues to research and to make progress. Every new development in radio, whether it be a gadget or a system, involves some obsolescence of former methods. A television receiver or a transmitter is no exception. Every new art or business based upon the technical sciences must deal continuously with the factor of obsolescence.

"Assuming that a television receiver bought for \$250 becomes obsolete in five years, the price the owner pays for obsolescence is less than 2 cents an operating hour, if he has program service from 2 or more stations; for a \$150 receiver, less than 1 cent an operating hour. In New York, for example, there will be seven channels from which to choose programs.

"Research and development in television must not be looked upon as a process of obsolescence. Rather it should be regarded as an evidence of progress through which a new service of sight and sound with constantly improved instruments and programs are made available to the American people."

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KOBAK OF MBS AT WHITE HOUSE; LIKEWISE SEES WALLACE

Edgar Kobak, President of the Mutual Broadcasting System, called on President Truman at the White House last Saturday. He was accompanied by Charter Heslep, MBS Washington representative. Incidentally, it wasn't necessary for them to bother about a taxi as the MBS Washington office in Jackson Place is the closest commercial office to the White House, just across Pennsylvania Avenue and within a stone's throw of Barney Baruch's famous Lafayette Park bench.

Mr. Kobak, who came to Washington for the Gridiron Dinner, also had a conference with Secretary of Commerce Wallace, primarily on postwar small business development. Kobak discussed the postwar era with Secretary Wallace and offered fullest cooperation of MBS in any way radio could be of assistance.

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"WHY DOESN'T RADIO USE ITS GREAT VOICE?" McDONALD ASKS

Requested to comment upon an article in the December 1 issue of Billboard titled "Congress Eyes Radio Melon Again", Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago, replied:

"The question of government control and taxation of radio all runs back to this simple fact - that the shoemaker's children generally have poor shoes.

"Radio has access to the public ear. It has never told its story. It was not made by the government. It was made by private enterprise.

"The traffic cop at the corner of 5th Avenue and 42nd Street bossing the cars around feels that they are his property. But he only keeps them from bumping into each other. Other people made them and other people own and are driving them.

"FCC and the government no more created radio than the traffic cop at the corner of 42nd Street and 5th Avenue created the automobile.

"Why does not radio raise its powerful voice and tell the world what it has done through private enterprise?"

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In an article in the Dec. 11 issue of Look magazine, John Cowles, Chairman of the Board of Look and President of the Minneapolis (Minn.) Star-Journal and Tribune, and Vice-President of the Cowles Broadcasting Company, makes a plea for unification of the armed forces on the basis of his observations in North Africa, Alaska, England and Army and Navy installations in the Pacific.

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GOVERNMENT MOVE TO DUMP RADIO SURPLUS HALTED

Threatened revocation of 230 manufacturer-agent contracts for the disposal of radio and electronic surplus was halted and arrangements were made to eliminate trouble spots in the RFC-industry distribution and sales plan at an RMA hearing last week before RFC Director Sam H. Husbands and other RFC and Surplus Property Administration officials.

After listening to RMA spokesmen argue for the continuation of the manufacturer-agent system as the only sound and practical plan for handling vast accumulations of radio surplus, RFC Director Husbands flatly declared he favored continuing the RFC-industry program but expressed a desire to improve its efficiency and effectiveness.

Mr. Husbands proposed that detailed complaints of both industry and the Government be examined by committees representing both parties to the contracts who will recommend whatever changes they believe will improve operations. He immediately appointed a committee of RFC and SPA officials who will work with a committee of RMA representatives to improve the efficiency and effectiveness of the radio surplus disposal system.

Operations of the system with respect to specific segments of the industry were explained and defended by M. F. Balcom, Chairman of the RMA Tube Division; Ernest Searing, for the RMA Parts Division; and W. J. Halligan, for the Set and Transmitter Divisions.

Among the other RMA representatives who participated in the conference were: L. W. Teegarden, of RCA; A. L. Milk, Sylvania Electric Products; E. H. Fritschel, General Electric; Fred F. Ball, of Crosley Corp.; F. S. Boland, Federal Telephone & Radio Corp.; and James D. Secrest, Director of Publications, RMA.

Eight reasons why the radio manufacturer offers the best outlet for radio surplus and the greatest protection to the Government and the public were offered by Bond Geddes, Executive Vice-President of the RMA. He also pointed out that radio surplus to date has been small but that it is now starting to move in sizeable quantities and much more is expected within the next year.

"The real test, as well as the greatest threat, will come when this surplus is unloaded in tremendous quantities on the RFC by the military services", Mr. Geddes said. "It is then that a smoothly-working and established organization, such as is provided for in the manufacturer-agent contracts, will prove its worth. To discard the system now would be to waste all the efforts and time devoted to establishing it by the RFC officials and manufacturers.

"We look upon this arrangement as a partnership deal in which both parties stand to profit if they work cooperatively. Without this cooperation and the arrangements which make it possible, both industry and Government will lose and the public will suffer from the chaos that results."

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TOP FLIGHT RADIO PEOPLE GET POINTERS AT GRIDIRON DINNER

The entrance of the world famous U. S. Marine Band, led by Capt. William F. Santelmann, in their bright red uniforms at the first dinner since the war of the Gridiron Club in Washington last Saturday night, would have been a thrilling subject for color television, if indeed the club ever allows any portion of its unsurpassed entertainment televised. Press reports, except those prepared in advance by the club itself, have always been barred, as has radio. However, many connected with the radio industry were present at the dinner. The list included:

Gene Buck, past President, American Society of Composers; Senator Homer E. Capehart; Gardner Cowles, Jr., President Cowles Broadcasting Co.; John Cowles, Vice-President, Cowles Broadcasting Co.; T.A.M. Craven, Vice-President, Cowles Broadcasting Co.; Marshall Field, Chicago Sun; Marshall Field, Jr., Chicago; Earl Gammons, Director, Columbia Broadcasting Company's Washington office; Earl Godwin, Commentator, Washington; Richard L. Harkness, National Broadcasting Company, Washington, D. C.; Merle S. Jones, Washington, D. C.; Samuel H. Kauffmann, WMAL, Washington D.C.; Robert E. Kintner, Vice-President, American Broadcasting Company, New York City; A. H. Kirchhofer, Buffalo Evening News; Willard F. Knowland, KLX, Oakland, California; Edgar Kobak, President, Mubual Broadcasting System, New York.

Also, Eugene F. McDonald, President Zenith Radio Corp., Chicago, Ill.; Eugene Meyer, WINX, Washington, D.C.; Edgar Morris, Zenith representative, Washington, D.C.; Edward J. Noble, Chairman of the Board, American Broadcasting Co., New York City.; Paul A. Porter, Chairman, Federal Communications Commission; Frank M. Russell, Station WRC, Washington; David Sarnoff, President Radio Corporation of America, New York; Carleton D. Smith, Station WRC, Washington; Niles Trammell, President, National Broadcasting Co., New York; Senator Wallace H. White, Jr., Senate Interstate Commerce Committee; and Mark Woods, President, American Broadcasting Company, New York.

Captain Santelmann, as musical director, was able to give the radio people present pointers on how to put on a show. Although the cast was composed of newspapermen with little time to rehearse, they gave a performance under the magic baton of Mr. Santelmann which would have made Broadway sit up and take notice. Even the veteran trouser Gene Buck was quoted as saying: "I take my hat off to you."

There is but one other speaker - a member of the opposite party - in addition to the President at the Gridiron and this year it was Governor Thomas E. Dewey, of New York. The only reference to broadcasting in the skits was the appearance of Mayor LaGuardia (impersonated by Paul Wooton, president-elect of the National Press Club) along with "Harry Hopkins", "Happy Chandler", and others in a sketch, "It Pays to be a Liberal".

The speech of President Truman was a happy one and it was the general opinion that the dinner was one of the most successful in the entire 60 years' history of the Gridiron Club.

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WAYNE COY IS APPOINTED GENERAL MANAGER OF WINX, WASHINGTON

The appointment of Wayne Coy, assistant to the publisher of The Washington Post, as General Manager of WINX Broadcasting Company, effective January 1, 1946, was announced Monday by Eugene Meyer, President of the broadcasting company. The WINX Broadcasting Co., which is owned by The Washington Post, owns and operates two Washington radio stations, WINX and W3XO.

WINX, a standard broadcast station, has been in operation for the past five years as an independent station serving the Washington metropolitan area.

W3XO, recently acquired from Jansky and Bailey, is the original frequency modulation station in this area. It has been in operation in Washington since 1938 as an experimental and developmental station and has been a leader in the development of frequency modulation as a new and much improved radio service.

WINX Broadcasting Co. is an applicant before the Federal Communications Commission for a license to construct a new metropolitan station in Washington.

Officers and directors of the company, in addition to Mr. Coy, are Eugene Meyer, President, and Charles C. Boysen, Vice-President and Treasurer. Mr. Coy will retain his position as assistant to Mr. Meyer.

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LaGUARDIA LANDS SECOND SPONSOR; ALSO JOINS PM STAFF

The average commentator is usually limited to a single sponsor or lucky if he can get one but not the newest of the radio prima donnas - Mayor Fiorella LaGuardia, who in addition to Liberty Magazine on his ABC national hookup, has signed for a Sunday noon local broadcast over ABC key station WJZ with some big butter and egg people, the June Dairy Products Co. Thus Mr. LaGuardia will continue the Sunday broadcasts in New York City which have made him so famous. Furthermore by way of keeping in touch with the home folks, he will contribute a weekly article to Marshall Field's newspaper PM to be used on Sunday.

It was reliably reported that Mayor LaGuardia would receive something like \$50,000 from his newest account, the Dairy people, which of course will be in addition to his time on the air for Liberty Magazine, the latest estimate of which is around \$150,000 a year. This, with the Dairy broadcast, would put him in the \$200,000 class without taking into account the PM salary, the amount of which is not known.

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NETS ACCUSED OF "ABDICATING" TO PETRILLO TO STYMIE FM

Sensational charges were made against the networks in connection with FM by Ira A. Hirschmann, Vice-President of Metropolitan Television, Inc. in New York Tuesday. He accused the nets of trying to "hold back" the development of FM by purposely "abdicating" to James C. Petrillo, President of the American Federation of Musicians.

Mr. Hirschmann noted, according to the New York Times, that the three networks having FM affiliates in New York took them off the air immediately after Mr. Petrillo issued his demand in October that twice as many musicians be employed if a program were duplicated simultaneously over both standard and FM stations.

"I think the networks have played into the hands of Petrillo by demonstrating his power to force them off the air", Mr. Hirschmann, who is in charge of radio activities for the Federated Department Stores, Inc., continued. "I have no sympathy with Petrillo, but maybe he is not the sinister enemy that he has been pictured. The networks may have used him as a shield against the continuation of FM."

The television executive recalled that in going off the air the networks explained formally that their move was dictated by technical considerations involved in shifting their transmitters to the higher FM band adopted by the Federal Communications Commission.

"A large group of independent FM stations have managed to keep going, however, and they have not had the financial resources of the networks", he pointed out.

Mr. Hirschmann, who directs the operation of FM station WABF, owned by Metropolitan Television, noted that the networks had not specified any date when they proposed to return to the air. He believed that it was time they made a "forthright and bold statement" on their intentions toward FM.

"I want to know when they are coming back", Mr. Hirschmann asserted. "I questioned before the FCC the sincerity of the networks on FM and I still do. If by reaction and frustration they're going to hold FM back they are fighting the demand of the American public for something better in broadcasting.

"The networks don't want to give up something they've now got; they're sitting on the lid of broadcasting. But a better means of broadcasting can't be stopped and neither can new competition."

Mr. Hirschmann suggested that the networks were "afraid" of higher-quality programs that many FM operators proposed to offer.

"Radio has been undersold stupidly and selfishly in not raising its standards, but I don't think they can squeeze much more out of it", he said. "It's time there was competition in excellence and not competition in mediocrity, and that is what FM will offer."

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5 FIRMS NAMED IN FIRST THEATRE TV MONOPOLY SUIT

The Government filed an anti-trust suit in New York Tuesday charging conspiracy which has caused delay in the development of television for use in theatres.

A civil injunction suit by the Department of Justice accused Paramount Pictures, Inc., and others with antitrust violations in the manufacture and sale of "two revolutionary television systems".

"In addition to the usual restraints on competition which flow from illegal cartel arrangements, as a result of this conspiracy commercial developments in this country of an important advance in the television art has been postponed and the opening of a new field of public entertainment and education has been unnecessarily delayed," Joseph Borkin, Department of Justice attorney, said in a statement.

The Government declared that the systems, technically called "supersonic" and "skiatron", involved the use of an outside source of light similar to that used in motion picture projection, thereby allowing television to be shown on screens as large as those in theaters. The images in this way would be enlarged greatly beyond those of the system now commonly in use, the Government added.

The other defendants named were Television Productions, Inc., and its President, Paul Raibourn; General Precision Equipment Corp., and its President, Earle G. Hines; Scophony Corp. of America and its President, Arthur Levey, and Socophony, Ltd., a British concern which took out the basic patents in 1937 and 1939.

The Government charged the defendants divided the world into two non-competitive areas so that Scophony, Ltd. would not compete within the Western Hemisphere; that General Precision & Television Productions would not compete within the Eastern, and that Scophony Corp. of America would not compete in either.

Attorney General Tom Clark, in whose name the suit was filed, said Television Productions was wholly owned by Paramount, and that General Precision was the largest single stockholder in Twentieth Century-Fox Corp. He said stock of Scophony Corp. of America was owned and controlled by General Precision, Television Productions and Scophony, Ltd.

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TAM CRAVEN'S FORBEAR "OWNED" THE WASHINGTON NAVY YARD

Changing the name of the Washington Navy Yard, one of the oldest in the country (which henceforth will be known as U. S. Naval Gun Factory), brought to mind an amusing story about Commodore Thomas Tingey, USN, first Commandant of the Yard, who was the great, great (maybe the great, great, great) grandfather of Commander T.A.M. Craven, Vice-President of the Cowles Broadcasting Company.

Commodore Tingey was thoroughly imbued with the idea that the Washington Navy Yard was not only his to command but that it really was his personal property. And, believe it or not, when he died, he willed it to his daughter.

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LOWEST RADIO-CABLE RATES IN THE WORLD FOR U.S. NEWS

A major step towards making American news available for world-wide distribution at the lowest rates in communications history was made known by Warren Lee Pierson, President of the American Cable & Radio Corporation on Monday. Application for approval of the new service, which will be supplied by the Mackay Radio and Telegraph Company has been filed with the Federal Communications Commission.

This innovation in modern communication will serve to aid materially national policy for the quick and efficient dissemination of news from the United States to important points throughout the world. Under the tariff schedule proposed by Mackay Radio, the cost of press transmission service will be reduced to the level of approximately 1/3 cent a word.

The new service contemplates the use of Mackay Radio's high power transmitters located in New York and San Francisco to blanket the far corners of the world with news and information for simultaneous reception at authorized press receiving points. Predicted upon daily use for eight or more hours during the twenty-four on an annual basis, the new service, according to Mr. Pierson, will make possible the transmission of news to multiple points at the lowest rates in the world.

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INDUSTRY NOT CONSULTED ON RADIO TUBE QUESTIONNAIRE

Following its recent questionnaire to radio set manufacturers for monthly statistics to be turned over to OPA, a questionnaire for similar tube production reports has just been sent by the Census Bureau to tube manufacturers. These overlap the RMA tube statistical reporting service, established several years before the war and in which 100 percent returns are made, similar to the duplication of the set statistics with the RMA set reports. The tube data, however, will not be available to OPA.

The tube questionnaire, like the receiving set reporting forms, were distributed by the Census Bureau without consultation or prior examination by the industry, despite the widely published promises and assurance of the Commerce Department and Secretary Wallace of "cooperation" with industry in the Department's extensive program for securing data from 130 major industries.

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Former Justice Justin Miller of the Court of Appeals, who resigned the judgeship in October to become President of the National Association of Broadcasters, this week was admitted to practice law before the Appellate Court.

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::: SCISSORS AND PASTE :::
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The SRRRL Organizes
(Jack Gould in "New York Times")

The Society to Return Radio to the Radio Listener has a plan. Under its proposal a listener no longer will have to go to the studio and can once again use a radio at home. As with all progress, it was noted, the scheme involves certain radical innovations but, it was added, the SRRRL believes the plan will prove in the public interest and convenience if not necessity. Herewith a summary:

- (1) Shows using studio audience participants will let us all be devils just once by telling what's happening on the stage.
 - (2) Comedians will save their best jokes for when they are on the air and not when the announcer is giving the commercial.
 - (3) A soap opera queen will be jilted right at the microphone instead of the announcer explaining how it happened since yesterday's installment.
 - (4) Radio wits and promising producers will realize that gestures, uproarious props and funny costumes do not come over the loud-speaker.
 - (5) A town somewhere in the world will be mentioned on some program to the accompaniment of absolutely no applause.
 - (6) Participation shows will have their victims exploited at the microphone and not down the street.
 - (7) The control man at the mixing panel will let the tag line of a gag be heard before turning up the applause from the studio.
 - (8) The identity of the murderer in mystery plays will be revealed without keeping the listener on edge through a long spiel in behalf of a commodity with a divine box top.
 - (9) Erudite guests on question and answer shows, in addition to sophisticated banter, will give the answers.
 - (10) All disk jockeys will play disks, not talk.
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Charges Little Flower With Exploiting Himself By Radio
(Westbrook Pegler)

Fiorella LaGuardia * * * * had no excuse to attempt to rate us (the newspapers) below the radio as an avenue of information, because his own present reputation and his consequent earning power as a comedian of the air are the result of his own exploitation of our weakness in his long series of Sunday afternoon antics.

The extent to which he is a creature of publicity was indicated Tuesday, a regular news day, when he got his picture in print two columns wide, biting into an apple. That just wasn't news by any standard. Perhaps LaGuardia was afraid that if he did point out our susceptibility to the dog story we would take the hint and give him the silent treatment which would be very bad for him, because a radio personality who can't keep his name in print, can't survive on radio either.

That is why I think we have been chumps to build up the Eddie Cantors, the Fred Allens and the Charlie McCarthys, not that they aren't nice people but merely that not one word in a thousand that we print about them is news. Meanwhile they work for our business rival, the radio, which takes advertising dollars, most of which otherwise would go to us.

TRADE NOTES

The voting was so light at the election of officers of the National Press Club last Saturday that even though 167 members approved adoption of an amendment which would admit radio news correspondents to active membership, it did not represent a majority of the club roster and therefore failed. This was the third attempt.

Paul Wooton of the New Orleans Times-Picayune was elected President, and Warren Francis of the Los Angeles Times, Vice-Pres.

Hugh M. Higgins, former Sales and Program Promotion Manager for the National Broadcasting Company, Washington, D.C., has been appointed Assistant Director of Broadcast Advertising of the National Association of Broadcasters.

Mr. Higgins entered radio as a sports announcer, newscaster and script writer with the Central States Broadcasting Co., Omaha, Neb., where he became engaged in the promotion of sales and programs. In 1941 he was named Sales and Program Promotion Manager for NBC and the Blue Network in Washington, D.C., leaving that post in 1942 to enter the armed forces.

The report of the American Cable & Radio Corporation and subsidiaries for the first nine months of 1945 shows a consolidated net income of \$1,464,527, after all operating expenses, maintenance, depreciation, and provision for taxes. This compares with a consolidated net income of \$1,487,069 in the nine months to Sept. 30, 1944.

The new RMA Trade Director for 1945-46 will be mailed to RMA members, Government officials, the trade press, and others before the end of the month. It lists 285 members, nearly an all-time high for the Association.

Publication of Capt. Harry C. Butcher's book "My Three Years with Eisenhower" is now set for March by Simon & Schuster. With Book of the Month tieup, it is expected to gross another \$500,000 before the end of 1946, says Variety.

Saturday Evening Post serialization has already brought \$175,000, the biggest figure ever paid out for a serial rights. Negotiations are being made to have book printed in England simultaneously with U. S. release.

The RCA annual Christmas Party will be held in the Rainbow Room, RCA Building, 65th Floor tomorrow (Thursday), December 20th from 4 to 7 o'clock.

DUE TO THE CLOSING OF ALL GOVERNMENT DEPARTMENTS FOR FOUR DAYS, THERE WILL BE NO ISSUE OF THIS NEWS SERVICE ON WEDNESDAY, DECEMBER 26TH.

The United Kingdom Government has approved a plan for the change-over of the radio industry's production from war to peace equipment, according to a report received by the U. S. Department of Commerce. It was anticipated that new sets would be available this Fall, but that they would be in a limited supply until early 1946. The new sets were expected to be similar to prewar models but considerably higher in price. The bulk of the new production was expected to be in the price range of £15 (\$60 United States currency) or under, exclusive of purchase tax.

RCA Victor has granted a general increase in the rates of salaried employees which sets a new minimum and raises by 10% the earnings of the majority of salaried workers. The increases, effective December 15, apply to all RCA Victor salaried employees to whom such increases could be granted without wage negotiations, according to the announcement. For all such employees the new structure establishes a minimum semi-monthly rate of \$50 and grants a 10% increase to those now earning up to and including \$378 per month.

"The new policy will benefit the great majority of salaried employees of RCA Victor", Mr. Folsom stated. "Designed specifically to raise the income of workers earning up to \$4,500 per annum, the new rates are being put into effect by RCA Victor in consideration of current economic conditions."

The new Farnsworth 1946 velvet action Type P-50 Automatic Record Changer employs the use of three shelves, instead of the usual one or two shelves, which reduces to the minimum chipping and enlarging the center hole of the record, according to E. S. Needler, Manager of the Special Products Sales Division of the Farnsworth Television & Radio Corporation.

H. R. Ekins, news commentator of Radio Station WSYR, in Syracuse, said he had received threats of bodily harm unless he stops or moderates his criticism of participants in what he terms, "industrial strife".

Mr. Ekins, who was expelled from Italy in 1939 by the Italian government for his writings as a United Press bureau manager, said he has received both letters and telephone calls threatening himself, his wife and their 4-year-old son. Mr. Ekins asserted he had not criticized either labor or management unfairly, nor had he taken sides.

British radio problems were discussed by Richard W. Cotton, Vice Chairman of the British Parts Manufacturers' Federation at a meeting of the RMA Export Committee meeting in New York. He stated that the official British production quotas for one year from next June were one million sets, 400,000 for export, and 600,000 for the home markets.

Carl J. Hollatz, General Manager of the Radio Receiving Tube Division of Raytheon Manufacturing Co. has announced the appointment of L. R. O'Brien as General Sales Manager of the Division. He was Director of Sales for the Ken-Rad Tube and Lamp Corp. at Owensboro, Kentucky.

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