# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.

JAMES W. BALDWIN, Managing Director

# NAB REPORTS

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#### BROADCAST REVENUE IN WEST NORTH-CENTRAL STATES

Total receipts of 63 broadcast stations in the West North-Central states from sale of radio time during 1935 was \$5,689,765, acording to the Bureau of the Census in the seventh report of the new census of business series on the broadcasting business. The report includes 14 stations in Missouri, 10 in Nebraska, 10 in Iowa, 9 in Kansas, 8 in Minnesota, 6 in North Dakota, and 6 in South Dakota.

## RECOMMENDATION AGAINST ST. LOUIS CHANGES

Broadcasting Station WIL, St. Louis, Mo., applied to the Federal Communications Commission to change its frequency from 1200 to 1250 kilocycles, and to increase its power from 100 watts and 250 watts LS to 1,000 watts. At the same time the Star-Times Publishing Company applied to the Commission for the erection of a new station at St. Louis to use 1250 kilocycles, 1,000 watts power and unlimited time on the air.

Examiner R. H. Hyde, in Report No. I-246, recommends that both of these applications be denied. It was found by the Examiner that the record does not show public need for additional radio facilities in the proposed area. The Examiner found also that "the service of the new station proposed in either application would be restricted by interference during nighttime hours."

#### RECOMMENDS DENIAL OF WTJS CHANGES

Broadcasting Station WTJS, Jackson, Tenn., applied to the Federal Communications Commission to increase its power from 100 watts and 250 watts local sunset, to 250 watts and 500 watts local sunset, and to change its frequency from 1310 to 920 kilocycles. It asked that its unlimited hours of operation be left without change.

Examiner Ralph L. Walker, in Report No. I-244, recommended that the application be denied. The Examiner states that "operating as proposed at night, WTJS will be limited to approximately its three millivolt contour as compared with the normally protected

#### NOTES TO THE SALES STAFF

Broadcast advertising showed greater gains over the preceding year in May than were experienced in April. (See Developments of the Month, page 1412.)

The continued showing of strength on the part of national non-network volume, and its rise in May, contrary to the usual seasonal downswing, is indicative of further sales opportunities in this field. (See Total Broadcast Advertising, page 1413.)

Lagging local sales volume in recent months constitutes a problem with which every sales staff should be concerned. Business conditions do not warrant the degree of lag which has occurred. (See Total Broadcast Advertising, page 1413.)

Live talent national non-network business has re-

Live talent national non-network business has resumed its upward movement of the past year or more, following several uncertain months. (See Non-network Advertising by Type of Rendition, page 1413.)

Transcriptions are going strong in both the national and local fields. (See Non-network Advertising by Type of Rendition, page 1413.)

one millivolt contour of stations as of the regional class. . . . The nighttime coverage of WTJS would be distinctly less than that normally expected from a regional assignment."

#### SECURITIES ACT REGISTRATIONS

The following companies have filed registration statements with the Securities & Exchange Commission under the Securities Act:

Gold Hill Operating Company, Tacoma, Wash. (2-2248, Form A-1)

Eastern Blenders, Inc., Wilmington, Del. (2-2249, Form A-1)
Hoberg Paper Mills, Inc., Green Bay, Wis. (2-2250, Form A-2)
Basin Gold Mines, Ltd., Montreal, Canada. (2-2252, Form A-1)
Stanley Gold Mines, Ltd., Montreal, Canada. (2-2253, Form A-1)

Douglas Aircraft Company, Inc., Santa Monica, Calif. (2-2254, Form A-2)

Mutual Management Company, Jersey City, N. J. (2-2255, Form C-1)

Gar Wood Industries, Inc., Detroit, Mich. (2-2256, Form A-2) Albuquerque Natural Gas Co., Chicago, Ill. (2-2257, Form E-1) Copper District Power Company, Ontonagon, Mich. (2-2258, Form A-1)

Northern Illinois Finance Corp., DeKalb, Ill. (2-2259, Form A-2)

Wesleyan College Committee, Savannah, Ga. (2-2260, Form D-1)

Display Products, Inc., Detroit, Mich. (2-2261, Form A-1) Royal Petroleum Company, Yakima, Wash. (2-2263, Form A-1)

### FOURTEENTH ANNUAL NAB CONVENTION

STEVENS HOTEL, CHICAGO, ILLINOIS

JULY 5, 6, 7, 8, 1936

#### RECOMMENDATIONS FOR ARIZONA STATION

Application was filed with the Federal Communications Commission for the construction of a new hroadcasting station at Prescott, Ariz., hy the Southwest Broadcasting Company and also by W. P. Stuart. Both asked for 1500 kilocycles, with unlimited time on the air. Stuart asked for 100 watts power, while the broadcast company asked for 100 watts and 250 watts LS.

Examiner P. W. Seward, in Report No. I-245, recommended that the application of the Southwest Broadcasting Company he granted hut that the application of W. P. Stuart be denied. The Examiner found that the need for additional radio service there does exist and there is adequate talent available. Examiner Seward says that "a need for two radio hroadcast stations at Prescott, Ariz., does not exist, and from a consideration of the entire record, the applicant, Southwest Broadcasting Company, seems hetter qualified to construct and operate the proposed radio station, that the facilities requested by this applicant will render hetter service to the city of Prescott, and will provide greater coverage for the surrounding area than the facilities requested by the applicant, W. P. Stuart."

#### ASKS COMMISSION TO REAFFIRM ACTION

The Federal Communications Commission granted KDYL, Salt Lake City, Utah, a construction permit for the erection of a station to use 1290 kilocycles, 1,000 watts and 5,000 watts LS, with unlimited time. In the meantime protest against granting this application was filed with the Commission by Paul R. Heitmeyer, an applicant for a construction permit for a station at Salt Lake City, and KLO, Ogden, Utah, and the grant was suspended. The matter was set for hearing before an Examiner.

Examiner P. W. Seward, in Report No. I-242, recommends that the Commission reaffirm its action granting this station application. At the hearing duly called protestants and applicant appeared. The Examiner states that "the protestants, Paul R. Heitmeyer and KLO, offered no evidence in support of the allegations set out in the protest."

### RECOMMENDS AGAINST WOL CHANGE

Broadcasting Station WOL, Washington, D. C., applied to the Federal Communications Commission to change its frequency from 1310 to 1230 kilocycles, and increase its power from 100 to 1,000 watts. It now has unlimited time on the air and asked that that be allowed to remain as it is.

Examiner Melvin H. Dalherg, in Report No. I-247, recommends that the application he denied. The Examiner states that "the granting of this application would obviously cause objectionable interference to Station WFBR in the daytime hours." It is further contended by the Examiner that "although this applicant requests the use of a regional frequency with increased power, there would be severe interference at night to the service of WOL should this application be granted."

#### NEW CALIFORNIA STATION RECOMMENDED

The Ventura County Star, Inc., and the Merced Star Publishing Company, Inc., filed an appilcation with the Federal Communications Commission asking for a construction permit for the erection of a new broadcasting station at Ventura, Calif., to use 1170 kilocycles, 250 watts power, and daytime operation.

Examiner P. W. Seward, in Report No. I-239, has recommended that the application he granted. He found that there is a need for daytime service in the area proposed to be served and "no applications are pending which would necessarily prevent the granting of the instant application."

### RECOMMENDS DENIAL OF TWO OHIO STATIONS

The Continental Radio Company applied to the Federal Communications Commission for construction permit for two broadcasting stations, one at Columbus, Ohio, to use 1310 kilocycles, 100 watts power, and unlimited time on the air, and the other at Toledo to use 1200 kilocycles, 100 watts power, and daytime operation. In hoth cases the Examiners recommended that the application be denied.

In the case of the proposed Columbus station Examiner Robert L. Irwin, in Report No. I-240, found that "it is not shown that there is need for the service proposed to be rendered by the applicant." The Examiner found also that the proposed station would cause objectionable interference with the normally protected service of Stations WLBC and WCMI.

In the case of the proposed Toledo station, Examiner P. W. Seward, in Report No. I-241, found also that the need for this

additional radio service in the area proposed to be served was not shown and that the granting of the application "would result in objectionable interference," and also that the granting of the application would not serve public interest.

#### RECOMMENDS NEW FLORIDA STATION

Bathan N. Bauer applied to the Federal Communications Commission for a construction permit for the erection of a new broadcasting station at Miami, Fla., to use 1420 kilocycles, 100 watts power, and unlimited time.

Examiner P. W. Seward, in Report No. I-243, recommended that the application he granted. He says that "a need does exist in the proposed service area for additional radio service, particularly of a local nature and to provide additional advertising facilities." He found also that the proposed new station would not adversely affect any existing station, "nor are there any pending applications in conflict with this application."

#### BROADCAST ADVERTISING IN MAY

#### Developments of the Month

Broadcast advertising during May amounted to \$8,545,594, a decline of 3.2% from the previous month's level. Though the usual trend at this time of the year is a downward one, several contra-seasonal tendencies manifested themselves during May. Regional network and national non-network advertising rose contrary to the usual season downswing, while local broadcast advertising declined instead of rising as usual.

Non-network advertising as a whole rose 2.3% during the month, due to a national non-network increase of 5.1%. Local station volume showed the most pronounced gain, increasing 14.0%, while clear channel non-network volume declined slightly. Non-network advertising on the Pacific Coast showed the greatest gain over April, while that in the South declined the most markedly.

In the rendition field, the outstanding development of importance was an increase of 21.4% in national live talent volume. Local non-network advertising by type of rendition remained practically unchanged from the preceding month.

Principal gains during the months included the following: in the national network field—financial advertising; in the national non-network field—soap, radio, tobacco and food volume for regional networks—tobacco and beverage sponsorship; in the local field—gasoline and accessories, drugs, and beverages.

#### Comparison with May 1935

Radio broadcast advertising experienced a somewhat greater gain in May as compared to the corresponding month of 1935 than was the case in April. The May increase over the same month of last year was 13.2% as against 9.5% in April. Regional network and national non-network volume continued to register the most marked increases. National magazine advertising continued to gain more rapidly than radio, rising 19.0% above the previous May's level.

Non-network advertising as a whole rose 17.7%. The most marked gain occurred in the local station field, where non-network volume increased 53.5% over the preceding May. Non-network business in the South gained 41.0% as compared to last year. New England-Middle Atlantic volume alone declined, dropping 3.8%.

A material increase was registered in the national field by both transcriptions and live talent business, the latter after several months of comparative sluggishness. In the local field, transcription volume continued to exceed last year's level to a material degree. Announcement volume decreased both locally and nationally.

Broadcast advertising by various sponsoring groups was generally strong when compared to last May, few declines of importance taking place. National network drug, food and housefurnishing volume, national nonnetwork clothing, beverage and confectionery advertising and local drug and pharmaceutical advertising constituted the principal declines. On the other hand, important gains were experienced in all phases of automotive advertising, in national network beverage, confectionery and tobacco business, regional network accessory and gasoline, food, beverage and soap advertising, national

non-network gasoline, drug, food, housefurnishing and tobacco volume and in local beverage and financial advertising.

#### Total Broadcast Advertising

Total broadcast advertising during the month is set forth in

# TABLE I TOTAL BROADCAST ADVERTISING

	1936 Gross Time Sales			
Class of Business	A pril	May	Cumulative JanMay	
National networks	\$4,830,251	\$4,445,346	\$24,202,213	
Regional networks National non-network	113,647 1,937,800	124,648 2,035,680	538,613 9,644,030	
Local	1,947,790	1,939,920	8,499,590	
Total	\$8,829,488	\$8,545,594	\$42,884,446	

Gross billings for stations and networks declined 3.2% as compared to the preceding month. National network volume declined 7.9%, and local advertising 0.4%. Regional network advertising rose, contrary to the usual seasonal downswing, by 7.6%, while national non-network volume showed a similar contrary tendency, increasing 5.1%. The local decline was compared to a usual rise at this time of the year.

Compared to May of 1935, total broadcast advertising increased 13.2%. The most marked gains were in the regional network and national non-network fields, which rose 29.8% and 34.2%, respectively. National network advertising gained 8.9% and local advertising 4.2%. The last-mentioned field is again showing strength, following several months of uncertainty.

#### Comparison with Other Media

Advertising volume by major media during the month in question is found in Table II.

# TABLE II

ADVERTISING	$\mathbf{B}\mathbf{Y}$	MAJOR	MEDIA
	193	6 Gross Tin	re and Space

	1950 Gross I time and 5 pace Sales			
Advertising Medium	April	May	Cumulative JanMay	
Radio broadcasting	\$8,829,488	\$8,545,594	\$42,884,446	
National magazines 1	14,527,792	14,927,513	62,432,930	
National farm papers 1	721,304	658,935	3,206,457	
Newspapers 2	50,498,000	52,691,000	227,222,000	
	<del></del>			
Total	\$74,576,584	\$76,823,042	\$335,745,833	

<sup>&</sup>lt;sup>1</sup> Publishers' Information Bureau, Inc.

Magazine volume increased 2.8% as against April, while newspaper lineage rose 4.3%. Both of these were in the nature of seasonal increases. National farm paper advertising declined 8.5%. Compared to May of last year, national magazine advertising increased 19.0%, farm paper volume 16.0%, and newspaper lineage 9.8%.

#### Non-network Advertising

Non-network advertising as a whole rose 2.3% during the month, due to the increase in national volume. Clear channel and high-powered regional station non-network business dropped 1.7%. Regional station volume rose 2.4% and local station advertising gained 14.0%. Non-network advertising gained on every class of

station as compared to the corresponding period of 1935. Clear channel station volume rose 10.2%, regional 15.6%, and local 53.5%. Total non-network advertising increased 17.7%.

Non-network advertising by power of station is set forth in Table III.

#### TABLE III

# NON-NETWORK ADVERTISING BY POWER OF STATION

	1936 Gross Time Sales			
Power of Station	A pril	May	Cumulative JanMay	
1 ower of Station	Aprii	•	_	
Over 1,000 watts	\$1,745,470	\$1,717,240	\$8,321,230	
250-1,000 watts	1,574,800	1,613,150	7,091,130	
100 watts	565,320	645,210	2,731,260	
Total	\$3,885,590	\$3,975,600	\$18,143,620	

Non-network advertising in various portions of the country is found in Table IV.

#### TABLE IV

### NON-NETWORK BROADCAST ADVERTISING BY GEOGRAPHICAL DISTRICTS

	1936 Gross Time Sales Cumulativ			
Geographical District	A pril	May	JanMay	
New England-Middle Atlantic Area	\$861,840	\$866,250	\$3,963,540	
South Atlantic-South Central	, , , ,	. ,	3,575,510	
Area	799,590 1,545,580	710,250 1,573,200	7,203,510	
Pacific and Mountain Area	678,580	825,900	3,401,060	
Total	\$3,885,590	\$3,975,600	\$18,143,620	

Non-network advertising showed conflicting tendencies throughout various portions of the country when comparison is made with April. Eastern volume remained practically unchanged, while southern advertising declined 11.1%. Mid-western gross time billings rose 1.1%, while those in the Mountain and Pacific States increased 21.6%. With the exception of the New England-Middle Alantic States, where non-network advertising declined 3.8% as against the previous May, all portions of the country experienced gains over 1935. Southern advertising rose 41.0%, North Central State volume 27.7%, and Mountain and Pacific advertising 25.4%.

#### Non-network Advertising by Type of Rendition

The principal development in the rendition field, as compared to the previous month, was the rise in national live talent business. This form of rendition gained 21.4% over April. National transcription volume decreased 7.0% from the preceding month's level, while announcements dropped 2.6%. With the exception of a 2.0% drop in announcement business, local broadcast advertising remained practically unchanged from April.

Following several comparatively sluggish months, national live talent volume again experienced a marked increase over the corresponding month of the preceding year, gaining 56.7%. National transcription business also showed marked strength, rising 29.3% above the May 1935 level. Announcements dropped 4.9%.

Transcriptions continued to experience the greatest relative gain in the local field, exceeding the preceding May by 48.3%. Live talent business rose 5.6% and records 16.6%. Announcements declined 9.9%.

Broadcast advertising by various types of rendition are found in Table V.

# TABLE V NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

	1936 Gross Time Sales						
	National 1	Von-network	$L_{\ell}$	ocal	To	tal	Cumulative
Type of Rendition	A pril	May	A pril	May	A pril	May	JanMay
Electrical transcriptions	\$865,070	\$803,600	\$261,530	\$261,050	\$1,126,600	\$1,064,650	\$4,740,820
Live talent programs	767,920	932,950	928,260	935,850	1,696,180	1,868,800	8,845,120
Records	6,050	8,090	71,550	70,460	77,600	78,550	340,120
Announcements	298,760	291,040	686,450	672,560	985,210	963,600	4,217,560
Total	\$1,937,800	\$2,035,680	\$1,947,790	\$1,939,920	\$3,885,590	\$3,975,600	\$18,143,620

Sales

<sup>&</sup>lt;sup>2</sup> Estimated.

#### Sponsor Trends in April

The usual seasonal declines were experienced in the national network field, though some gains were recorded. Automotive advertising rose slightly, while financial volume increased 14.2%. In the regional network field, gasoline and accessory volume increased 37.5%, tobacco advertising 13.4%, and beverage volume 70.2%. National non-network advertising increased 48.7% in the soap and kitchen supply field, radio set volume rose 51.6%, tobacco advertising 17.4%, and foodstuff business 12.5%. Local gasoline business increased 26.7%, drug volume 19.8%, and beverage advertising 38.4%.

#### Comparison with May 1935

Several fields experienced marked gains in national network volume. These were as follows: automotive 64.8%, beverages

45.0%, confectionery 66.5%, and tobacco 35.2%. A number of significant decreases likewise occurred. Drug advertising declined 20.4%, food volume 11.5%, and housefurnishing business 55.6%.

In the regional network field, more important gains were as follows: gasoline and accessories 126.0%, foodstuffs 35.4%, soap and kitchen supplies 82.1%, and beverages from \$820 in May 1935 to \$16.200 during the month under review.

In the national non-network field significant gains were as follows: automotive 96.3%, gasoline and accessories 39.5%, drugs and pharmaceuticals 17.0%, foodstuffs 65.1%, housefurnishings 26.3%, and tobacco 56.5%. National non-network clothing advertising decreased 43.6%, beverage volume 35.4%, and confectionery 59.4%.

Local advertising showed comparatively little change in either direction from May of the preceding year.

Broadcast advertising by various product and service groups is presented in Table VI.

# TABLE VI RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS (May, 1936)

	Gross Time Sales				
	National	Regional	National		
Type of Sponsoring Business	Networks	Networks	Non-networks	Local	Total
1a. Amusements	_	\$325	\$13,190	\$31,030	\$44,545
1-2. Automobiles and accessories:					
(1) Automobiles	\$360,483	_	267,200	146,320	774,003
(2) Accessories, gas and oil	370,420	21,525	187,500	106,650	686,095
3. Clothing and apparel	31,015		39,050	260,420	330,485
4-5. Drugs and toilet goods:					
(4) Drugs and pharmaceuticals	371,639	6,544	302,990	61,350	742,523
(5) Toilet goods	895,551	3,005	65,560	19,760	983,876
6–8. Food products:					
(6) Foodstuffs	825,422	34,237	440,650	238,500	1,538,809
(7) Beverages	333,582	16,200	39,250	120,440	509,472
(8) Confections	98,130	200	21,770	9,500	129,600
9–10. Household goods:					
(9) Household equipment and furnishings	31,185	4,260	120,600	222,490	378 <b>,</b> 535
(10) Soap and kitchen supplies	325,015	8,782	102,200	10,630	446,627
11. Insurance and financial	37,694	642	20,560	81,200	140,096
12. Radios	113,696	830	18,630	14,330	147,486
13. Retail establishments	_	728	7,650	148,880	157,258
14. Tobacco products	393,394	12,370	85,630	13,400	504,794
15. Miscellaneous	258,120	15,000	303,250	455,020	1,031,390
Total	\$4,445,346	\$124,648	\$2,035,680	\$1,939,920	\$8,545,594

Details as to the trends in various product and service fields are as follows:

1a. Amusements. Marked increase in national non-network volume over April, resulting in 7.0% rise in total. Decline of 12.3% in total volume, due mainly to local drop.

1. Automotive. Compared to April, national network up 1.9% and national non-network 4.2%. Local down 2.6%. Marked gains over previous May: national network 64.8%, national non-network 96.3%, and local 44.8%.

2. Gasoline and accessories. National network business 4.7% below April. Other gains as follows: regional networks 37.5%, national non-network 7.1%, and local 26.7%. National network business 1.0% under May 1935. Other gains as follows: regional networks 126.0%, national non-network 39.5%. Local down 5.3%.

3. **Clothing.** Gains over April as follows: national networks 7.1%, national non-network 5.4%, and local 5.8%. Declines from previous May's level as follows: national networks 11.5%, national non-network 43.6%. Local up 5.5%.

4. Drugs and pharmaceuticals. National network down 1.1% from April level and national non-network 14.3%. Regional network volume up 1.4% and local 19.8%. Compared to last May, declines as follows: national network 20.4%, regional network 6.1%, and local 22.9%. National non-network up 17.0%.

5. Toilet goods. Declines from April level as follows: national networks 16.5%, regional networks 44.0% national non-network 7.4%, and local 8.0%. National network business unchanged from preceding May. Regional network volume down 33.0% and local 16.1%. National non-network up 5.5%.

6. Foodstuffs. National network business 6.5% below April. Regional network business up 6.1% and national non-network 12.5%. Local unchanged. Compared to corresponding month of 1935, national non-network up 65.1% and regional network 35.4%. National network down 11.5% and local 6.7%.

7. Beverages. National network 17.7% below April and national non-network 3.6%. Regional network up 70.5% and local 38.4%. Increases above last May as follows: national networks 45.0%, local 17.7%, and regional networks from \$820 to \$16,200. National non-network down 35.4%.

8. Confectionery. Declines from April level as follows: national networks 31.0%, national non-network 11.5%, local 11.5%. National network business 66.5% above previous May and regional network business unchanged. National non-network down 59.4%

and local 42.8%.

9. Household equipment. National networks down 14.4% from previous month and regional networks 7.2%. National nonnetwork up 2.4% and local unchanged. Declines from May 1935 as follows: regional networks 82.7% and local 7.4%. National non-network up 26.3%.

10. Soaps and kitchen supplies. Increases over April as follows: National networks 2.2%, national non-network 48.7%. Regional networks business down 22.8% and local unchanged. National network volume 8.5% above May of last year and regional network 82.1%. National non-network up 3.1%. Local down 49.0%.

11. Insurance and financial. National network up 14.2% and local 13.8%. Regional network down 25.6% and national non-network 21.3% from April. Gains as follows when compared to May 1935: national networks 34.5%, regional networks 37.0%, national non-network 15.4%, and local 49.9%.

national non-network 15.4%, and local 49.9%.

12. Radios. Gains over April as follows: national networks 3.6% and national non-network 51.6%. Regional networks up materially and local down 14.0%. National networks 37.4% above May of last year. National non-network up from \$1,620 to \$18,630. Local down 10.4%.

13. Department and general stores. National non-network down 26.2% from April and local 1.3%. National non-network

down 43.4% from May 1935 and local 6.7%.

14. Tobacco products. National network volume 1.0% below April. Other gains as follows: regional networks 13.4%, national non-network 17.4%, and local up threefold. National network business 35.2% above same month of last year and national non-network 56.5%. Regional network business down 19.5% and local 15.8%. 15. Miscellaneous. National network business 11.7% below

April and local down 18.6%. Regional networks up 11.1% and national non-network up 11.3%. Gains as compared to previous May as follows: national networks 13.5%, regional networks

70.6%, national non-network 39.7%, and local 10.4%.

#### Retail Broadcast Advertising

Retail broadcast advertising as a whole remained comparatively unchanged from the April level, rising but 0.8%. This was less than during the two preceding years. Total broadcast advertising by retail establishments, however, showed an increase of 4.4% over the May 1935 level.

Outstanding increases during the month, as compared to April, were as follows: gasoline filling stations more than doubled, grocery and delicatessen stores 31.4%, restaurants 13.4%, and hardware

stores 36.1%.

Compared to May of last year, a number of significant increases occurred. These were as follows: auto dealers 40.3%, clothing and apparel shops 7.2%, grocery and delicatessen stores 61.9%, furniture stores 9.2%. Department store volume decreased 9.0%.

Broadcast advertising volume by various types of retail estab-

lishments is found in Table VII.

#### TABLE VII

#### RETAIL BROADCAST ADVERTISING OVER INDIVIDUAL STATIONS

		Time Sales
Type of Sponsoring Business	A pril	May
Automobiles and accessories:		
Automobile agencies and used car dealers	\$146,820	\$142,610
Gasoline stations, garages, etc	35,890	73,670
Clothing and apparel shops	293,660	266,700
Drugs and toilet goods:	•	
Drug stores	19,020	16,300
Beauty parlors	8,650	16,350
Food products:		
Grocery stores, meat markets, etc	62,900	82,620
Restaurants and eating places	20,720	23,400
Beverage retailers	1,570	1,320
Confectionery stores	1,350	2,250
Household goods:		
Household equipment dealers	74,610	63,770
Furniture stores	112,030	104,600
Hardware stores	24,030	32,700
Radio retailers	13,430	10,870
Department and general stores	162,020	157,258
Tobacco shops		_
Miscellaneous	116,450	99,780
Total	\$1,093,150	\$1,094,198

#### FEDERAL TRADE COMMISSION ACTION

#### Complaints

The Federal Trade Commission has alleged unfair competition in complaints issued against the following firms. The respondents will be given an opportunity for hearing to show cause why cease

and desist orders should not be issued against them.

No. 2845. E. Frederics, Inc., 235 E. 45th St., New York City, engaged in the manufacture and sale of apparatus and supplies for use in hair and scalp treatments, is charged in a complaint with fixing and maintaining the prices at which its products are sold through jobbers to beauty shop owners.

The respondent corporation is said to restrict sales of its permanent waving machines, hair driers, pads, and tonics to those jobbers who enter into contracts with it, and who, in turn, are limited to reselling such products to beauty shop owners who also enter into

contracts with the respondent.

The complaint points out that beauty shop owners do not sell the products manufactured by the respondent, but use them in giving permanent waves and other hair treatments, and they are permitted to use service names belonging to the respondent, namely, "Frederics," "Vita Tonic," and "Vitron."

No. 2847. A complaint has been issued against Quality Products Co., 382 Jefferson St., Brooklyn, alleging unfair methods of competition in connection with the sale of "Hormonique Glandular Skin Treatment."

In magazines, newspapers, and other advertising material, the respondent corporation allegedly makes representations to the effect that its product penetrates the skin and stimulates into action the hormone producing glands; nourishes the skin and causes disappearance of wrinkles; gives new elasticity to sagging muscles, and

banishes blackheads, whiteheads, and enlarged pores.

These representations as to the nature and effect of "Hormonique Glandular Skin Treatment," the complaint charges, are false and exaggerated, and tend to divert trade to the respondent corporation from competitors who truthfully advertise their products.

No. 2848. Unfair competition through placing in the hands of others the means of conducting a lottery is alleged in a complaint issued against Glade Candy Co., 232 South Fifth East Street, Salt Lake City, Utah.

The respondent company, according to the complaint, sold to wholesalers and retailers packages or assortments of candy so packed and assembled as to involve use of a lottery scheme when sold to consumers. Sales are alleged to have been made by punch board and push card devices. These practices are deemed to be in violation of the Federal Trade Commission Act and contrary to public policy.

No. 2849. Prendergast-Davies Company, Ltd., 601 W. 26th St., New York City, wholesale and retail liquor dealer, is charged with unfair competition in violation of the Federal Trade Com-

mission Act in a complaint.

Representations made by the respondent company are alleged to have a tendency to deceive dealers and buyers into the erroneous belief that the "Scotch whiskey" sold by the respondent is the product of an actual distillery located in Scotland and is a dis-

tinctive product of Scotland, imported from there.

The complaint charges that the respondent company, by use of the designation "Scotch whiskey" on its labels, together with the phrases, "McNab Distilleries, Ltd.," "Bottled in Scotland," and the address, "266 Clyde St., Glasgow, Scotland," represents to customers and furnishes them with a means of representing to vendees, that the whiskey sold is a true Scotch whiskey, when in fact this is not true and the McNab Distilleries, Ltd., is an English company with headquarters in London. Further, according to the complaint, the so-called "Sandy McNab Scotch Whiskey" sold by the respondent company is produced by W. H. Holt & Sons, Ltd., distillers, of Chorlton-Cum-Hardy, England, under an agreement with McNab Distilleries, Ltd. The complaint points out that this whiskey is not a distinctive product of Scotland, being neither manufactured nor bottled there, nor is it Scotch whiskey in fact nor in accordance with the standards of the Federal Alcohol Administration.

No. 2850. Charging unfair trade representations in the sale of liquor, a complaint has been issued against United Distillers Products Corporation, 5599 Hudson Blvd., North Bergen, N. J.

Engaged as a rectifier and wholesaler of liquors, the respondent company, according to the complaint, has upon its premises a still or stills for production of gin by a rectification process whereby alcohol, purchased but not produced by the respondent company, is redistilled over juniper berries and other aromatics. Such rectification of alcoholic spirits, it is alleged, does not constitute the respondent a distiller under the statute regulating internal revenue, nor as commonly understood by the public and the liquor industry. The complaint alleges that the respondent company does not distill the liquor which it bottles, labels, and sells, and that its use of the word "Distillers" in its corporate name tends to deceive buyers.

No. 2851. Van Ogden, Inc., 1905 West Van Buren Street, Chicago, selling chemicals, extracts and food products, and its president and treasurer, Frederick T. Gordon, are named respondents in a complaint charging unfair methods of competition, including practices by which employees of a competing firm were induced to quit their positions to accept employment with the

respondent corporation.

The respondents are alleged to have falsely represented to employees of Gemac Sales Corporation, Chicago, that Van Ogden, Inc., would provide them increased compensation, promotions and additional responsibility, and thereby persuaded large numbers of experienced and skillful employees to leave Gemac Sales Corporation and to take employment with Van Ogden, Inc. The respondent also unfairly disparaged the business policy and financial standing of their competitor, the complaint alleges.

No. 2854. Allura, Inc., 626 I Street, Sacramento, Calif., has been served with a complaint charging unfair competition in the sale of an eye lotion advertised by means of radio broadcasts,

pamphlets and testimonials.

Among representations of the respondent company's product were: That it constituted a substitute for glasses, a relief for astigmatism and general eye weakness, a cure for irritation, painful eye conditions, and other ailments. These allegations were not true, according to the complaint, and their publication resulted in a tendency to deceive buyers, in violation of the Federal Trade Commission Act.

#### Stipulations

The Commission has issued the following cease and desist orders and stipulations:

No. 01399. J. W. Marrow Mfg. Co., Inc., 3037 N. Clark St., Chicago, selling a scalp treatment and shampoo designated "Mar-O-Oil," agrees to cease advertising that the product is a competent remedy in the treatment of stubborn cases of dry and oily hair and dandruff, or any other scalp trouble, and that it has been proved by laboratory tests to be 97½ per cent effective as a cleanser, while other shampoo methods in common use are only 5 per cent effective. Certain other false representations as to the product's therapeutic properties and effects will be stopped.

No. 01400. W. F. Clark, trading as Electrical Research Laboratories, Warren, Pa., is engaged in the sale of an apparatus known as "Warren's Infra-Red Sitz Bath," offered as a therapeutic agent. He stipulates he will discontinue representing that the apparatus is an effective remedy for arthritis, neuralgia, kidney trouble, colds, asthma, alcoholism, or any other condition, "regardless of the type of ailment from which any member of the

family may suffer."

The respondent admits the apparatus is used to supply warm, moist air, impregnated with fumes from volatile oils, and that the effects from its use are no more beneficial than those obtained from other methods of promoting heat, particularly a warm bath.

Under the stipulation, the respondent will stop using the words "Research Laboratories" or "Laboratories" in his trade name or in advertising literature, until he owns or operates a laboratory, and will not use the words or abbreviation "Doctor" or "Dr." to represent that his business is conducted by a physician.

No. 01401. Pankoka Products, Inc., 16 Beaver St., New York City, in the sale of a food preparation designated "Pankoka," will cease and desist from representing in advertising that the products balances all diets, aids in effecting increased ambition and endurance, in promoting sleep, and in restoring the appetite; that it is manufactured by an exclusive process and is indispensible to the human body; and from making other claims of like import.

No. 01402. Frank Spors, 834 Corine St., Le Center, Minn., signed a stipulation to discontinue using the names "Hollywood Star Face Powder" and "Hollywood Star Perfume" to designate his products, and representing inferentially by use of these names that the products so designated have any connection with Hollywood or are used by cinema stars living there.

The stipulation prohibits the respondent from making unmodified claims of earnings in excess of the average earnings of his active full-time salespersons or dealers under normal busines conditions.

No. 01403. Indo-Vin, Inc., 105 W. Third St., Cincinnati, selling "Indo-Vin," recommended for treatment of stomach, liver, and kidney troubles, will stop representing that the product is a new kind of medical preparation made from a formula doctors respect; that it helps to throw off stomach poisons and clears skin eruptions caused by impurities of the body; that any definite number of doses removes gases and impurities from the system; and that every person who suffer may expect to benefit from its use

The therapeutic properties of "Indo-Vin" are limited to those of a general tonic laxative, the respondent corporation admits.

No. 01404. Richard Smile, 515 E. 47th St., Chicago, deals in cosmetics, medicinal preparations, and incense, and trades under the names of Hindu Laboratories, Hindu Laboratories of Incense, Hindu Perfume Co., and Oriental Incense Co. He agrees to cease advertising that "Nimola Wonderful Herb Life Tonic" is competent as a treatment for disorders of the blood, nerves, kidneys, liver, and certain other ailments specified in his advertisements, and that use of the preparation brings results when the limbs become paralytic. Representations by the respondent that "Smile's Hindu Pine Balm" relieves rheumatism, backache, whooping cough, and croup are to be stopped, as are assertions that his various brands of incense create an atmosphere of success, prosperity, or happiness

The respondent stipulates that he will refrain from asserting that he maintains an office in Bombay, India; will cease including as part of his trade name, or in the name of any of his products, the terms "Hindu" or "Oriental," implying that his preparation are imported from those localities, until such is a fact; and will discontinue use of the word "Laboratories" as a part of his trade name, until he operates a laboratory.

No. 01405. Irresistible, Inc., 71 Fifth Ave., New York City, in the sale of "Irresistible Lip Lure," will desist from representing in advertising that this cosmetic penetrates the skin surface and produces four gorgeous, permanent shades, or has any permanent

effect on the lips.

No. 1681. Best & Co., operating a department store at Fifth Avenue and 35th Street, New York City, will cease representing in advertisements and on labels that the "Viyella" brand of hosiery it sells does not shrink, and will not use any words tending to mislead purchasers into the belief that such products are unshrinkable, when such is not the fact.

No. 1682. In a related case, William Hollins & Co., Inc., 450 Seventh Avenue, New York City, selling "Viyella" Hosiery to Best & Co., signed a similar agreement. The hosiery in question is manufactured in England by William Hollins Co., Ltd., ac-

cording to the stipulation.

No. 1683. Peat Import Corporation, 155 John Street, New York City, engaged in the importation and sale of peat moss, signed a stipulation to discontinue in advertising matter disparaging representations concerning the business or products of any competitor, either by printed words, pictorial representations, or by both. The stipulation sets forth that the respondent corporation circulates an advertising folder in which it asserts that "the best moss peat bogs are in Germany or Holland." The folder contains illustrations of a sample of German or Holland peat moss and a sample of Swedish peat moss, and these pictures and the printed matter accompanying them are said to constitute disparagement of the Swedish product.

No. 1684. Abe and Irving Fogel, operating three Army and Navy stores in Washington, D. C., will discontinue use of the words "Army and Navy" on signs or in advertisements. They agree to cease using the words in any way to imply that the merchandise sold in their stores consists of Army and Navy surplus goods, when such is not the fact. The stores are known as Fogel's Army and Navy Store, 945 D Street, N. W., Peoples' Army and Navy Store, 506 Ninth Street, N. W., and Irving's Army and Navy Store, 1001 E Street, N. W.

The stipulation points out that for some time past surplus products held by the Army and Navy have been practically exhausted, and the only classes of such military goods now procurable by dealers are certain obsolete or damaged goods and a few salvaged surplus items such as canteens, mess kits, pup tents and

leggings.

No. 1685. Pacific Kelp Products Co., Inc., 1430 S. E. 35th Street, Portland, Ore., under its stipulation is prohibited from advertising that its remedies sold under the brand name "Kalp-O-Lite" are a cure or competent remedy for a wide variety of aliments, including skin diseases, catarrh, sinus trouble, sore throat, colds, pyorrhea and colitis. The respondent corporation also will discontinue representing that use of its remedies prevents cancer, and that it has a staff of licensed physicians or specialists.

No. 1686. George Boardman, trading as Vermel Company, 211 North Prairie Avenue, Sioux Falls, S. D., sells a skin balm for humans and animals under the designation "Vermel Skin Balm—Ozark Ripley Formula." He will discontinue representations, the effect of which is to imply that, as to dogs or other animals, his product is a remedy or cure for all forms of mange, or effective in the treatment of any form of eczema and skin diseases; that it stops irritation due to acute forms of eczema and skin diseases, and prevents infection and keeps the feet in perfect condition, when such are not the facts. The respondent also is to stop representing that his product is a competent remedy for eczema among human beings, or in the treatment of dandruff.

No. 1687. Irving Mills Corporation, 450 Broadway, New York City, distributor of cotton and rayon fabrics, agrees to stop employing the word "Mills" as part of its corporate or trade name under which to operate its business or in any way implying that the corporation actually owns and operates a mill or factory in which the articles it sells are made, when this is not true.

which the articles it sells are made, when this is not true.

No. 1688. Poloris Co., Inc., 79 East 130th Street, New York City, manufacturer of a remedy of the aspirin type, "Poloris Tablets," agrees, in the sale of its product in interstate commerce or to wholesalers in New York State who resell to purchasers in various states, to cease making the following or similar represen-

tations without proper qualification or explanation: That its preparation does not affect the heart or stomach; leaves no ill after effects; gives safe, positive relief, and will allay nervous

tension.

The respondent also stipulates that it will not assert that its medicine is chemically broken up in the duodenum rather than in the stomach, and therefore gives quicker relief; does not affect the beart or irritate the stomach, and is neither habit-forming nor narcotic. The respondent also will not represent that the commodity is an adequate treatment for the pathology underlying the conditions which produce pain and that it will relieve, check, remove or cure such conditions.

No. 1689. The Northwestern Chemical Co., Marietta, Ohio, manufacturing paints, varnishes, enamels and lacquers, agrees to stop using the word "Shellac" to describe a product not composed wholly of shellac, and use of the word "Shellac" as part of its trade name for any product not containing shellac in substantial quantity. The words "Shellac Compound" will not be used by the respondent company in advertising or in any way implying that the product referred to contains shellac in sub-

stantial quantity, when this is not true.

No. 1690. Irving H. Myers, 131 Third Street, Troy, N. Y., trading under his own name and the names "Mailbox" and Irving H. Myers Publications, publishes a magazine, newspaper and booklets. The respondent agrees to stop advertising that a set of booklets, "Library of Selected Opportunities," is a \$2.98 or \$3 set, or has been sold at either of such prices, or that such prices have been paid by thousands of purchasers. Other representations to be discontinued are: That the original edition of the set of booklets was bound in cloth; that the respondent has had ten years experience in the mail order business, or that he is an authority in such field, or has been employed as a business expert by mail order bouses, or paid from \$10 to \$50 a report for his work, when this is not true.

No. 1691. Gimbel Bros, Inc., 33rd Street and Broadway, New York City, selling wine products purchased from the Burbank Winery Division of The John McClure Estate, Inc., 210 West 7th St., Los Angeles, Calif., agrees to stop using the description "1928 Blend" on labels or in advertising matter relating to such products. These products, according to the stipulation, do not contain wine of the vintage of 1928 in sufficient quantity to

be designated as of that vintage.

No. 1692. The John McClure Estate, Inc., also (see Stipulation 1691) agrees to cease and desist from use of the "1928 Blend" designation in the sale of products not containing wine of 1928

vintage in substantial quantity.

No. 1693. William Russell Briggs, 307 North Michigan Ave., Chicago, trading as Russell Paint Co. and as Blackhawk Paint & Varnish Works, in the sale of a paint product, agrees to discontinue use in advertising of the words "White Lead" to describe a product the pigment content of which is not composed of white lead. The respondent agrees to eliminate the word "Works" from bis trade name. The stipulation points out that Briggs did not own or control a factory in which the products he sold were made or compounded.

No. 1694. Union Oil Co., 617 West Seventh St., Los Angeles, manufacturer of petroleum products, including an insecticide designated "Bif," stipulates that it will cease advertising its preparation by use of the phrases, "Tbirty Per Cent More Fly-Killing Power than Government Requirements" or "Tests prove Bif to have thirty per cent more killing power than the Government specifications for commercial fly sprays." The stipulation points out that the United States Government provides no standard

specifications or requirements for insecticides.

No. 1695. United Enterprises, Inc., 124 Main St., Evansville, Ind., cosmetics manufacturer, entered into a stipulation to cease advertising or labeling its preparations with language purporting to indicate that its products, applied externally to the skin, will penetrate or be absorbed by it so as to nourish, revive, vitalize or revitalize, rebuild or rejuvenate the underlying tissues or cells, thereby preventing wrinkles and flabbiness, and building up sunken features, and other like accomplishments.

The respondent agrees to stop employing "Turtle Oil" as a trade name for its products not composed wbolly of turtle oil. However, when the preparation does contain turtle oil in substantial part, the term "Turtle Oil," if used to designate the product, shall be accompanied by other words in conspicuous type to show clearly that the preparation contains both turtle oil and other ingredients.

Use of phrases implying that the respondent's "Acne Lotion" is an effective remedy in all cases of pimples or skin eruptions, will be discontinued, under the stipulation.

No. 1696. Reliable Merchandise Co., Inc., 657 West Madison Ave., Chicago, operating part of its business under the names "Gold Seal Laboratories" and "Gold Seal Spice Mills," and selling at wholesale several specialties for the peddler trade, known as "flash merchandise," agrees to ban use of the words "laboratories" and "mills" as part of a trade name, when in fact it did not own or control laboratories or factories; and to cease advertising to the effect that it is able to sell at low prices because of its large buying power, when such is not the fact.

The respondent company agrees not to use the expressions "Extra Strength" or "Triple Strength" to advertise preparations not of extra or triple strength; or the words "strawberry" or "orange" to designate synthetic products or products not compounded of the fruit or juice of the fruit named. However, the stipulation provides that when the preparations simulate the flavor of certain fruits, the name of such flavor, if used, shall be accompanied by the word "Imitation" in conspicuous type.

No. 2480. Representations tending to falsely disparage aluminum cooking utensils sold by competitors are prohibited under an order to cease and desist entered against Glenn Leach, trading as G. Leach and Co., Post Office Box 7297, Oakland Station, Pittsburgh, engaged in the sale of earthenware kitchen utensils.

Findings are that Leach, in advertising matter and through salesmen, defamed the products of competitors by falsely representing that the use of aluminum cooking utensils is deleterious to the health, and that the consumption of food prepared or kept in such utensils causes ulcers, cancers, and various other ailments. He was ordered to discontinue such representations.

The order directs the respondent to cease advertising that his earthenware utensils will never break when placed directly in or over an open flame, and that the regular and customary selling price of his products is a special or advertising price or their factory cost, or that only a few sales are made at such special price.

No. 2505. Abraham Platell, trading as Platell Shoe Co., 158 Duane St., New York City, has been ordered to stop representing that his shoes are made in accordance with the design or under the supervision of a doctor, when such is not the fact.

The order directs the respondent to cease employing the word "Doctor" or the abbreviation "Dr." in any way tending to deceive buyers of his shoes, and to discontinue use of the word "Manufacturing" or words of similar import, implying that he is a manufacturer, when such is not the fact.

No. 2512. An order to cease and desist has been issued against National Silver Co., 61-65 W. 23d St., New York City, prohibiting unfair competition in the sale of silverware.

The respondent company is directed to cease representing through use of the term "sectional overlay" or terms of like meaning used in advertising or in branding its product, that such silverware has extra deposits of silver at the points of wear, when such is not the fact.

Findings are that through long usage the term "sectional overlay," when used in association with silverware, has come to mean an extra deposit of silver at the points of wear, and to denote

additional value in silverware.

In promoting the sale of its "Martha Washington" pattern of silverware, the respondent company is said to have stamped its pieces with the words "sectional overlay," when in fact the ornamental pieces of these sets did not have an extra deposit of silver at the points of wear so as to be properly so designated.

No. 2559. Dispensary Supply Company, Inc., 551 Fifth Ave., New York City, has been ordered to cease and desist from unfair competition in the sale of a preparation offered as a cure for

excess weight.

The respondent company is directed to discontinue advertising its "Dr. McCaskey's Prescription Tablets" as a cure or remedy for obesity. These tablets, under the order, are not to be represented as harmless or safe to take and it is not to be asserted that users will reduce five pounds in a week, or any number of pounds in any stated time, or that users will obtain results similar to those obtained by a certain Dr. McCaskey in his practice as a physician or by any other physician in his practice.

Two doctors of medicine, one of them also a pharmacologist, testified to the general effect that a preparation of the constituency of the respondent company's tablets taken in the dosage recommended does not constitute a treatment or remedy for obesity and will not of itself reduce excess fat. Their testimony was not

contradicted by that of any other witness.

No. 2560. David Rubenstein and Herman Schwartz, trading as Nu-Way Shoe Co., 142 Duane St., New York City, have been ordered to stop representing that their shoes are made in accordance with the design or under the supervision, of a doctor, when such is not the fact.

Findings are that the respondents' use of the fictitious names such as "Dr. Carol's Health Shoes" and "Dr. Martin's Walk-O-Pedic" had a tendency to mislead some of the shoe trade and ultimate customers into believing that the respondents' makes of

shoes had been fashioned by a doctor.

No. 2741. Fifteen tin plate manufacturing companies have been ordered to cease and desist from entering into agreements not to sell or quote prices on "stock plate" to jobbers and manufacturers of tin cans and other containers. Findings are that these companies made such agreements resulting in suppression of competition and a tendency toward monopoly in the interstate sale of

tin plate.

The respondent companies are: American Sheet and Tin Plate Company, Pittsburgh; Bethlehem Steel Company, Bethlehem, Pa.; Canton Tin Plate Corporation, Canton, Ohio; Columbia Steel Company, San Francisco, Calif.; John Follansbee, George T. Ladd, and Isaac M. Scott, trustees in bankruptcy for Follansbee Brothers Company, Pittsburgh; Granite City Steel Company, Granite City, Ill.; Inland Steel Company, Chicago; Jones & Laughlin Steel Corporation, Pittsburgh; McKeesport Tin Plate Company, McKeesportation, Fitsburgh; McKeesport In Plate Company, McKeesport, Pa.; Republic Steel Corporation, Cleveland; N. & G. Taylor Company, Cumberland, Md.; Washington Tin Plate Company, Washington, Pa.; Weirton Steel Company, Weirton, W. Va.; Wheeling Steel Corporation, Wheeling, W. Va.; and Youngstown Sheet & Tube Company, Youngstown, Ohio.

No. 2749. Trading as Warner Studios, Eugene D. Petry,

who operates a photograph and portrait studio at 1317 F St., Washington, D. C., and does business in other cities, has been ordered to discontinue unfair methods of competition in the con-

duct of such business.

Under the Commission's order to cease and desist, Petry and the canvassers he employs are prohibited from representing, directly or by implication, that photographs and portraits made in his studio have actual and regular values and customarily sell for sums in excess of the prices actually charged.

The respondent is directed to cease representing through advertising literature containing the language "Goldtone Colored in Oil," or in similar language, or in any other manner, that sepia print

photographs are Goldtones or Goldtones colored in oil.

No. 2778. Misrepresentations in the interstate sale of cameras and film and a sales promotion plan are prohibited as unfair competition in an order to cease and desist against Vaughn C. Salter and Paul Tesson, trading as Falcon Camera Co., 8277 De Sota Ave., Detroit.

The respondents are directed to stop advertising that they manufacture Falcon cameras and film, and that their sales promotion plan is operated chiefly to increase the sale of film used in such cameras. Findings are that the respondents do not manufacture Falcon cameras or film, and are not interested in selling film, but concentrate on the sale of cameras and the sales promotion plan to retailers.

#### FTC DISMISSES COMPLAINTS

No. 2646. The Federal Trade Commission, after hearing, has ordered dismissal of its complaint against DeLuxe Manufacturing Company, 5736 12th St., Detroit, which had been charged with unfair methods of competition in the sale of bar fixtures and equipment because of the use of the word "Manufacturing" in its corporate name.

No. 2754. The Commission has entered an order dismissing its complaint against Laird & Co., Scobeyville, N. J., engaged in the manufacture and sale of applejack brandy. The complaint charged that the respondent company, by acquiring the outstanding capital stock and gaining control of the Hyland Distilling Corporation, Haskel, N. J., also manufacturing and selling applejack, violated Section 7 of the Clayton Act.

The complaint was dismissed because Laird & Co., after the complaint was issued and before testimony was taken in the case, bought all the assets of the Hyland Corporation and surrendered to it the outstanding capital stock previously purchased. Subsequently, the Hyland Corporation was dissolved, and this was a

further reason for dismissal of the complaint.

Section 7 of the Clayton Act makes it unlawful for one corporation to acquire the capital stock of a competitor where the effect may be to substantially lessen competition between the two, but it does not prevent consolidations or mergers of competitors brought about by the acquisition of the physical assets of such competitors.

As authority for dismissing the complaint, the Commission's order cites the Supreme Court decision in the case of Arrow-Hart & Hegeman Electric Company against the Federal Trade Commission.

No. 2615. The Commission has dismissed a complaint charging the American School, 58th Street and Drexel Avenue, Chicago, with unfair competition in the sale of a correspondence school

course in high school subjects.

Dismissal of complaints alleging unfair competition on the part of two New York dealers in steel wool cleaning pads and dry cleaning fluids, respectively, have also been ordered by the Commission.

No. 2657. E-Z Kleener Manufacturing Co. and others, 590 East 161st Street, New York City, had been charged with unfair representations in the sale of steel wool cleaning pads. Dismissal of the complaint was ordered on the ground that the evidence

failed to sustain the allegations.

No. 2567. In the case of D. Blum & Co., Inc., 316 West 31st Street, New York City, selling a dry cleaning fluid, dismissal was ordered because certain practices charged in the complaint had been abandoned by the respondent and because there was failure of proof as to other practices charged.

#### FEDERAL COMMUNICATIONS COMMISSION ACTION

#### HEARING CALENDAR

No hearings are scheduled by the Commission for the week beginning Monday, July 6.

The Broadcast Division of the Commission did not meet at its usual time this week. It will meet later in the week.

#### APPLICATIONS RECEIVED

#### First Zone

WELI-City Broadcasting Corp., New Haven, Conn.-Modification of license to change hours of operation from daytime to unlimited time, requesting 250 watts, 500 watts day, change frequency from 900 kilocycles to 930 kilocycles, and install directional antenna. Amended to change name from Patrick J. Goode to City Broadcasting Corp.

WCOP-Massachusetts Broadcasting Corp., Boston, Mass.-Modi-1120 fication of license to change frequency from 1120 kc. to 1130 kc.; change hours of operation from limited until local sunset at KSL, Salt Lake City, Utah, using 500 watts power. Amended to change name from Joseph M. Kirby to Massa-

chusetts Broadcasting Corp.

WDRC—WDRC, Inc., Hartford, Conn.—Modification of license
1330 to increase power from 1 KW, 5 KW day, to 5 KW day and

night.

WAAB-Bay State Broadcasting Corp., Boston, Mass.-Construc-1410 tion permit to make changes in WNAC's present licensed transmitter to reduce maximum rated carrier power so as to be used as transmitter for WAAB when WNAC is authorized to use their 5-KW transmitter, under File No. B1-P-1083

W2XMN-Edwin H. Armstrong, New York, N. Y.-Modification of construction permit to add frequency of 41600 kc.

#### Second Zone

WJR-WJR, The Goodwill Station, Detroit, Mich.-Construction permit to install new equipment and increase power from 50 KW to 500 KW.

WGBI-Scranton Broadcasters, Inc., Scranton, Pa.-Modification of license to increase power from 500 watts to 500 watts, 1 880

KW day.

NEW—United States Broadcasting Co., Toledo, Ohio.—Construc-1200 tion permit for a new station to be operated on 1200 kc.,

100 watts, daytime only.

NEW—United States Broadcasting Co., Columbus, Ohio.—Con-1310 struction permit for a new station to be operated on 1310

kc., 100 watts, unlimited time.

WCMI-The Ashland Broadcasting Co., Ashland, Ky.-Construc-1310 tion permit to make changes in equipment and increase power from 100 watts to 100 watts, 250 watts day. Amended in regard to equipment changes.

WLAP-American Broadcasting Corp. of Kentucky, Lexington, 1420 Ky. Authority to transfer control of corporation from T. C.
Rush to J. Lindsay Nurn, 256 shares of common stock.

NEW—John E. Fetzer, Benton Harbor, Mich.—Construction per-1500 mit for a new station to be operated on 1500 kc., 100 watts, unlimited time. Amended to change hours of operation from unlimited to daytime only, using 100 watts power.
W8XIK—The Crosley Radio Corp., Portable-Mobile.—License to

cover construction permit for a general experimental station to be operated on 31100, 34600, 37600, 40600 kc., 30 watts.

W8XIL-The Crosley Radio Corp., Portable-Mobile.-License to cover construction permit for a general experimental station to be operated on 31100, 34600, 37600, 40600 kc., 30 watts,

#### Third Zone

WBNO-The Coliseum Place Baptist Church, New Orleans, La.-1200 Construction permit to install new equipment, vertical antenna; change hours of operation from share-WJBW to unlimited; move studio from New Orleans Hotel, 1300 Canal St., New Orleans, La., to St. Charles Hotel, 211 St. Charles St., New Orleans, La., and transmitter from 1376 Camp St., New Orleans, La., to Thalia and South Broad St., New Orleans, La. Requests facilities of WJBW. (Filed in name of Pelican State Broadcasting Co.)

WBNO-The Coliseum Place Baptist Church, New Orleans, La.-1200 Voluntary assignment of license from The Coliseum Place Baptist Church to Edward R. Musso. Amended to change name of transferee from Edward R. Musso to J. E. Richards, John R. Maddox and Edward R. Musso, d/b as Pelican State Broadcasting Co.

WDSU-WDSU, Inc., New Orleans, La.-Construction permit to

1250 make changes in equipment.

NEW-Ernest Edward Ruehlen, Great Bend, Kans.-Construc-1370 tion permit for a new station to be operated on 1370 kc... 100 watts, unlimited time.

KRLH—Clarence Scharbauer, Midland, Tex.—Modification of 1420 license to change frequency from 1420 kc. to 1210 kc.

NEW—Dixie Broadcasting System, Stokes Gresham, Jr., Presi-1500 dent, Valdosta, Ga.—Construction permit for a new station to be operated on 1500 kc., 100 watts, daytime.

NEW-C, S. Gooch, d/b as Amarillo Broadcasting Co., Amarillo, 1500 Tex.—Construction permit for a new station to be operated on 1500 kc., 100 watts, daytime.

#### Fourth Zone

WCFL—Chicago Federation of Labor, Chicago, Ill.—Construction permit to install new equipment and increase power from 5 KW to 50 KW.

WJBC-Arthur Malcolm McGregor and Dorothy Charlotte Mc-1200 Gregor, Bloomington, Ill.—License to cover construction permit (B4-P-571) to install new equipment and increase power. Amended to change name from Wayne Hummer and H. J. Dee, d/b as Kaskaskia Broadcasting Co., to Arthur Malcolm McGregor and Dorothy Charlotte Mc-

WMFG-Head of the Lakes Broadcasting Co., Hibbing, Minn. 1210 Construction permit to make changes in equipment and increase power from 100 watts to 100 watts, 250 watts day.

Gregor

KOIL—Central States Broadcasting Co., Council Bluffs, Iowa.

NEW—Homer D. Banta, Burlington, Iowa.—Construction permit 1310 for a new station to be operated on 1310 kc., 100 watts, unlimited time.

KGDY-Voice of South Dakota, Huron, S. Dak.-Authority to 1340 transfer control of corporation from F. Koren, Robert J.
Dean and M. W. Plowman to Greater Kampeska Radio

Corp., 221 shares stock. NEW-Central States Broadcasting Co., Council Bluffs, Iowa.-1500 Construction permit for a new station to be operated on

1500 kc., 100 watts, unlimited time. W9XAA-Chicago Federation of Labor, Chicago, Ill.-Construction permit for increase in power and replace transmitter.

#### Fifth Zone

NEW-A. W. Mills, Gallup, N. Mex.-Construction permit for a 1500 new station to be operated on 1310 kc., 100 watts, unlimited time. Amended to change frequency from 1310 kc. to 1500 kc.