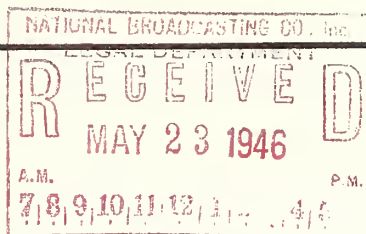


HEINL RADIO BUSINESS LETTER

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WASHINGTON, D. C.



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No. 1727

May 22, 1946

HERE'S YOUR "CHICAGO TRIBUNE" HOT OFF THE RADIONIC PRESS

Hardly less interesting than the FM outlet of WGN, Chicago, flashing a 4-page miniature Chicago Tribune to the suburban home of its publisher, Col. Robert R. McCormick, was the down-to-earth comment on the part of Colonel McCormick who, being both a publisher and a broadcaster, seemed to be inclined to let the accomplishment speak for itself. Ordinarily such a history-making event would have been the occasion for some powerful speeches, the presence of the Governor, the Mayor, and possibly a Senator and a Congressman or two. Or at least, there would have been some earth-shaking prognostications as to what FM facsimile newspaper delivery (that's what Tam Craven calls it, a new way to deliver newspapers) might or might not do to the publishing business.

Instead, sidestepping any unnecessary fanfare, Colonel McCormick, who was once quoted as saying to his editors, "Remember when you stick the Tribune's neck out on anything you write that it is my neck you are sticking out", evidently preferred to expose his precious neck as little as possible. As he received the first edition of the baby "Trib" off the "radionic press" at Contigny Farms, 29 miles from the Tribune Tower, he said simply that he had set up the facsimile machine in his home because he didn't intend to be caught napping by any inventions.

"I do not know what facsimile is anymore than I knew what radio was 20 years ago", continued Colonel McCormick, "but we are going to find out all about it. There is no doubt that radio is constantly developing. FM, television, facsimile are all new. We can't resist these advances. We've got to go with them.

"Facsimile may prove too costly. The recorders cost more than \$400 now and the paper used for the printing is expensive. We don't know who will use it. Perhaps freight ships, with their small crews, would find it useful. The men could pass the copy around. It may be that it would be of service in fishing camps. Farmers at a distance from the city might be interested in a facsimile edition."

According to Larry Wolters, Radio Editor of the Chicago Tribune, the transmission of the first facsimile edition with pages four columns wide and 7-1/8 inches long required 28 minutes. New techniques and equipment soon to be available to The Tribune will triple the transmission speed. The Tribune's editorial staff is producing the facsimile edition, with the aid of the mechanical departments of the newspaper.

Farmers and other rural area residents sometimes complain because newspapers reach them late - after they have heard the latest news on sound radio. Facsimile editions transmitted at the breakfast hour would carry last minute news.

The Tribune will continue its broadcasting of facsimile editions, probably for the present on Tuesday, Thursday, and Saturday mornings. A facsimile recorder is to be installed at the Tribune's public service office, 1 South Dearborn Street, where spectators may see it in operation.

Because of the requirements of the facsimile scanner (sender) and recorder (receiver) the columns of news matter in the facsimile edition are 1-12 of an inch narrower than The Tribune's columns, which run two inches. News for the facsimile edition must be specially set on the linotypes for it. Photographs are converted into half-tones. The type is set in the composing room and the pages are made up there. Then a proof is made of each page on enamel (glossy) paper.

These pages of news copy are placed one after another on a revolving drum associated with the scanner at the WGNB transmitter in Tribune tower. An electric eye scans each minute detail of copy and translates each gradation of black into an electrical impulse, which in turn is converted into a sound signal and is put out through the air by WGNB.

The radio signals are picked up through an FM receiver and relayed to the facsimile recorder. A roll of damp white paper, which has been chemically treated to make it electro-sensitive, feeds through this recorder. The recorder (or printer) passes an electrical impulse through the sensitized paper at every point where any gradation of black appears in the original copy. The action of the electrical impulse on the paper (it's somewhat similar to electro-plating) turns it black and thus a "reasonable facsimile", if not an exact reproduction, is obtained. In quality, the copy printed by facsimile somewhat resembles the product of photo-offset processes.

The facsimile recorder is about the size of a typewriter. It may be manufactured for mounting in its own cabinet to be attached to an FM set already in the home, or it may be built into a radio console by the manufacturer.

The facsimile pages emerge from a slot in the top of the set at the rate of an inch in a minute.

New machines on order, tripling the speed, will permit a larger page of $9\frac{1}{2}$ by 12 inches. Thus transmission of 28 square inches of printed matter a minute will become possible.

Besides news and photographs, such matters as maps, graphs, comic strips, and crossword puzzles can be sent through the air.

Although there was no mention as to what make of apparatus the Chicago Tribune used, there was an announcement sometime ago that 20 publishers and broadcasters had played an important part in backing to the amount of \$250,000 the development of the facsimile broadcasting process of John V. L. Hogan. Among the contributors listed were WGN, Chicago Tribune, WINX, Washington

Post; WOL, Cowles Publishing Company, Washington, D. C., WEEH, New Bedford (Mass.) Standard Times and others.

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SEN. CAPEHART TELLS SEN. PEPPER ABOUT LABOR UNIONS

During a discussion of the labor situation in the Senate the following exchange took place between Senator Capehart (R), of Indiana, former radio manufacturer, and Senator Pepper (D), of Florida:

Mr. CAPEHART. I would be unable to hire the Senator from Florida, if he should come to one of my factories and seek employment, if he refused to join the union. The manufacturer does not have the right to hire whomsoever he wishes if the applicant does not belong to a union.

Mr. PEPPER. If the Senator employs a group of workers who belong to a union, and John Smith comes to him and says, "I want a job in your plant", does the Senator violate any statute by hiring that man?

Mr. CAPEHART. I would be unable to hire him unless he first joined a union.

MR. PEPPER. Who says so?

Mr. CAPEHART. The contract. I could not hire him, by virtue of the contract.

Mr. PEPPER. Yes; by virtue of the contract. But the contract is not a law. The Senator contracted with his workers to the effect that he would not employ nonunion labor.

Mr. CAPEHART. Yes; but I was forced to enter into such a contract, because if I had refused to do so the union would have struck and refused to work.

Mr. PEPPER. The Senator contracted with the workers because if he had not done so they would not have worked for him, and he wanted their services. However, that is not John Smith's fault. The law did not compel the Senator to sign a contract with his workers, did it?

Mr. CAPEHART. In my personal case, no; because I never had any strikes. I am talking about a principle.

Mr. PEPPER. Oh, yes.

Mr. CAPEHART. The principle is that I would be unable to hire the Senator from Florida if he should come to my plant and seek employment unless he joined the union. The Senator has said that I was not compelled to enter into a contract with the union. Of

course, in my particular instance, I voluntarily entered into such a contract. But in many cases, as the Senator knows just as well as I do, unless the employer does enter into a contract and adopt the closed-shop principle, he will be unable to operate. Now, let us be realists.

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GENE THOMAS, WOR, FIRST RADIOMAN TO HEAD N.Y. AD CLUB

Looking around for somebody to help him put the famous old Atwater Kent broadcasts on the map (the most successful musical programs of their time and equal to the best today), Tom Shipp, Washington publicist and himself no slouch at beating the bass drum, found two pretty good boys. One was Bill Hassett, later White House secretary and the only one on the job when President Roosevelt died. The other was Eugene S. Thomas, who last week appeared blinking, blushing and modestly triumphant as (so N.Y. dispatches say) the first radio man to be elected to the presidency of the Advertising Club of New York. For years Sales Manager of WOR, Mr. Thomas reached the top of the golden stairs as Sales Manager of the Bamberger Broadcasting System.

Whether Gene was actually born in Washington, nobody seems to know, as apparently no one can remember back that far (his latest picture looks like Major Bowes) but records at the Oldest Inhabitants Association show that in 1921 he was working as a reporter on the Washington Herald and in rapid succession thereafter the Daily News and the Star. Said records also say that he was "educated" at George Washington University (though we'd say the National Press Club could have had something to do with it).

Also a credit line might be given to the Harvard Business School from which he graduated in 1934. Then he joined the H. W. Kaslor Advertising Company in Chicago as Manager of the Radio Department. Shortly thereafter he went to WOR which led to his being appointed Sales Promotion Manager. The fact that WOR sales have tripled since Gene Thomas took over, however, are simply coincidental - at least he would be apt to say so if you asked him about it.

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WOL PRESENTS RECORDINGS TO TRUMANS

"The Voice of Washington", General Electric-sponsored newscast heard over WOL-Washington at 11:00 P.M. nightly, devotes portion of newscast to birthday salutes and profile of outstanding Washingtonians.

With President Truman being saluted on his 62nd birthday, WOL recorded five minute salute and profile and Walbert Warner, WOL news head, presented both President Truman and daughter, Margaret, with the recordings made by Frank BLAIR, WOL staffman.

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STRATOVISION FLIGHT TESTS REPORTED FULFILL PROMISES TO FCC

Progress of tests of the new system of airborne television and FM radio transmission under development by Westinghouse and the Glenn L. Martin Company was reported as highly satisfactory by Westinghouse, Vice-President Walter Evans, discussing the technique of the development at a meeting of the Radio Executive's Club in New York today (Wed. 22)

"Results have been most encouraging and we have transmitted a usable signal over a distance of 240 air-line miles from an altitude of 25,000 feet using only 250 watts of power. These results agree almost exactly with estimates made when the system was announced last August.

"We are certain that Stratovision holds the answer to transmission problems which have delayed television and FM expansion by limiting their services to big-city audiences only", Mr. Evans continued. "There is every reason to believe that the system will break these fetters and that the day is not far distant when economically practical television and FM radio services - for farm and city homes alike - will be available all over the land.

"Tests now have progressed to a point where additional reports on coverage are needed. To this end we plan to borrow a page from the earliest days of broadcasting and invite FM receiver owners to listen and report reception. Test broadcasts will be on a frequency of 107.5 megacycles and we will be ready within the next several weeks to announce a regular schedule of flight times and courses for these public-participation checks."

Transmission characteristics of both television and FM have been studied during flight tests, Mr. Evans said. Television work has centered around the problem of "ghosting", the annoying out-of-register viewing which occurs when a receiver picks up a signal by two different wave paths - one in direct line from the transmitting antenna, the other by reflection from some intervening object. FM data have been obtained on transmission in the new band above 100 megacycles by a constant recording of field strength of a carrier wave, both modulated - that is with voice or music superimposed - and unmodulated.

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ELLIOTT AND FAYE TRY OUT AS MAN-AND-WIFE RADIO TEAM

Evidently Elliott Roosevelt has determined to stage a comeback via radio. Following the debut tonight (May 22) with his motion picture actress wife Faye on Hildegarde's "Penguin Room" program, Elliott and Faye have been booked to participate on "Information Please" next Monday, May 27th (NBC 9:30 P.M. EDT)

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CONGRESS FIRING ALLEGED FCC REDS PRESENTS PRIZE TANGLE

Offering the argument in the U. S. Supreme Court in the case of Goodwin B. Watson of the Foreign Broadcast Section of the Federal Communications Commission and William E. Dodd, Jr., another FCC employee and Robert Morss Lovett, Executive Assistant to the Governor of the Virgin Islands, as evidence of the confusion caused by the decision of the U. S. Court of Claims, now under consideration by the highest court, Representative John H. Kerr (R), of North Carolina, had a brief synopsis of the various contentions reprinted in the Congressional Record (May 14-A2809) as reported by the United States Law Week of May 7th.

Messrs. Watson, Dodd and Lovett ousted by Congress for alleged subversive activities though strongly defended by former President Roosevelt, former Secretary of Interior Ickes and ex-FCC Chairman Fly, continued to work at their posts and when finally separated from the positions filed claims for back pay.

The U. S. Court of Claims unanimously awarded judgment to the plaintiffs but, according to the Law Week report "the court was by no means unanimous as to the ground on which the recovery should be allowed. Chief Justice Whaley delivered the 'Opinion of the court' in which Judge Littleton concurred. This opinion did not reach any constitutional question. It held that section 304 had not terminated the plaintiffs' employment but had merely prohibited the disbursing agencies from paying their salaries. The opinion went on to rule that the prohibition did not apply to the payment of judgments of the Court of Claims and that, since the rider had not destroyed the obligation to pay for services rendered after November 15th, the plaintiffs were entitled to judgment. Three other judges of the Court of Claims, however, deemed the rider unconstitutional, Judges Whitaker and Madden also believed that it violated the Fifth amendment. Judge Jones wrote that 'Section 304, in making a permanent ban on the rights and privileges of the (plaintiffs), exceeds the authority delegated to the Congress by the Constitution.'

"Another unusual factor in the case is that, although the plaintiffs and the Solicitor General urge affirmance, they both seek such affirmance on grounds other than that relied on in the opinion of the court below; that is, they both seek to have the rider declared unconstitutional. It therefore appears that all parties before the Supreme Court are in agreement that Chief Justice Whaley and Judge Littleton were in error."

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Senator Burton K. Wheeler (D) of Montana, radio leader in the Senate, heads the list of the 10 Senators and 23 House members who will be opposed for reelection this year by the Political Action Committee of the CIO. Senator Wheeler's primaries will be held in July.

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STALLING ON CLEVELAND BASEBALL BROADCASTS IRKS SHUT-INS

The heat is being put on the Cleveland baseball club and the city's four radio stations to get at the bottom of why hospitals and shut-ins and others are being deprived of baseball broadcasts in Cleveland this season. The man at the steam gauge is Stanley Anderson, editor of the Cleveland Press.

Ed Paulen, Manager of WJW made this statement:

"Two years ago we offered the ball club \$27,500 for rights to play-by-play broadcasts. However Mr. Bradley (Club President) attempted to dictate the choice of the sportscaster for these broadcasts, a choice which has been and always will remain a prerogative of the station."

WGAR has offered to carry the games. After clearing financial obligations the club, despite changing starting hours, etc., insisted on a station guarantee to carry 100 games. The best WGAR could do was 75, about half the schedule, after eliminating night games and double headers because of previous commitments.

WHK, in which the ball club is known to have financial interests through interlocking directorates, finds itself tied down with network commitments and time headaches.

WTAM, which first carried the ball call broadcasts, found its contract canceled for WCLE, located with WHK in the Terminal Tower. WCLE was given a three-year and then five-year contract, ending its broadcasts only when it was forced to separate from WHK because of FCC rulings.

When asked about the situation, Mr. Anderson of the Press said:

"WGAR is negotiating behind scenes for possible community fund and Cleveland Sesqui-Centennial tieup for what games can be salvaged from remainder of season. This has been under way for three weeks but no one seems to be getting anywhere. WGAR is reported to be asking for option on next season's games in deal so station can figure programming ahead of time. Some hope for next season lies in possibility new AM station may be established here in next few months without net affiliation. Also rumor club may be sold to group of men more disposed to advertising advantages of broadcast."

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Stacy May, formerly Assistant to the President and Economist of the McGray-Hill Publishing Company, has been appointed Director of Economics and Research of the RCA International Division.

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RADIO SETS TO COST FOUR TO FIVE PERCENT MORE

Radio receiving sets shipped by manufacturers after May 16th will cost consumers four to five per cent more, on the average, than they are paying today for the same items, the Office of Price Administration said last week. Any sets now in stock at retail stores or in the process of shipment remain subject to the former maximum prices.

The additional four or five cents on the dollar that consumers will pay for the new sets goes almost wholly to manufacturers, to cover wage and materials costs increases sustained since reconversion prices were set last Fall, OPA said. Distributors and dealers will neither gain nor lose, dollar-wise, on the new prices, which, on the average, are the old prices plus the dollar-and-cent amounts of the manufacturer's increases.

In order to effect this pricing pattern, the percentage margins formerly set up in the radio regulation have been somewhat lowered, since the old dollar profits will now be measured against new and slightly larger cost bases. An exception is made, however, in the case of sets retailing under \$21. On these the dealer will take his former percentage mark-up on the new cost, and thus enjoy a slightly larger dollar margin on sales. This provision should encourage dealers to handle more of the relatively inexpensive sets, OPA said, and so benefit consumers looking for sets in this price line.

The increase amounts to eight percent at the manufacturing level. It is sufficient to return to producers all that is now allowable under the wage-price program, OPA said. As before, manufacturers will calculate wholesale and retail prices, and preticket all units.

Maximum prices of auto radios are not affected at any level of sale by today's action.

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28,000,000 SOON TV ASSN. FIGURES

The Federal Communications Commission has granted construction permits to nine applicants in cities where television service is not now available.

As a result of the FCC's action, according to a survey just completed by the Television Broadcasters' Association, an additional 5,046,974 persons living within radiating distances of the proposed new stations, will be receiving television service as soon as these new stations can be erected. This figure, added to the 23,332,277 persons living in cities where television stations are now operating or will soon be on the air, brings the potential television audience to 28,379,251, according to the survey.

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RALPH ATLASS, WIND, CHI., DEFIES UNION BY HIRING NEW CREW

Ralph Atlass, President of WIND, Chicago, quickly brought to a showdown a jurisdictional dispute between members of International Brotherhood of Electrical Workers by firing two operators and continuing station operation with an entirely new crew. It was widely reported that this was being done as the first test of the Lea Bill but that was denied by officials of WIND, who said they had not considered the new legislation in connection with the Chicago walkout.

It was said there today (Wednesday) that WIND is now operating on a full 24-hour schedule. Also that since the station is using all new operators that it raises the question as to whether WIND can now negotiate with the union since they no longer represent the station's employees.

Also it was said that the walkout was called without a strike vote contrary to IBEW regulations. Union members working on other stations were reported to be unhappy over any assessment by the union of ten dollars per week for a strike fund.

WIND has employed six non-union, ex-soldier engineers to maintain operation of the station following the walkout of the regular staff of IBEW members. The outlet's technicians struck at 6 A.M. on Monday. The station was off the air for three hours until the arrival of the station's executive personnel, which handled the controls until the ex-Army men could be engaged.

WIND's technicians walked out Monday in a demand for the hiring of a stand-by engineer during the period when WIND was using the studio of WBBM (CBS outlet in charge of H. Leslie Atlass, CBS Western Vice-President, and a brother of Ralph) to put on the air two of its Sunday sustaining programs, one the broadcast of an A. Capella Choir scheduled from Orchestra Hall, the other being WIND's regular "Northwestern Playshop". This arrangement resulted from dimout restrictions, which made it necessary to originate the shows from the broadcast studio. Under the arrangement with WBBM, that station's engineer was provided to pipe the shows to the WIND studio, where a WIND engineer would send them on to the WIND transmitter in Gary, Ind.

The Union, Local 1220 of the IBEW-AFL, demanded that WIND provide a standby engineer at WBBM, contending that the station must use its own engineer for programs piped in from other points.

Ralph Atlass, President of WIND, refused the demand, pointing out that this would require a doubled engineering staff on certain programs with half of them merely standing by doing nothing. He also emphasized that the station's current contract with the Union contains a no-strike clause, also that it permits the station to accept remote programs without using its own engineer.

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GE TO DELIVER TV RECEIVERS IN AUGUST AT ABOUT \$300

The General Electric Company's plans for production of black-and-white television receivers and television transmitting equipment were announced last week. They expect to make the first television receivers available to the public in August or September in areas where stations are now operating or will soon be on the air. This model will use the ten-inch direct-view picture tube. It will also incorporate the standard broadcast band. The price is expected to be around \$300.00.

Other sets for black-and white picture reception will follow shortly thereafter and will be of the projection as well as direct-view types. All these television sets will be made at the Bridgeport, Conn., plant.

General Electric television transmitters and related studio equipment are now being manufactured in the G.E. factor at Syracuse, N.Y. Present plans call for delivery of this equipment to broadcast customers early in 1947.

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ABC PURCHASES THE VANDERBILT THEATRE

The American Broadcasting Company, Inc., has exercised its option to purchase the Vanderbilt Theatre at 148 West 48th Street in New York City, which it has leased since August, 1944.

The Vanderbilt Theatre seats 568 persons and is said to be the only radio theatre which has incorporated that standby of the legitimate theatre - the prompter's box into radio. In place of the prompter's box, ABC has installed in the front of the stage an electronic director's booth connected to the control room.

With the acquisition of the Vanderbilt, ABC now has all the theatre facilities it needs, for the network also uses the Ritz Theatre and the ABC 58th Street Studio, formerly the original John Golden Theatre, both of which are leased on a three-year basis.

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KHON, HONOLULU, JOINS MUTUAL DON LEE NET

Station KHON, Honolulu, Hawaii, joins the Mutual Don Lee Network July Fourth to become station No. 41 of the regional web and No. 302 of the coast-to-coast Mutual skein, it has been announced by Lewis Allen Weiss, Vice-President and General Manager of Don Lee and Vice-Chairman of Mutual. Owned and operated by the Aloha Broadcasting Company, Ltd., the station, now under construction at Kalia, Waikiki in Honolulu, will have a power of 250 watts, 1400 kilocycles.

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TV EXPERTS WORKING WITH NAVY ON SUPERSONIC GUIDED MISSILES

The Farnsworth Television & Radio Corporation revealed that it is taking part in Navy development of guided missiles to operate at supersonic speeds.

Models of such missiles have achieved a speed of more than 1,100 feet per second for short periods during free flight tests, the company said. The missiles are to be remotely controlled by electronics.

Present activity is concerned with the obtaining of data necessary to meet special problems in the relatively unexplored field beyond the speed of sound. It was pointed out that little is presently known about the aerodynamics, thermodynamics, reliability of materials or the desirable configuration of vehicles for satisfactory performance at speeds above 800 miles an hour.

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G.E. NAMES NEW STATIONS MANAGERS

G. Emerson Markham, for many years identified with radio broadcasting activities in the General Electric Company, has been appointed Stations Manager, it has been announced by R. S. Peare, G-E Vice-President in charge of Advertising, Broadcasting, and general publicity.

Mr. Markham will coordinate and supervise the non-technical functions of pioneer broadcasting station WGY, frequency-modulation station WGFM, and television station WRGB, all in Schenectady. Until now Mr. Markham has managed WRGB and WGFM, and has been in charge of science and agricultural broadcasting on WGY.

The appointment of Raymond W. Welpott, Jr. as Assistant to the Stations Manager, was also announced by Mr. Peare. Mr. Welpott has been in the General Accounting Department, in charge of broadcasting accounts.

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ANTI-SALOON LEAGUE AGAIN WHACKS RADIO LIQUOR ADS

Two of the resolutions passed at the recent annual convention of the Anti-Saloon League of America in Washington, and printed in the Congressional Record this week at the request of Senator Capper (R), of Kansas, were:

"We protest against proliquor propaganda in many moving pictures and the advertising of intoxicants in radio programs."

"We endorse the efforts of the Reverend Sam Morris, of San Antonio, Tex., our Anti-Saloon League field and radio speaker, in behalf of fair allocation of time on radio stations for temperance broadcasts."

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PHILCO INCREASES COMMON STOCK TO 3,370,057 SHARES

Philco stockholders at their annual meeting last week adopted an amendment to the Corporation's charter increasing the authorized capital stock of the Corporation from 2,000,000 shares of common stock to a total of 3,370,057 shares, to consist of 250,000 shares of \$100 par value preferred stock, 2,500,000 shares of \$3 par value common stock and 620,057 shares of \$3 par value "B" stock. The "B" stock will represent the same number of shares of common stock which are now issued and owned by the Corporation, and will eventually be cancelled.

The management announced that it is planned to raise approximately \$10,000,000 of additional capital this year, but final plans have not yet been made for the sale of any of the preferred or common stock authorized.

The Philco Board of Directors Monday declared a dividend of twenty cents per share of common stock payable June 12, to stockholders of record June 1, 1946.

With production of civilian goods hampered by parts shortages and strikes in suppliers' plants, sales of Philco Corporation in the first three months of 1946 totaled \$14,218,351, as compared with \$38,046,306 in the first quarter last year when the Company was fully engaged in war work.

Under the conditions that have prevailed so far this year, normal manufacturing volume and efficiency could not be attained, and in the first quarter of 1946 Philco Corporation sustained an operating loss of \$2,569,471, subject to tax credits under the carryback provisions of the tax law estimated at \$2,500,000, which reduced the net loss for the quarter to \$69,471, John Ballantyne, President of the Company said.

In the first three months of 1945, net income amounted to \$846,109 or 62 cents per share of common stock.

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GREAT BRITAIN FAVORS CABLE-WIRELESS BILL

The House of Commons in London Tuesday passed, on second reading, the Government's bill to nationalize Cable and Wireless, Ltd., a world-wide chain. A second reading in the Commons is tantamount to passage.

Although Conservatives criticized the bill presented by the Chancellor of the Exchequer, Hugh Dalton, they did not press their opposition to a vote nor attack the legislation with the vigor that had characterized their policy on the Government's other nationalization measures. The Dominions have been insistent on a change of the communications system, to which they are bound, from private to public ownership, and the Conservatives did not want to appear in opposition to them. Moreover, many Conservatives, particularly some members of the former Coalition Government, have favored the step.

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 ::: SCISSORS AND PASTE :::
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Who Gets The Gravy On \$150 Surplus Radio Sets For \$45?
 (Phelps Adams in "New York Sun")

Five separate congressional investigating committees were rooting into what many of their members believe will prove the most malodorous and shocking scandal in modern American history: A scandal involving the ultimate disposition of \$100,000,000,000 worth of the Government's surplus property by the War Assets Administration.* * *

There is the matter of 10,000 handy two-way radio sets. These short-wave transmitting and receiving sets were built for lend-lease account to be used on British and Russian tanks. They cost the Federal Government \$1,140 apiece. An official in charge of sales for the eastern division of WAA had arranged for their sale to a New York department store at \$150 each. The department store had received a sample and was clearing floor space in its store for them, when another WAA official - not in the sales department - turned the sets over to a manufacturer-agent who in turn sold them to a competing New York department store where they were sold to the public at \$78.50 each.

The Federal Government, instead of receiving \$150 apiece for these 10,000 units, actually got \$45 apiece for them. The taxpayers lost a total of \$1,050,000 on the deal. * * *

A manufacturer-agent of the WAA sold \$120 worth of quartz crystals, received the correct commission of \$12 on the sale, plus expenses which now amount to \$15,761. Further sales of this product have been barred by regulations designed to create stock piles of strategic materials. The agent has therefore asked to be relieved of his contract, but until the Treasury can make arrangements to take over this supply and keep it, the Government must pay the agent's warehousing charges and expenses.* * *

In all, the WAA has disposed of \$176,000,000 worth of electronics and communications equipment, from which the cash receipts have been \$15,000,000, of which \$5,000,000 went to manufacturers' agents for commissions and expenses, leaving a net to the Treasury of only \$10,000,000 - or less than 6 percent of its original outlay.

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The Announcer And The Lady
 ("Washington Post")

Lady Baden-Powell, founder of the Girl Guides of England, went to Charleston, W. Va., a few days ago for a Girl Scout celebration. She was taken to the studios of Station WCHS, where the announcer tried to ease what he thought might be her pre-broadcast nervousness by asking the perfunctory question, "And how do you like West Virginia, Lady Baden-Powell?". . . Her ladyship drew herself up haughtily and replied, "Young man, I didn't come here to discuss my personal likes and dislikes with you. I merely came to broadcast for the Girl Scouts, and I should like to get on with the broadcast

as soon as possible." . . . "Ma'am", said the startled announcer, just before they went on the air, "I will not consider this your Good Deed for the day."

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Denny's A Bug On Radio; Foresees 100 TV Stations, 2000 FM
(by Brack Curry of the Associated Press)

Charles R. Denny, 34, FCC's Acting Chairman, is a bug on radio. When he leaves work he goes home to more radio. He has five sets in his home - short-wave, television, high-frequency, combination radio-phonograph and a frequency modulation (FM) set.

I just mentioned radio and he ranged practically the entire field from FM to how he learned the Morse code. While he talked he pulled one leg under him and sat on it, like a schoolboy.

He said 100 television stations probably will be on the air by the end of 1947 and that in three years 2000 FM stations likely will be constructed.

"It's up to the Commission", he stressed, "to get out television permits so stations can be built. The public will buy television receivers as fast as they are built - if there is some prospect of immediate service."

On weekends you may find Denny zipping along some of Maryland's country roads astride a bicycle. Another diversion is crooning ditties he learned at Amherst in the early 30's. His wife accompanies him on the piano.

As regular as Saturday afternoon comes around he goes to the zoo with his two small daughters.

Denny is an Episcopalian and a Democrat. Friends say he is not a politician. He has lived most of his life in the voteless District of Columbia.

He doesn't smoke but will take a social drink.

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Birds Of A Feather - Petrillo And John L. Lewis
("Washington Star")

James C. Petrillo and John L. Lewis have shown themselves to be resourceful in devising new and unusual ways of raising money for their respective unions. They have a worthy competitor, however, in the person of James Hoffa, business agent for the locals of the Teamsters' Union in the Detroit area. * * * * Hereafter, Mr. Hoffa has decreed, the teamsters will haul food only to the shops of those grocers who agree to pay a monthly "permit fee" of from \$2 to \$5. The indignant grocers, asserting that this is a form of "tribute", have said that they will not pay it. But the chances are that they will.

("Washington Post")

It is clear from the examples of Messrs. Lewis and Petrillo, in whose company Mr. Whitney may soon be found, that our union satraps have it in their power to hold the Nation up to ransom, and are not above using it. This is a revolutionary development. And the issue must soon be faced by Congress unless it wishes to recognize rival governments by default. In the meantime the search for powers to check these manifestations of governmental usurpation is engaging men who feel that our basic institutions are imperiled by the new development.

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TRADE NOTES

A new direct high-speed radiotelegraph circuit between New York and Belgrade, Yugoslavia, was opened Tuesday by RCA Communications, Inc., Thompson H. Mitchell, Executive Vice-President, announced. The Belgrade terminal is operated by the Yugoslavia Telegraph Administration.

Don McNeill, m.c. of the Breakfast Club, originating in Chicago and broadcast over the American Broadcasting Network, took time out to salute and congratulate Station WNBH, New Bedford, Mass., on its 25 years of broadcasting. To which we would like to add our congratulations.

The OPA has authorized resellers of mica capacitors, which are used in practically all high voltage electronic circuits, effective May 27, 1946, to pass on the percentage increases in their net costs resulting from a previously greater increase in manufacturers' prices. Formerly, war requirements took the total output of these products and resellers were not involved.

Honoring Samuel F. B. Morse, inventor of the electric telegraph, his first message, "What Hath God Wrought", signed by Miss Margaret Truman, daughter of the President, will be flashed from the Capitol in Washington by radio-facsimile to a moving train, Friday, May 24th, the 102nd anniversary of the sending of the first message.

The event will mark the end of weeks of tests by the engineers of the Baltimore and Ohio Railroad, Bendix Radio Division, and Press Wireless Manufacturing Corp., which developed the facsimile equipment.

Cross-country flight by private pilots can be immeasurably safer through the use of revolutionary new radio equipment which will make available for the first time to private fliers the radio navigation and landing aids used by military and commercial pilots.

The equipment was demonstrated at the closing session of the New York State Aviation Council's convention at the Westchester County Airport, White Plains, New York, by the Federal Telecommunication Laboratories. Federal engineers developed both the very high frequency (VHF) system of radio range beacons, which are now replacing the old low frequency beacons as the radio markers of the nation's airways, and the instrument landing system.

The International Review of the International Telephone and Telegraph Corp., includes in its contents for May the following articles: "Via the Moon - Moon radio circuit under development"; "ACR Services Communications Needs of the U.N." - special branch office of American Cable & Radio handles conference traffic; and "World Wide Building Program Highlights I.T. & T. Peace Plans."

A collective bargaining agreement between the American Broadcasting Company, Inc., Central Division, and the Radio Writers Guild was signed this week in Chicago. The contract, which pertains solely to Chicago staff news writers, calls for a 40-hour, five-day week, with time and one-half for overtime. Minimum starting salary for staff news writers, effective March 1, 1946, through January 15, 1949, is \$235.00 per month; with ten percent salary increase after one year and ten percent increase after two years. Apprentice's minimum salary, not over six months, is \$185 per month.

A complete ship's radio station in one compact unit, wholly developed since the war's end, was revealed at the National Marine Exposition at Grand Central Palace Monday by the Marine Division of Mackay Radio and Telegraph Company, whose engineers originated the Marine Radio Unit idea in 1941 for the Maritime Commission, and developed the present unit.

The new "console" combines, in one-third less space and with 15 fewer controls, functions which would require five separate pieces of apparatus in even the most modern versions of other marine radio equipment, and, in addition, eliminates ten storage batteries required of earlier all-in-one models.

Taking a crack at set makers who are still fighting the FCC regulation moving FM upstairs, FCC Commissioner Clifford J. Durr revealed at the Ohio State radio meeting at Columbus, that 85 radio manufacturers replied to an FCC questionnaire that an estimated 22,000,000 receiving sets were scheduled for production in 1946.

"Yet", he declared, "of these 22 million sets only 1,800,000, or about 9% are to contain FM bands. In the interest of the rapid development of FM it is to be hoped the American public will demand manufacturers make such improvements available", he said.

Dr. Jose Fornas, Secretary of the Spanish performing right society, SGAE, arrived by plane from Madrid last week. Professor of Composition at the Madrid Conservatory of Music and Speech, Dr. Fornas is visiting the United States as guest of the American Society of Composers, Authors and Publishers.

Leslie Boosey, President of the Performing Right Society, Ltd. of Great Britain, is arriving shortly in the United States as an observer in the Copyright Conference, to be held under the auspices of the Pan-American Union in Washington, D.C., on June 1st.

Sidney Sparks has been elected Vice-President and Traffic Manager of RCA Communications, Inc. Mr. Sparks joined the company as Traffic Manager last September after serving for almost two years as Officer in Charge of the War Department Signal Center, Washington, D.C. Before entering the Signal Corps in October, 1942, Mr. Sparks, a Texan, was Superintendent and Division Sales Manager for the Western Union Telegraph Company in New York.

A CBS News Release Correction states:

"A CBS release dated 5/20/46 incorrectly stated that CBS correspondent Bill Downs would be aboard the actual bombing plane to broadcast a description of the Joint Army-Navy tests of atom bombing on surface craft off Bikini Atoll. As a matter of fact, only military personnel will be on the bombing plane. Actually, Bill Downs won the correspondent's toss for the prime vantage point on the observation plane which will follow the course of the aircraft carrying the atomic missile.

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