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Robert D. Heintz, Editor

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No. 1799

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## FTC BLASTS PHILCO FOR "LOTTERY SCHEME", "PUBLIC DECEPTION"

There was a sensation in the radio manufacturing industry this week when the Federal Trade Commission cracked down on the Philco Corporation of Philadelphia, one of the biggest concerns in the country, for alleged "use of a sales promotion plan involving a lottery scheme, deception of the public and disparagement of competitive methods."

James J. Carmine, Vice-President of Philco called the FTC charges "wild" and "without foundation".

"If the FTC means what it says, it is attacking existing court decisions, selling methods in a wide variety of industries, and standard retail practices. The FTC is trying to take all the incentive out of selling", Mr. Carmine said.

"If they knew the facts the Commission would realize that similar incentives to the Philco program are being offered by a great many companies in the radio, electrical appliance and numerous other fields."

The Federal Trade Commission complaint is directed against the respondents' "Sell 'N Win" campaign, which is allegedly designed to induce sales personnel of independent dealers to push the sale of the Philco line, which includes radio receiving sets, combination radio-phonographs, electric refrigerators, radio tubes and other parts and accessories. To this end, according to the complaint, cash awards and other prizes are being offered to salesmen on the basis of their sales of Philco products.

Prizes of merchandise are awarded by means of "points" accumulated by a salesman for each Philco product he sells, the complaint charges, and, in addition he receives "Lucky Number" coupons, entitling him to a "chance" in drawings for new automobiles and substantial cash awards.

The plan is alleged to be violative of the Federal Trade Commission Act in the following respects:

The offer of cash awards and valuable prizes to the salesmen of retail merchants and jobbers is an inducement to push the sale of Philco products "in preference to, and to the exclusion of", competitive products, "with the effect of stifling and suppressing competition" in the manufacture and sale of radios and related products in interstate commerce.

Concealment from the public of Philco's "subsidization" of the retail salesman results in "general deception" of purchasers who assume that salesmen will give "impartial advice as between different brands of radios."

The award of prizes by means of a drawing constitutes a game of chance, lottery of gift enterprise, which is "contrary to public policy."

The plan has the effect of causing salesmen to represent that Philco products are the "best buys" on the market and to be "reluctant" to show customers other brands, to the disparagement and detriment of such competitive products, the complaint alleges. The result, it adds, is that the public, ignorant of the "pecuniary influence" exerted on the salesmen by the respondents, is "misled" into buying Philco products to the exclusion of others.

The action of the Federal Trade Commission in citing Philco was approved by a leading radio manufacturer who said:

"I think the move by the government will clean up the entire industry and result in products being sold on their merits.

"There are two different phases of this. One, it was purely a lottery, which Philco agreed to and did withdraw. That was the giving away of automobiles and cash prizes by a drawing from numbers mixed up in a barrel.

"The other is the giving of prizes that are earned by the number of Philcos sold.

"I am enclosing the double spread sheet that tells of the lottery and the other prizes. I'm also sending a photostat of a letter that was put out by one of their distributors in which the distributor admitted it was a lottery and said not to use the mails.

"The whole story is this, that after four years of meetings, the Radio Manufacturers' Association recommended certain fair trades practice rules which were adopted by the Federal Trade Commission in 1939 which Philco is now violating. We're going to have chaos in this industry if this is not stopped, as other manufacturers will have to give similar prizes in self protection and then we'll be back where we were in 1939, selling prizes and giving away radios."

The National Better Business Bureau put out a press release last week in New York before the FTC complaint was issued, which read in part:

"The Philco Corporation has rejected a recommendation of the National Better Business Bureau to abandon a promotional plan which the Bureau considers unfair to competitors and misleading to the public.

"Originally the program also provided that for every sale of a Philco, the salesman was to receive coupons for a "Lucky Number" drawing for monthly cash awards and grand prizes, including five automobiles and additional cash awards. This feature of the plan was recently discontinued by the Philco Corporation after complaints to it alleging that the elements of a lottery were involved.



"Just how many sales clerks have been pushing Philcos for the hidden inducements offered is unknown, but the National Better Business Bureau condemns the practice as misleading to customers and unfair to competitors.

"When customers enter a store selling more than one make of radio, they have a right to expect that such merchandise is in free competition, and that the sales clerks are not influenced by special inducements to divert customers from a free choice to one particular make.

"The Federal Trade Commission has condemned this type of promotion in a Trade Practice Rule for the Radio Receiving Set Manufacturing Industry which declares, among other things, that it is unfair trade practice for any radio manufacturer to give sales clerks handling two or more competitive brands of radios, "push money", or "spiffs" or any other bonus, gratuity or payment as an inducement to push the sales of his produce over competing products, with the effect of causing the consuming public, when buying, to be deceived into the erroneous belief that such salespersons are free from any such special influences."

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#### WOULD-BE BROADCASTERS SHOULD READ NEW FCC ECONOMIC REPORT

It would take a couple of Philadelphia lawyers to figure out many portions of the 100 mimeographed paged "Economic Study of Standard Broadcasting" issued last Tuesday by the Federal Communications Commission. Nevertheless, it is one of the most comprehensive documents ever turned out by the Commission and doubtless will be studied and referred to by the industry for many a long day to come. The volume should be particularly valuable to prospective broadcasters.

The report's introduction reads:

"The high level of earnings and the interruption during the war of normal expansion necessitated by the critical materials conservation program have since V-J Day brought about an extraordinary fermentation in the broadcasting industry. While, on October 8, 1945, after a history of 24 years, there were 909 commercial standard broadcast stations authorized in the United States, by February 7, 1947; 16 months later, approximately 600 new stations were either on the air or under construction and more than 700 applications were still pending for new stations. By the end of 1948 there will undoubtedly be more than 2,000 AM stations in operation.

"The Commission itself has encouraged this phenomenal growth by following in its licensing policy the principle of free competition laid down by Congress in the Communications Act. Under it the Commission, in licensing a new station, has not considered the economic effect upon existing stations or upon the new station itself in a given community or area. Doubtless such a policy in some instances has been financially painful to both the existing and the



new stations, but, on the whole, the Commission believes the good resulting from this Congressional policy has far outweighed the bad."

Typical of the manner in which questions are raised and answered in the report is the following:

"Q. How many of the new stations are profitable and what factors principally affect profitability?"

"A. Half of the 250 new stations were profitable according to the criterion established for the study. The presence or absence of competing stations in the community, and the size of the community are important factors affecting the profitability of the new stations.

"Of the 250 new postwar stations on the air, 118, or almost half were in new radio communities of less than 50,000 population. New radio communities are communities receiving their first station after October 8, 1945. Two out of three of these stations were profitable. On the other hand, almost two out of three of the new stations entering old radio communities were unprofitable. Fifty-six new stations were in communities of less than 50,000 population which already had one or more stations. Of this group 22 or somewhat better than one out of three were profitable. Lastly, 76 new stations were in old radio communities of 50,000 population or over. Of this group, 22 or somewhat better than one out of three were profitable. Lastly, 76 new stations were in old radio communities of 50,000 population or over. Of this group, 26 or barely one out of three were profitable."

Roughly speaking the new FCC Economic Study covers the following topics:

Part I. Postwar Increase in AM Stations - Section 1. Benchmark characteristics of station distribution in relation to population on V-J Day; Section 2. Financial experience underlying the expansion; Broadcast revenues and expenses by class of station; Analysis of losing stations; Financial experience of local, unlimited stations in communities of less than 50,000; Section 3. Nature of the increase in AM stations since V-J Day; Relation of stations to population; Section 4. Indications of possible "over-expansion"; Section 5. Financial experience of new postwar stations; How much does it cost to get a station on the air? How many of the new stations are profitable and what factors principally affect profitability? How long does it take for a new station to become profitable? How profitable have new stations been? What are the revenue requirements of the new stations?

Part II. Growth of the Revenue Pie. Section 1. The size of the total advertising revenue pie; Will total advertising expenditures in the future be larger or smaller than in the past? Section 2. Competitive and business activity factors affecting the volume of broadcast revenues; How has the total newspaper, broadcast, mag-

azine revenue pie been divided? What factors will affect total broadcast revenues from the supply side of the market for radio time?

Part III. The Competitive Economic Outlook for Broadcasting. Section 1. Effect of postwar expansion on competitive relationships; In unexpanded radio communities; In new single-station radio communities; In new multi-station radio communities; Expanded radio communities; Section 2. General competitive factors affecting the economic outlook for broadcasting; General factors favorable and unfavorable to the expanded broadcast industry.

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#### McINTOSH SUCCEEDS MILES AS HEAD OF NEW FREQUENCY DIVISION

A. L. McIntosh will succeed Paul D. Miles as Chief of the Federal Communications Commission's Engineering Department Frequency Service-Allocation Division and as the Commission's representative on the Interdepartment Radio Advisory Committee, effective on or about December 15, 1947.

The Commission also changed the title of the Frequency Service-Allocation Division to the Frequency Allocation and Treaty Division, since all treaty functions were transferred to the Division.

Mr. Miles has been designated as the member from the United States on the new International Frequency Registration Board at Geneva, Switzerland. This board was created by action of the International Telecommunication Conferences at Atlantic City this past Summer, and Mr. Miles was unanimously elected as the first Chairman of the Board. While Chairman of the International Frequency Registration Board, he will serve ex officio as the Chairman of the Provisional Frequency Board, the body created by a resolution of the International Conferences to prepare the new International Frequency list.

Mr. McIntosh, who is now Assistant Chief of the Frequency Service-Allocation Division, served with Mr. Miles as a member of the United States delegation to the recent Radio Administrative Conference at Atlantic City.

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The Exchange Club of Arlington, Va. has presented a television set to patients of Eric Bowditch Hospital School, at Ruxton, Md., near Baltimore. The hospital school, project of the Maryland and District of Columbia Association to Control Epilepsy, is said to be the first and only such school in the country for epileptic care.

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## LONG HAIRS SCORE KNOCKOUT WHEN WQQW TRIES PROGRAM SWITCH

WQQW in Washington, D. C., which was started by a group of radio reformers and idealists but soon found itself in the red, never received a greater surprise in its stormy history than last week when its new General Manager, M. Robert Rogers, without warning, tried the experiment of substituting a popular music program for a classical offering which had been a regular feature during the morning hours of from 7 to 9 A.M. but which had never been able to attract any commercials.

No radio station's switchboard ever lighted up like a Christmas tree more suddenly than WQQW's did that morning. The lone announcer, submerged with telephone calls, handled as many as he could while the records were being played but hit upon the happy idea of putting telephone calls, received between records, on the air - that is his responses were heard and the radio audience got a pretty good idea what the irate complainants were saying, some of it evidently unfit for broadcasting or the delicate ears of the FCC. The abrupt switch from Bach, Beethoven and Liszt by the New York Philharmonic, Philadelphia and London Symphonies to the "St. Louis Blues" played by Richard Flanigan's orchestra, seemed to be a little more than they could bear.

It apparently didn't appease listeners to learn that symphonies would be heard later in the day because, as they explained, the early morning hours were the only ones they could listen to. "No, the station hasn't changed hands", the distracted announcer was heard to say over the telephone, "it has just changed music".

The next morning letters began pouring in. In these there appeared to be a predominant note and that was if WQQW cut off its classical music in the morning the listener would turn off his radio and not listen to anything. Another listener explained that he was turning off his set because all 19 stations in the Washington Metropolitan area (13 standard and 6 FM) during the 7 to 9 A.M. period played exactly the same type of "popular music". This he pointed out included WINX, the Washington Post station modelled along the lines of WXQR, New York Times outlet and for the most part devoted to classical music. In the morning WINX goes along with the rest of the jazz boys.

After a stormy week in which WQQW first experimented with playing so called "good music" one morning and popular the next, the station capitulated and returned to the original standard program. In the meantime, there was a constant appeal to the listeners to advise the station which kind they preferred.

Finally, last Saturday, Mr. Rogers, Manager, took the air to announce the results of the vote. He said he was just out of the Army, had only been on the job a few weeks and confessed he was even new to radio. Mr. Rogers said he was a professional musician and

had received an M.A. degree at Harvard and the present classical program was his personal preference but that he naturally wanted to give the listeners their choice. Mr. Rogers apparently expecting the opposite, said he was amazed by the response; that in the fore part of the week, 3,300 letters and telegrams had come in which he believed by the end of the week would increase to 5,000. This, he thought, indicated that the morning classical program had an audience of between 20,000 to 30,000 listeners. Equally surprising to him was the fact that those writing in were practically unanimous for the classical programs. It was learned from another source that the letters asking for popular music programs were so few that the station didn't even count them.

Because advertisers seemed so skeptical of the drawing power of classical programs, Mr. Rogers said that he had written to a cross section of 300 of those who asked that the programs not be withdrawn asking if they would be willing to pay \$1 a month to hear the morning programs and that the response had been most satisfactory. However, in view of the amazing interest shown, Rogers said he would renew his efforts to secure commercials for those hours but if wrong again, he might try out the \$1 a month idea.

Until then WQQW will continue with Beethoven, Bach, Handel, Wagner, and their highly respected but never very affluent colleagues.

Sonia Stein, Radio Editor of the Washington Post, wrote:

"What did surprise the station - and also gave it something concrete to tell prospective sponsors - was the avalanche of mail that descended. The office is a mess of paper and WQQW doesn't care..

"It has known all along in its heart that it had plenty of listeners for its classical shows and now it can prove it. \* \* \*

"Pierson Underwood, music and program director, has a smile a mile wide as he opens the mail that comes pouring in, because his point of view is being so handsomely vindicated. \* \* \*

"Said the listeners:

"'If we wanted to hear juke-box noise, there are plenty of other stations in Washington to furnish it.' \* \* \*

"'A Navy officer sent a telegram: "Please by all means play classical music 7 to 8 A.M., or send rebate for car radio purchased for sole purpose of listening to that classical program." \* \* \*

"Admiral Chester Nimitz' aide called to cast the Admiral's vote for the classics. (The Admiral's daughter, Nancy, has lent many records to "The Collector's Corner" program).

"Letters came from employees of the State Department, the Corcoran Gallery of Art and the British Foreign Office.

"One listener offered to lend his 4000 classical records, many of them collector's items."

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## N.Y. DAILY NEWS FINALLY LOSES FM; NEWSPAPER OWNERSHIP BLOW

A surprising move Tuesday was the Federal Communications Commission reversing itself and again manifesting anti-newspaper ownership policy by denying the New York Daily News' application for one of the much sought frequency modulation channels in New York City. The FCC had tentatively approved the News application six months ago despite protests from the American Jewish Congress charging the paper with racial bias.

The Commission said in its reversal it found "no basis for modifying the views expressed in its memorandum opinion of April 9, 1947", granting the motion of The News "to strike from the record herein all evidence adduced by the Jewish Congress relating to the contents and policies" of The News.

Commissioner Clifford J. Durr, however, dissented to this. He believed, as he did originally, that the evidence presented by the AJC "was entitled to weight and should have been considered adversely to News Syndicate Company, Inc., in a competitive hearing of this kind."

The FM channel which had been tentatively allocated to the News was given instead to the Radio Corporation of the Board of Missions and Church Extension of the Methodist Church.

The Commission order stated in deciding whether the fifth channel should go to the News or to WLIB owned by the New York Post:

"We have repeatedly recognized", it stated, "that in comparative hearings, such as this, if all other factors are equal the public interest is generally better served by preferring non-newspaper applicants over newspaper applicants, since this promotes diversity in the ownership of media of mass communication and competition in the dissemination of news and information.

"Accordingly, while the two applicants here involved (The News and WLIB) have both the financial resources and the staff necessary to execute their respective proposals and each has a well-balanced program service, a majority of the Commission believes that the remaining applicants ought to be preferred because they do not have such newspaper connections."

Commissioner E. K. Jett dissented on that point. He thought that The News Syndicate "made a superior showing and that a grant of its application would promote competition between newspaper-owned Class B FM stations in New York City, since at this time The New York Times is the only New York newspaper authorized to operate such a station."

Commissioner Rosel H. Hyde felt that the reason given for denying the News and WLIB application "is not applicable".

The other four FM grants in New York City were WMCA, Inc.; the Unity Broadcasting Corporation of New York; the American Broadcasting Company, Inc., New York, and the North Jersey Broadcasting Company, Inc., Paterson, N. J.

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#### HARTLEY WOULD AMEND TAFT-HARTLEY LAW TO INCLUDE PETRILLO

Further indications that Representative Fred A. Hartley, Jr. (R), of New Jersey, intends to try to do something about James C. Petrillo, AFM boss was in a Chicago speech in which Mr. Hartley said he would put Petrillo's threat to halt recording up to Congress. In Representative Hartley's opinion one way to keep Petrillo from disrupting the production and distribution of phonograph recordings would be to make labor unions liable under the Clayton and Sherman Anti-Trust Laws for acting in restraint of trade, the same as business firms now are liable.

"If Petrillo persists in his announced intention of halting the making of recordings, I am going to propose the reintroduction of Title No. 3 of the original Taft-Hartley bill as passed by the House", Representative Hartley asserted. "This part of the bill made anti-trust laws applicable to labor monopolies as well as to business monopolies."

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#### SYLVANIA EARNS \$1.60 PER SHARE AGAINST 65 CENTS LAST YEAR

Sylvania Electric Products reports for the nine months ended September 30, 1947, consolidated net income of \$1,907,375, equal to \$1.60 per share on the 1,006,550 shares of common stock outstanding after deducting dividends on the \$4 cumulative preferred stock. This compares with \$954,566 or 65 cents per share on 1,005,000 common shares in the first nine months of 1946.

Net sales for the nine months ended September 30, 1947, were \$69,394,419, an increase of 54 per cent over the sales of \$44,962,081 for the corresponding 1946 period. The report states that it is estimated that 1947 sales will approximate \$100,000,000. The 1946 volume was approximately \$69,000,000.

For the three months ended September 30, 1947, net sales were \$21,638,054 against \$16,774,353 for the third quarter of 1946, an increase of 29 per cent. Net income for the September quarter was \$368,398, equal to 27 cents per share compared with \$693,098, or 29 cents per share in the third quarter of 1946.

The report states that third quarter results this year were affected by lower sales volume, the annual shutdown for vacations, and certain other factors of a non-recurring nature that affected profits in this period.

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FCC DELAY MAY BE BAD BREAK FOR COY; WALKER AT WHITE HOUSE

If, as generally supposed, President Truman's officially designating Commissioner Paul A. Walker to be Acting Chairman of the Federal Communications Commission, means that a permanent Chairman will not be appointed until the next regular session of Congress in January, it may prove a bad break for Wayne Coy, of WINX, Washington, if, as reported, Mr. Coy has been offered the chairmanship to succeed Charles R. Denny.

Ever since the name of Coy, a Roosevelt New Dealer, has been mentioned, there have been increasing signs of a fight on his confirmation by the Republicans. This culminated in an attack on Coy last week by Carroll Reece, Chairman of the Republic National Committee.

It is understood that President Truman has decided not to send any names to the Senate for confirmation during the special session to avoid unnecessary political scimmages. If this is true and President Truman intends to appoint Mr. Coy, it will give the Republicans much more time to organize an effort to block the appointment.

Mr. Coy was quoted as saying he would accept the appointment if he could be assured there would be no fight over him in the Senate.

Commissioner Walker called at the White House Tuesday but it is believed this was simply to pay his respects to Mr. Truman following the President's designating Mr. Walker Acting Chairman.

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163,530 TELEVIEWED IN CHICAGO WITHOUT HARDLY KNOWING IT

Although WGNA, WGN's television station, is not yet on the air, 163,530 persons have viewed a WGNA demonstration and seen thousands at the Chicago Tribune's prize homes exhibit in the past two weeks.

The engineering staff set up their camera in the garage of one of the homes, and as visitors moved into the garage, they passed in front of a television camera - many of them without realizing they were doing so. Suddenly they saw themselves on the face of a television receiver in front of them.

WGNA expects to be on the air with a test pattern before the first of the year if necessary equipment now on order is delivered.

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# "FOUR NETWORKS ESSENTIAL TO BMB SUCCESS", STANTON, CBS

"Support by each of the four networks is essential to the continuing success of the Broadcast Measurement Bureau", Frank Stanton, President of the Columbia Broadcasting System, said Tuesday in a letter to Hugh Feltis, President of BMB.

"If one of the four major networks refuses to support BMB, and instead promotes a competing plan for coverage measurement, the whole cause of uniform radio measurement is in serious trouble", Mr. Stanton said. "Because we feel that substantial division within the industry would be fatal, CBS has executed its BMB subscription contracts on the condition that each of the three other major networks shall also sign BMB network subscription contracts. We hope that no effort will be spared to arrive at a formula which will make possible a system of measurement which can be solidly backed by the radio industry."

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## RCA TOTAL GROSS FOR 3RD QUARTER JUMPS \$61,378,414

Total RCA gross income for the wrd quarter of 1947 and the first nine months of the year from all sources amounted to \$224,982,605 in the first nine months of 1947, compared with \$163,604,191 in the same period in 1946, an increase of \$61,378,414.

Net income, after all charges and taxes, was \$12,233,758 for the first nine months of 1947, compared with \$8,226,329 in 1946, an increase of \$4,007,429.

After payment of Preferred dividends, net earnings applicable to the Common stock for the first nine months of 1947 were 71.1 cents per share, compared with 42.2 cents per share in the first nine months of 1946.

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## WFMR, NEW BEDFORD, TURNED OVER TO BROADCASTERS OF TOMORROW

New Bedford's frequency modulation station WFMR observed FM Day last week by turning over most of its programming to a group of High School students who are members of Junior Achievement companies.

"Frequency Modulation has been acclaimed as the radio of tomorrow", said Acting Manager Tom Wertenbaker, "so we are turning WFMR over to these broadcasters of tomorrow."

Two Junior Achievement groups, Talent Unlimited and the JA Broadcasting Company participated in the occasion. Students edited and read the news, broadcast a sports commentary, ran a disc jockey show, and made station breaks.

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## DR. SHACKELFORD, OF RCA, NEW RADIO ENGINEERS' PRESIDENT

Dr. Benjamin E. Shackelford was elected last week President of the Institute of Radio Engineers for the year 1948, and Dr. Reginald L. Smith-Rose of England Vice-President.

Dr. Shackelford is Manager of the License Department of RCA International Division, New York. Dr. Smith-Rose is Superintendent of the Radio Division, National Physical Laboratory, Teddington, Middlessex, England.

For Director-at-large, for the 1948-1950 term, the following members were elected: James E. Shepherd, Research Engineer of the Sperry Gyroscope Company, Inc., Great Neck, Long Island, N.Y.; Dr. Julius A. Stratton, Professor of Physics and Director of the Research Laboratory of Electronics, Massachusetts Institute of Technology, Cambridge, Mass.

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## COMMUNIST RADIO TALK CUT-IN BLAMED ON BREAK IN RECORD PLAYING

Startled radio listeners tuned in to Station WMAL in Washington last week, suddenly heard the words "Communist propaganda" cut in on a radio talk by former trust-buster Thurman Arnold.

Program Director Gordon Hubbel told callers it wasn't the work of subversive forces, but a break in playing back a recording of a transcribed half-hour program, sponsored by the Committee for the First Amendment.

In the broadcast, Arnold and others in Hollywood, New York and Washington criticized tactics of the House Committee on Un-American Activities in its Hollywood investigation. As the records were being changed, said Mr. Hubbel, only the last two words of this phrase spoken by Mr. Arnold were picked up, "without shadow of proof that motion pictures have been made the vehicles of Communist propaganda."

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## PHILIPS DOMINATES BELGIAN TUBE MARKET; O.K. FOR U.S.

Production of radio receiving tubes in Belgium is much greater than before the war but is still far below the needs of the market, the U. S. Commerce Department is advised. A good market exists for United States products, but imports have been limited by slow deliveries. Large quantities are imported from the Netherlands.

Production of radio receiving tubes in Belgium is controlled by the Societe Anonyme Belge Philips. Between 600,000 and 700,000 were manufactured in 1946, according to trade estimates. Consumption is estimated at from 2,000,000 to 2,500 tubes per year. Imports during 1946 were estimated at 2,500,000 tubes, of which about 1,100,000 came from the Netherlands and 400,000 from the United States.

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::: SCISSORS AND PASTE :::  
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Claims Truman European Speech Didn't Rate Free Broadcast  
 ("Chicago Tribune")

Mr. Truman had no sooner informed the leaders of Congress that he intended calling a special session than he commandeered all the broadcasting facilities of the country for an address to the citizens. Mr. Truman made it clear that his party was not to be billed for his time on the air. He pretended that this was not to be a partisan speech.

In fact, it was that and nothing else, Mr. Truman is seeking to dominate the Republican Congress and by doing so to fasten unbearable expense and a totalitarian regime on this country. Mr. Truman is determined, among other things, to have no surplus in the Treasury to condemn his vetoes of the tax reductions voted by Congress.

The President's action presents to the Republicans in Congress a great opportunity to serve the nation. Their task will not be an easy one. They must resist not only the attempt of the White House to domineer, and not only the stream of propaganda which will mount into a torrent by the time Congress convenes, but also the influence of such nominal Republicans as Rep. Eaton and Sen. Vandenberg.

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Petrillo Has His Eye On The Taft-Hartley Law  
 ("Variety")

Here, in effect, was Petrillo's reasoning when he squared off for his conversation piece with the handful of radioites. It's simply a case, he argued, where he's got to maneuver a deal with the networks to retain the status quo, rather than add additional musicians. He's convinced that when station contracts expire, the managers are going to chop off a lot of heads. That under the guise of the Taft-Hartley law, the network affiliates in particular are going to content themselves with the coast-to-coast musical pickups and discard local musicians.

Petrillo said that already it's meant a loss of \$150,000 in musicians' wages since the enactment of the law, with 76 musicians getting the axe, and he's of the opinion by the time the four-network contract expires Jan. 31, it's probable that an additional \$2,000,000 revenue will be lopped off through the release of several hundred additional musicians.

Thus Petrillo cited as foremost the need to put pressure on the networks to convince their affiliates to retain their present staffs of musicians. If he wins out on that point, he said, the rest should be easy. But he figures he's going to have trouble on that point.

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Few Found Listening To "Voice Of America"; Only A Whisper  
(John S. Knight in "Chicago Daily News")

We have consistently criticized the "Voice of America short-wave radio program as a naive adventure in futility.

Still, we have seen much merit in foreign libraries of information and the general informational work that could be performed by capable State Department representatives abroad.

Representative Mundt of South Dakota now reports that the Congressmen who have been visiting Europe found great numbers of people crowding into U.S. libraries of information, but relatively few listening to or being impressed by the "Voice of America" radio program.

Europeans have been exposed to German, British and Russian radio propaganda for so many years that they could hardly regard our programs in any other light.

But they are hungry for facts and that is what we should give them through properly equipped centers of information manned by qualified American representatives.

In Europe, the "Voice of America" is only a whisper.

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Again The Old Threat Of Press And Radio Censorship  
(John S. Knight in "Chicago Daily News")

One of the most alarming and significant stories of the week was the disclosure by the Minneapolis Star and Tribune that the Truman administration is planning to throw a censorship blanket over the activities of the Federal Government.

This unprecedented departure from our traditional peacetime "no censorship" policy would effectively muzzle the press by suppressing at the source information to which the American people are rightly entitled.

Hamilton Robinson, Chairman of the Security Advisory Board of the State War and Navy co-ordinating committee, has admitted to the Star and Tribune that a "secrecy code" has actually been drafted and sent to the White House.

If such a directive is issued by President Truman, all federal agencies will be gagged under a rule forbidding the disclosure of so-called "confidential" information.

Confidential information is described in the proposed censorship directive as "information the unauthorized disclosure of which, although NOT endangering the national security, would be PREJUDICIAL to the interests or prestige of ANY nation, ANY governmental activity, or an individual; or would cause administrative EMBARRASSMENT or DIFFICULTY."

Peacetime censorship of governmental affairs is a studied insult to the intelligence and patriotism of the American press and radio, whose wartime record of suppressing ONLY vital security information and refusing to censor ANYTHING else safeguarded our freedom of speech without endangering American lives.

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TRADE NOTES

There is a fine portrait by Styka of the late Lt. Gen. James G. Harbord, former Chairman of the Radio Corporation of America in the October issue of Radio Age.

Also numerous special articles including "Electronic Tube-Painting"; "New Tube Detects Leaks in Vacuums", "Pasteurizing Milk by Radio" and "Television Progress", an address to NBC affiliates at Atlantic City by David Sarnoff.

A less than 25 pound wire recorder, which completely eliminates complicated handling of wire by utilizing a "plug-in" cartridge is now being marketed by RCA. Operating on 110-volt AC untouched, it records up to 30 minutes and returns to exact starting point on the wire for immediate play-back.

J. Harold Ryan of Toledo, Vice-President of Fort Industry and former President of the National Association of Broadcasters, has a double in Washington - Nelson T. Johnson, former U. S. Ambassador to China and later to Australia. How they would look side by side is a matter of conjecture but the other day a friend of Mr. Ryan mistook Mr. Johnson for the former completely.

More than three-fourths of all radar equipments installed on U.S. vessels since V-J Day have been manufactured by Raytheon Manufacturing Co., of Waltham, Mass., says a press release from that company which continues. "This is revealed in data abstracted from the official license files of the Federal Communications Commission. As of October 4, 1947, a total of 288 radar licenses were granted by the FCC. Raytheon made 219, or 76% of all equipments, as against 69, or 24%, made by other manufacturers."

Nearly 450,000 people went through the turnstiles at Britain's first postwar radio show at Olympia in London breaking all records. Also a new record was hung up for business transacted.

Fred Allen is switching from sponsorship by Standard Brands, Inc., to the Ford dealer associations. The Allen program will continue as usual in its present period, 8:30 to 9:00 P.M. Sunday nights, EST, over the full NBC network.

A Christmas gift package of replacement batteries for owners of "personal" or midget-type radios and attractively packaged in holiday colors, will be offered as a dealer extra profit item by the RCA Tube Department.

A "matched-power" package, RCA's gift kit contains six of its widely heralded "Sealed-in-Steel" radio "A" batteries, and one "B" battery - enough "A's" to last the life of the "B".

List price of the new RCA gift battery kit, which is being sold exclusively through RCA servicemen and dealers, is \$3.19.

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