

# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
JAMES W. BALDWIN, Managing Director

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### RECOMMENDATION AGAINST NEW GEORGIA STATIONS

Application was filed with the Federal Communications Commission by W. T. Knight, Jr., for a new station at Savannah, Ga., to use 1310 kilocycles, 100 watts power and unlimited time on the air, and a similar application for the erection of a new station at the same place and using same frequency, power and time on the air from Mr. and Mrs. Jack E. Brantley and Jack E. Brantley, Jr.

Examiner Melvin H. Dalberg in Report No. I-269 recommended that both of these applications be denied. The Examiner states that sufficient showing was not made by either applicant at the hearing for the need of additional radio service at Savannah. It was not shown at the hearing, the Examiner states, that sufficient money is available to support a new station on an independent basis.

### SECURITIES ACT REGISTRATIONS

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

- Faddis Oil & Gas Corp., Waynesboro, Pa. (2-2336, Form A-1)
- Detroit Steel Corp., Detroit, Mich. (2-2337, Form A-2)
- Cleveland Railway Company, Cleveland, Ohio. (2-2338, Form A-2)
- Public Service Co., of N. H., Manchester, N. H. (2-2339, Form A-2)
- Binghamton Washington Machine Co., Binghamton, N. Y. (2340- Form A-1)
- St. John Gold & Copper Co., Phoenix, Ariz. (2-2341, Form A-1)
- Bell Aircraft Corp., Buffalo, N. Y. (2-2342, Form A-1)
- Thrift Investment Certificate Corp., Minneapolis, Minn. (2-2343, Form A-1)
- Pointer Brewing Co., Clinton, Iowa. (2-2344, Form A-1)
- Sun Ray Drug Company, Philadelphia, Pa. (2-2345, Form A-2)
- Arrow Aircraft Corp., Lincoln, Nebr. (2-2346, Form A-1)
- Income Properties, Inc., Chicago, Ill. (2-2347, Form A-1)
- D. C. Collier, Gainesville, Ga. (2-2348, Form A-1)
- Kinner Airplane & Motor Corp., Ltd., Glendale, Cal. (2-2349, Form A-1)
- Darling Stores Corp., New York City (2-2350, Form A-1)
- Central Investors Corp., Kansas City, Mo. (2-2351, Form A-1)
- Commercial Investment Corp., Davenport, Iowa. (2-2352, Form A-2)
- Miles Detroit Theatre Co., Detroit, Mich. (2-2353, Form A-2)
- Soss Manufacturing Co., Roselle, N. J. (2-2354, Form A-2)
- Pine Products Chemicals, Inc., Wilmington, Del. (2-2355, Form A-1)
- Dairyland, Inc., San Antonio, Texas. (2-2022, Form A-1)

### NOTICE TO ALL NAB MEMBERS

Members of the NAB will please take notice that under date of June 16, 1936, Rudolph Schramm, music director of the Educational Radio Project, Office of Education, U. S. Department of Interior, executed a written license to all radio broadcasting stations under which license all stations are authorized to render pub-

### NOTES FOR THE SALES STAFF

June broadcast advertising shows that the summer slump has been beaten more than in any previous year. (See Developments of the Month, page 1461.)

The strong showing of local business as against May and also the preceding June indicates increasing sales possibilities in this field. (See Total Broadcast Advertising, page 1461.)

The marked strength of regional station volume and the strong showing of non-network business in the South and Midwest are of considerable interest. (See Non-network Advertising, page 1461.)

The strong showing of transcriptions in both the national and local field, and the revived strength on the part of live talent volume are significant. (See Non-network Advertising by Type of Rendition, page 1462.)

lic performances of his copyrighted musical composition entitled "Interviews with the Past" in connection with a series of radio programs entitled "Interviews with the Past" prepared by the Educational Radio Project, Office of Education, U. S. Department of Interior, and furnished by the Educational Radio Project to stations for broadcasting purposes.

This authority is contained in a license agreement now in the files of the National Association of Broadcasters under which agreement all stations may render the composition "Interviews with the Past" without discretion as to the time, place and frequency of performance and broadcast, and without the payment of any fee or royalty to anyone. This authority also guarantees to hold any station performing said composition harmless against any and all claims, demands or recoveries finally sustained by reason or any violation of proprietary right or copyright or any unlawful matter contained in said composition in consequence of said broadcast performance.

In addition to this license filed with the National Association of Broadcasters, Mr. Schramm has caused to be imprinted upon all copies of said composition the following:

"Permission granted hereby to broadcast, perform, copy or duplicate this music without fee or license."

In view of the above it is the opinion of the National Association of Broadcasters that all stations may render Mr. Schramm's composition entitled "Interviews With the Past" without incurring any liability therefor and without payment of fees or royalties to any person, firm, corporation, association, or licensing group.

### CALIFORNIA STATION RECOMMENDED ON CONDITION

Application was filed with the Federal Communications Commission by Tulare-Kings Counties Radio Associates for a construction permit for the erection of a new broadcasting station at Visalia, Cal., to use 1190 kilocycles, 250 watts power and daytime operation.

Examiner R. H. Hyde, in Report No. I-268 recommended that the application be granted on certain conditions. He found that the operation of the proposed station would not cause objectionable interference within the recognized service area of any other station. Also the Examiner states that there is a present need in the applicant's area for local broadcast service. However, there is a prior application for construction of a new station at Visalia and the Examiner states that there is no need for the granting of both



applications. He recommends that if the first application is denied that the application of the Radio Associates be granted.

## LABOR UNION DECISION

Following is the decision of the Supreme Court of Massachusetts in the case of the Yankee Network, Inc., against George Gibbs and others:

YANKEE NETWORK, INC. vs. GEORGE GIBBS & others.

Suffolk. Submitted February 7, 1936.—Opinion filed July 2, 1936.

Present: RUGG, C.J., FIELD, DONAHUE, LUMMUS, & QUA, JJ.

*Unlawful Interference. Labor Union. Equity Pleading and Practice, Decree.*

Appeal by the defendants in a suit in equity in the Superior Court from a final decree entered by order of *Macleod, J.*

QUA, J. The plaintiff operates a chain of broadcasting stations. The defendants are the officers and members of "Local No. 9," which is located in Boston and is affiliated with and forms part of the American Federation of Musicians. The primary purpose of the suit is to restrain the defendants from interfering with the conducting of an orchestra by one Kendis in the plaintiff's studio.

For about eighteen months prior to April 1, 1935, the officials of the local had been endeavoring to induce the plaintiff to employ a "house orchestra," so called, but the plaintiff had refused to do so, because it was unable to find a conductor of suitable talent. Shortly before April 1 the plaintiff requested Kendis to get together an orchestra of ten musicians, which he did by selecting ten members of the local. Their work proved satisfactory to the plaintiff, and thereupon, on April 1, the plaintiff and Kendis entered into a contract in writing by which the plaintiff engaged Kendis for one year as "contractor, conductor, arranger and pianist" at a salary of one hundred dollars per week. Kendis was a member of the American Federation of Musicians, belonging to locals in New York City and elsewhere, but not to Local 9. A by-law of the federation provided that "A member who has his transfer card on deposit in a Local is not entitled, without the consent of the Local, to solicit, accept or play any permanent engagement during a period of three months after the date of deposit, but otherwise is entitled to all the privileges of the Local," with exceptions not here material. Another by-law common to both the federation and the local required members to include in their contracts with employers a stipulation to the effect that nothing in the contract should be construed to interfere with any obligation which they owed to the federation as members thereof. A so called "Price List" of the local contained a regulation requiring members playing exclusively for broadcasting "to file contracts with the Secretary prior to the engagement." Kendis, upon coming to Boston, deposited his transfer card with Local 9, but he did not obtain the consent of that local before accepting and executing his contract with the plaintiff. The stipulation required by the by-law was not included in that contract. It did not appear that he was "playing exclusively for Radio broadcasting," so as to bring him within the regulation. On April 1, after signing the contract, Kendis submitted it to the officials of Local 9 for approval. On April 3 the executive committee voted to refuse permission to Kendis to accept the contract, and on April 8 he was officially notified that fines aggregating \$500 had been imposed upon him for violation of the by-laws and of the regulation hereinbefore mentioned. On the same day the orchestra ceased to play. Up to this point there is little, if any, dispute as to the facts.

The judge found that Kendis had not violated any of the by-laws or regulations of the federation or of Local 9. He further found that the ten musicians employed by Kendis desired to continue to play at the plaintiff's studio, "that they were entirely satisfied with the compensation and the conditions of their employment, and that the only reason they did not continue to play was because as the result of the threats made to them by the officials of the Union they feared substantial fines, suspension or expulsion," that "there was no legitimate or reasonable basis for refusing the permission to Kendis to carry out his contract with the plaintiff," and that suspension or expulsion of the ten musicians would be arbitrary, unreasonable and illegal. Upon the facts found by him and upon "all the evidence" he found and ruled "that the conduct of the officials of the Union in interfering with the employment of Kendis and the members of the orchestra by the plaintiff constituted an impairment of the plaintiff's right to a free flow of labor, and that conduct was illegal, and in violation of the plaintiff's rights."

The case is here on appeal with a report of the evidence. We must examine the testimony and draw our own conclusions as to facts, giving due weight to the findings of the judge who saw and heard the witnesses and not reversing his findings either of subsidiary or of ultimate facts unless they are erroneous in law or the evidence shows them to be plainly wrong. *Cook v. Mosher*, 243 Mass. 149, 153. *New England Wood Heel Co. v. Nolan*, 268 Mass. 191. *Masterson v. American Employers' Ins. Co.* 288 Mass. 518, 521. *MacLeod v. Davis*, Mass. Adv. Sh. (1935) 987, 989.

We think it is plain on evidence practically undisputed that Kendis had violated the two by-laws in question by accepting without the consent of the local and before the expiration of the three-months period a contract for a permanent engagement which did not contain the required stipulation. We deal with the case on this basis. The other findings of fact hereinbefore stated cannot be pronounced plainly wrong. They are consistent with inferences which a reasonable mind might draw from evidence which, as elicited from witnesses in the court room, might have been convincing. It is true that there was no direct evidence of "threats" by the officers of the local to the ten musicians, but there was evidence which could have been thought to show advice from the officers which caused the musicians to abandon their employment through fear of action by the officers and the local and against their own desire.

The precise word used to describe this is unimportant.

The findings and the evidence together show that the defendants, having no trade dispute of any kind with the plaintiff, combined to prevent the carrying out of the contract between the plaintiff and Kendis and to prevent Kendis from working for the plaintiff and that they succeeded in that purpose. Such a combination for such a purpose was *prima facie* unlawful both as an interference with the contractual right of the plaintiff and as an interference with the right of the plaintiff to manage its own business in its own way and to have free access to the market for musical talent. *Walker v. Cronin*, 107 Mass. 555. *Reynolds v. Davis*, 198 Mass. 294. *Burnham v. Dowd*, 217 Mass. 351. *W. A. Snow Iron Works, Inc. v. Chadwick*, 227 Mass. 382, 389. *Haverhill Strand Theatre, Inc. v. Gillen*, 229 Mass. 413. *Folsom Engraving Co. v. McNeil*, 235 Mass. 269. *Mechanics Foundry & Machine Co. v. Lynch*, 236 Mass. 504. *Rice, Barton & Fales Machine & Iron Foundry Co. v. Willard*, 242 Mass. 566, 572. *Moore Drop Forging Co. v. McCarthy*, 243 Mass. 554. *A. T. Stearns Lumber Co. v. Howlett*, 260 Mass. 45, 56, 65. *Armstrong Cork & Insulation Co. v. Walsh*, 276 Mass. 263, 272. *Service Wood Heel Co. Inc. v. Mackesy*, Mass. Adv. Sh. (1936) 193. The evidence fails to show justification for the defendants' conduct in the exercise by them of any right of free competition or of any other right of equal dignity with the rights of the plaintiff. *Plant v. Woods*, 176 Mass. 492. *Berry v. Donovan*, 188 Mass. 353. *Folsom v. Lewis*, 208 Mass. 336. *Haverhill Strand Theatre, Inc. v. Gillen*, 229 Mass. 413.

The right of the local, solely as between itself and Kendis, to punish Kendis for violation of the by-laws is not here involved. Whatever may be the extent of that right, it cannot be used as a justification for an otherwise unlawful attack upon the plaintiff. Indeed it was held after much consideration in *Martell v. White*, 185 Mass. 255, and in *L. D. Willcutt & Sons Co. v. Driscoll*, 200 Mass. 110, that the imposition of coercive fines was in itself an unlawful means of carrying on even a lawful combination. *A. T. Stearns Lumber Co. v. Howlett*, 260 Mass. 45, 72. See G. L. (Ter. Ed) c. 180, § 19. And in this case the abrupt change of attitude on the part of the local toward the new orchestra when Kendis was mentioned as the conductor, the close relationship between the refusal to approve Kendis's contract and the calling out (as the judge found) of the ten musicians and the imposition of the heavy fines, together with much other evidence in the case, would justify a conclusion that the fines were not being employed solely to punish Kendis for his past infractions of the by-laws, but that they were being employed in part at least as one of the means of carrying out the defendants' then present unlawful purpose of breaking up Kendis's connection with the plaintiff in the hope ultimately of forcing the plaintiff to employ in his place some member of the local who had not come in from another city. See *DeMinico v. Craig*, 207 Mass. 593; *A. T. Stearns Lumber Co. v. Howlett*, 260 Mass. 45, 70.

No prejudicial error appears in the manner in which the judge dealt with questions of evidence.

We think the final decree was no broader in its terms than was reasonably required for the protection of the plaintiff's rights. As the purpose of the combination must now be deemed to have been unlawful, it was proper to enjoin all means of carrying it out



which there was reason to apprehend would be employed, including suspension or expulsion from the local as well as fines. In this respect the case differs from *L. D. Willcutt & Sons Co. v. Driscoll*, where the issue was only as to the lawfulness of the means. This point is conceded by the minority opinion in that case at page 137. The decree must be interpreted reasonably in the light of the pleadings and with reference to the nature of the wrong for which relief is granted. *Attorney General v. New York, New Haven & Hartford Railroad*, 201 Mass. 370, 372. It does not purport to regulate the relations of the local with its members, except as they are involved in the combination against the plaintiff which is the subject of the suit. Inasmuch, however, as the one-year term of the contract annexed to the bill has now expired, the third paragraph of the final decree should be omitted. As so modified, the decree is affirmed with costs.

*Ordered accordingly.*

W. J. Day, for the defendants.

G. Alpert & J. A. Farrer, for the plaintiff.

## BROADCAST ADVERTISING IN JUNE

### Developments of the Month

Broadcast advertising volume during June amounted to \$7,917,733 as represented by the gross billings of the medium. The decline from the May level during the month was the smallest in recent years. Total radio volume decreased 7.3% from the previous month, as compared to a drop of 12.7% in 1935 and of 21.6% in 1934. Gross volume was 20.2% above that of June 1935.

Local broadcast advertising reversed the usual seasonal trend during June and exceeded the preceding month's volume by 0.4%.

National non-network volume continued to show the greatest relative gain as compared to corresponding periods of the previous year. Following several months of uncertainty, local broadcast advertising again exhibited strength and topped June 1935 by 24.7%.

In the non-network field, regional station volume accounted for all of the gains over the May level, and also experienced the greatest increase as compared to June of last year. Non-network advertising in the South and mid-West continued to show the greatest gains over previous years.

Compared to the preceding month national announcement volume and local live talent business alone showed important increases. In the national field both transcriptions and live talent gained materially as compared to June of the previous year, while transcriptions experienced the greatest increase in the local field.

Gains in local automotive advertising, national non-network and local beverage volume and local department store radio sponsorship were the outstanding developments as compared to May.

A number of important increases occurred as against the corresponding month of 1935. All forms of automotive advertising increased materially. Regional network and national non-network drug advertising rose markedly while national network and local volume in the same field decreased in similar fashion. Food advertising rose throughout the medium, as did all beverage advertising except national non-network. National non-network and local household equipment volume rose materially. Local department store volume was 49.1% above June of last year.

### Total Broadcast Advertising

Total broadcast advertising during the month is set forth in Table I.

TABLE I

### TOTAL BROADCAST ADVERTISING

1936 Gross Time Sales

Class of Business	May	June	Cumulative Jan.-June
National networks	\$4,445,346	\$3,979,763	\$28,181,976
Regional networks	124,648	105,860	644,473
National non-network	2,035,680	1,883,830	11,527,860
Local	1,939,920	1,948,280	10,447,870
Total	\$8,545,594	\$7,917,733	\$50,802,179

Gross billings of the medium were 7.3% below those of the preceding month. Local broadcast advertising alone showed an increase, rising 0.4% over May. Other declines were as follows: national networks, 10.5%; regional networks, 15.1%; national non-network volume, 7.5%.

Broadcast advertising volume exceeded that of June 1935 by 20.2%. National network advertising registered an increase of 9.7%, and regional network volume one of 11.0%. National non-network business experienced the greatest increase, rising 34.5%. Following a relatively poor showing for several months, local broadcast advertising increased 24.7% over the June 1935 level.

### Comparison with Other Media

Seasonal declines were general throughout major advertising media during June. National magazine volume decreased 17.4% and national farm paper volume 20.4%. Newspaper lineage dropped off 7.9%.

Compared to June of the preceding year, all media showed increases in advertising volume, with radio again leading the field. National magazine advertising increased 7.7%, national farm paper volume 10.1% and newspaper lineage 14.5%.

Advertising volume by major media is set forth in Table II.

TABLE II

### ADVERTISING BY MAJOR MEDIA

1936 Gross Time and Space Sales

Advertising Medium	May	June	Cumulative Jan.-June
Radio broadcasting	\$8,545,594	\$7,917,600	\$50,802,179
National magazines <sup>1</sup>	14,927,513	12,323,954	74,756,884
National farm papers <sup>1</sup>	658,935	524,308	3,730,765
Newspapers <sup>2</sup>	52,691,000	48,484,000	275,706,000
Total	\$76,823,042	\$69,249,862	\$404,995,828

<sup>1</sup> Publishers' Information Bureau.

<sup>2</sup> Estimated.

### Non-network Advertising

General non-network advertising decreased 3.6% during the month. Regional station volume alone rose, increasing 5.8% as compared to May. Clear channel and high powered regional station non-network business decreased 10.1% during the month, and local station business 9.9%.

Compared to June 1935, total non-network volume rose 29.3%. Regional and local stations led the field with increase of 48.5% and 41.0% respectively. Clear channel station non-network advertising increased 11.0% over the corresponding month of last year.

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

TABLE III

### NON-NETWORK ADVERTISING BY POWER OF STATION

1936 Gross Time Sales

Power of Station	May	June	Cumulative Jan.-June
Over 1,000 watts	\$1,717,240	\$1,543,110	\$9,864,340
250-1,000 watts	1,613,150	1,707,620	8,798,750
100 watts	645,210	581,380	3,312,640
Total	\$3,975,600	\$3,832,110	\$21,975,730

Non-network advertising in the South Atlantic and South Central States alone increased as compared to the preceding month. Volume in this area rose 2.6%, contrary to the usual seasonal tendency. Non-network advertising in the New England-Middle Atlantic area decreased 3.1%, that of the North Central States dropped 6.3%, while volume in the Mountain and Pacific States declined 4.3%.

The South and Mid-West led the country in gains in non-network volume as compared to June of last year, rising 48.8% and 34.7% respectively. New England-Middle Atlantic non-network advertising rose 7.1% and Pacific and Mountain volume 34.3%.

Non-network advertising by geographical district is found in Table IV.

**TABLE IV**  
**NON-NETWORK BROADCAST ADVERTISING BY**  
**GEOGRAPHICAL DISTRICTS**

<i>Geographical District</i>	<i>1936 Gross Time Sales</i>		<i>Cumulative Jan.-June</i>
	<i>May</i>	<i>June</i>	
New England-Middle Atlantic Area .....	\$866,250	\$839,110	\$4,802,650
South Atlantic-South Central Area .....	710,250	729,060	4,304,570
North Central Area .....	1,573,200	1,473,420	8,676,930
Pacific and Mountain Area .....	825,900	790,520	4,191,580
Total .....	\$3,975,600	\$3,832,110	\$21,975,730

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

Announcements increased 5.5% as compared to May in the national field, while local live talent volume rose 3.9% and record business gained 2.4%. In the national field transcription and live talent volume decreased 7.8% and 11.5% respectively. Local transcriptions decreased 6.9%, and announcements 1.7%.

Gains were general in all forms of rendition in both, the national and local fields as compared to June 1935. National gains were as follows: electrical transcriptions, 39.7%; live talent, 36.1%; announcements, 21.9%. Local gains were the following: transcriptions, \$57.8%; live talent, 33.0%; records, 20.0%; announcements, 9.0%.

Broadcast advertising by type of rendition is found in Table V.

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

<i>Type of Rendition</i>	<i>National Non-network</i>		<i>Local</i>		<i>Total</i>		<i>Cumulative Jan.-June</i>
	<i>May</i>	<i>June</i>	<i>May</i>	<i>June</i>	<i>May</i>	<i>June</i>	
Electrical transcriptions .....	\$803,600	\$740,290	\$261,050	\$242,840	\$1,064,650	\$983,130	\$5,723,950
Live talent programs .....	932,950	827,160	935,850	971,490	1,868,800	1,798,650	10,643,770
Records .....	8,090	9,830	70,460	73,170	78,550	83,000	423,120
Announcements .....	291,040	306,550	672,560	660,780	963,600	967,330	5,184,890
Total .....	\$2,035,680	\$1,883,830	\$1,939,920	\$1,948,280	\$3,975,600	\$3,832,110	\$21,975,730

**Sponsor Trends in June**

The usual seasonal declines were experienced by the great majority of sponsor groups during June, with several important exceptions. Local automotive volume rose 9.8% as compared to the previous month. Regional network drug advertising increased 26.0%. National non-network and local beverage volume rose 15.8% and 25.8% respectively. National non-network soap and kitchen supply advertising increased 86.5%. Local department store volume rose 10.5%.

**Comparison with June, 1935**

Increases were fairly general as compared to the preceding June, with a number of them of outstanding interest. Automotive advertising continued to gain throughout all portions of the medium.

Regional network and national non-network gasoline and accessory volume rose 27.5% and 22.5% respectively.

Regional network drug advertising increased 73.3% and national non-network drug volume rose 52.0%. National network and local drug volume declined 19.5% and 37.9% respectively. With the exception of national network food advertising, which increased but slightly, food volume over the remainder of the medium rose materially. National network confectionery volume increased 85.3%.

National non-network and local household equipment advertising gained 49.0% and 20.3% respectively. National network soap and kitchen supply volume rose 60.8%. Local department store advertising gained 49.1%. National non-network tobacco advertising increased 38.2%.

Broadcast advertising by major sponsoring groups is found in Table VI.

**TABLE VI**  
**RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS**  
**(June, 1936)**

<i>Type of Sponsoring Business</i>	<i>Gross Time Sales</i>				
	<i>National Networks</i>	<i>Regional Networks</i>	<i>National Non-networks</i>	<i>Local</i>	<i>Total</i>
1a. Amusements .....	—	—	\$12,500	\$50,580	\$63,080
1-2. Automobiles and accessories:					
(1) Automobiles .....	\$302,034	—	231,180	162,360	695,574
(2) Accessories, gas and oil .....	323,780	\$20,125	147,770	89,330	581,005
3. Clothing and apparel .....	25,908	—	38,200	239,180	303,288
4-5. Drugs and toilet goods:					
(4) Drugs and pharmaceuticals .....	322,358	8,233	290,490	54,000	675,081
(5) Toilet goods .....	743,822	1,680	77,540	20,670	843,712
6-8. Food products:					
(6) Foodstuffs .....	788,593	27,226	404,660	282,570	1,503,049
(7) Beverages .....	313,610	15,730	58,800	151,130	539,270
(8) Confections .....	72,006	—	17,770	5,670	95,446
9-10. Household goods:					
(9) Household equipment and furnishings .....	35,462	4,120	64,480	218,720	322,782
(10) Soap and kitchen supplies .....	334,434	2,392	188,740	9,150	534,716
11. Insurance and financial .....	39,052	514	16,700	83,970	140,236
12. Radios .....	103,401	332	9,640	12,100	125,473
13. Retail establishments .....	—	364	2,820	164,640	167,824
14. Tobacco products .....	393,311	10,790	78,620	10,990	493,711
15. Miscellaneous .....	181,992	14,354	243,920	393,220	833,486
Total .....	\$3,979,763	\$105,860	\$1,883,830	\$1,948,280	\$7,917,733



Details as to trends in the various product and service groups sponsoring radio advertising are as follows:

1a. **Amusements.** National non-network down 5.3% and local up 63.2% as compared to May. National non-network up 166.0% as compared to last June and local down 6.8%.

1. **Automotive.** National network volume down 16.2% as against May and national non-network down 13.4%. Local up 9.8%. Gains over June 1935 as follows: national networks, 61.5%; national non-network, 62.6%; local, 96.1%.

2. **Gasoline and accessories.** Declines from the May level as follows: national networks, 12.6%; regional networks, 6.4%; national non-network, 20.9%; local, 16.0%. National network business 7.7% below June 1935 and local down 1.8%. Regional network and national non-network business up 27.5% and 22.5% respectively.

3. **Clothing.** Declines from previous month as follows: national networks, 16.1%; national non-network, 2.0%; local, 8.1%. National network business 32.5% below last June. National non-network and local volume up 18.7% and 29.8% respectively.

4. **Drugs and pharmaceuticals.** Regional network advertising 26.0% above May. Declines as follows: national networks, 13.3%; national non-network, 4.1%; local, 15.2%. National network and local volume below June 1935 by 19.5% and 37.9% respectively. National non-network and regional network business over last June by 52.0% and 73.3% respectively.

5. **Toilet goods.** National and regional network volume below preceding month by 16.8% and 46.0% respectively. National non-network and local volume up 18.4% and 5.5% respectively. National network business 11.6% below last June. National non-network business up 10.0% and local 22.8%.

6. **Foodstuffs.** Declines from May level as follows: national networks, 4.4%; regional networks, 20.6%; national non-network, 8.1%. Local up 18.4%. Increases over previous June as follows: national networks, 3.8%; regional networks, 27.7%; national non-network, 39.0%; local, 37.7%.

7. **Beverages.** National network volume down 9.1% from May and regional down 3.1%. National non-network business up 15.8% and local 25.8%. National network business 57.1% above last June. Regional network business up more than sixfold. National non-network advertising down 8.5%. Local up 44.1%.

8. **Confectionery.** Declines from May as follows: national networks, 25.6%; national non-network, 18.1%; local, 40.0%. National network business 85.3% above June 1935. National non-network down 24.1% and local 74.0%.

9. **Household equipment.** National network volume 13.7% above May. National non-network down 46.7% and local 1.7%. National network business 1.5% below last June. Regional networks doubled. National non-network volume up 49.0% and local 20.3%.

10. **Soaps and kitchen supplies.** Gains over May as follows: national networks, 2.5%; national non-network, 86.5%. Declines as follows: regional networks, 72.8% and local, 13.2%. Increases over June of last year as follows: national networks, 60.8%; national non-network, 18.3%; local more than doubled. Regional network volume down 43.2%.

11. **Insurance and financial.** National network advertising 2.7% over May and local up 3.7%. National non-network down 18.8%. Gains over June 1935 as follows: national networks, 40.0%; national non-network, 43.0%; local, 77.1%.

12. **Radios.** Decreases from May level as follows: national networks, 7.8%; regional networks, 50.0%; national non-network, 48.0%; local, 20.1%. Increases over June of last year as follows: national networks, 29.2%; national non-network, more than doubled; local, 50.0%.

13. **Department and general stores.** National non-network 62.6% below May and local up 10.5%. Local, 49.1% above June 1935 and national non-network down 50.0%. Total up 36.5%.

14. **Tobacco products.** National network volume unchanged from previous month. Other declines as follows: regional network, 12.9%; national non-network, 8.2%; local, 17.8%. National network business 37.3% above last June, and national non-network up 38.2%. Regional network volume down 60.2%. Local up by more than double.

15. **Miscellaneous.** Declines from preceding month as follows: national networks, 29.2%; regional networks, 4.3%; national non-network, 19.6%; local, 13.2%. National network miscellaneous business more than double previous June, with regional networks showing same tendency. National non-network up 44.1% and local 18.7%.

## Retail Broadcast Advertising

Broadcast advertising by retail establishments of various types declined 4.1% from the May level but exceeded the volume of the previous June by 29.8%.

Principal increases as compared to May were as follows: automotive, 17.0%; household equipment dealers, 23.0%; furniture stores, 3.0%, and department stores, 6.6%. Clothing store volume decreased 7.5% and grocery store business 41.0%.

Practically all major types of retail establishments increased their broadcast advertising expenditures as compared to the preceding June. More important gains were as follows: automotive, 112.0%; clothing, 27.8%; grocery stores, 14.3%; household equipment, 13.0%; furniture stores, 74.0% and department stores, 36.5%.

Broadcast advertising by various types of retail establishments are set forth in Table VII.

TABLE VII  
RETAIL BROADCAST ADVERTISING OVER  
INDIVIDUAL STATIONS

Type of Sponsoring Business	1936 Gross Time Sales	
	May	June
Automobiles and accessories:		
Automobile agencies and used car dealers	\$142,610	\$166,960
Gasoline stations, garages, etc.....	73,670	53,560
Clothing and apparel shops.....	266,700	246,230
Drugs and toilet goods:		
Drug stores .....	16,300	12,910
Beauty parlors .....	16,350	9,130
Food products:		
Grocery stores, meat markets, etc.....	82,620	48,210
Restaurants and eating places.....	23,400	20,920
Beverage retailers .....	1,320	700
Confectionery stores .....	2,250	1,880
Household goods:		
Household equipment dealers.....	63,770	78,480
Furniture stores .....	104,600	107,780
Hardware stores .....	32,700	26,520
Radio retailers .....	10,870	10,830
Department and general stores.....	157,258	167,824
Tobacco shops .....		
Miscellaneous .....	99,780	97,800
Total .....	\$1,094,198	\$1,049,734

## 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. 2882.** A complaint has been issued against **Euclid Candy Co.**, 715 Battery St., **San Francisco**, alleging unfair competition in that the respondent company is said to pack and assemble its candy so as to involve the use of a lottery scheme when it is sold and distributed to consumers.

Use of such a lottery method, the complaint charges, tends to lessen competition and to exclude from the candy trade competitors who are unwilling to resort to the same or equivalent methods in the sale of their product.

**No. 2883.** False and fraudulent representations in advertising a line of cosmetics and beauty preparations are alleged in a complaint issued against **Charles of the Ritz Distributors Corporation**, 9-11 University Place, **New York City**.

In connection with the sale of its products, known as the "Ritz" or "Charles of the Ritz" line, the respondent corporation is said to distribute a booklet entitled "Beauty in the Modern Mode" in which, according to the complaint, it represents, among other things, that:

"Eye Lotion Ritz" strengthens the eye nerves and relieves eye strain; "Scalp Food Ritz" promotes the growth of hair; "Eye Cream Ritz" nourishes the tissues about the eyes, banishes lines and prevents crow's feet; "Rejuvenescence Cream Ritz" supplies the skin with a youth-giving element, penetrates the skin and gives it new life and vitality, and "Eyelash Grower Ritz" promotes the growth of eyelashes.

**No. 2884.** **Civilian Preparatory Service, Inc.**, Suite 500, **Simms-Keller Building**, **Huntington, W. Va.**, and its principal stockholder and sales manager, **Homer Bruce Crone**, trading as



**Economic Research Bureau**, are charged with unfair competition in the sale of correspondence courses of instruction designed to prepare students to take examinations for civil service positions under the United States Government.

Salesmen soliciting prospective students, the complaint charges, represent that they and the respondents are connected with the Government; that civil service positions are available and that examinations for such positions are to be held in the near future or at definite times stated; that students can be placed in government positions if they pursue the respondents' courses; that money will be refunded if a job is not obtained, and that only a limited number of students are selected for training in a particular locality.

These representations are untrue or misleading, according to the complaint, which alleges that the memorized sales talks of the respondents' agents are intended to conceal the fact that they represent a private correspondence school and to create the false impression that they are engaged in selecting candidates for government positions.

**No. 2885.** A complaint alleging misrepresentation of the remedial or restorative qualities of "Youthray," offered as a hair color restorer, has been issued against **Erna Saffan, Inc.**, 646 N. Michigan Ave., Chicago, and **Roy M. Kirtland**, majority stockholder in and secretary-treasurer of the corporation.

Advertising "Youthray" in newspapers, magazines and circulars, the respondents are charged with unfair methods of competition in that they falsely represent that their preparation effectively restores the natural color of hair; acts on gray hair without the aid of harmful dyes that ruin the health and beauty of hair and scalp; brings to gray hair a lustrous, youthful color, and is beneficial to the head because it is a fine germicide and antiseptic.

#### Stipulations and Orders

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

**No. 1789.** **Luden's Inc.**, Eighth and Walnut Streets, Reading, Pa., is prohibited from using unfair competition in the sale of candy, in violation of the Federal Trade Commission Act, under an order to cease and desist.

Sale of candy to wholesalers in assortments so arranged as to involve use of a lottery scheme when distributed to consumers, and other similar practices, are prohibited in the order.

The respondent company admitted the truth of the material allegations of the Commission's complaint and waived further procedure, following which the Commission issued its findings of fact and order to cease and desist.

**No. 2407.** Representations that it is a distiller of spirituous beverages, when such is not the fact, are to be discontinued by **Western American Distillers Corporation**, 110 First St., San Francisco, under an order to cease and desist.

The order directs the respondent corporation, through use of the word "Distillers" in its corporate name, or otherwise, to cease representing that it manufactures by the process of distillation the spirituous beverages it sells, or that it owns or operates a plant where such products are distilled, unless it actually does own or operate such a plant.

**No. 2418.** **Western Reserve Distilling Co.**, 2501 Norwood Ave., Cincinnati, has been ordered to cease representing that it is a distiller of whiskies, gins and other spirituous beverages, until such is the fact.

The order prohibits the respondent company from representing, through use of the word "Distilling" in its corporate name, on labels, or in advertising matter, that it manufactures through the process of distillation the spirituous beverages it sells in interstate commerce, or that it owns or operates a plant where such beverages are manufactured, until it actually owns such a plant.

**No. 2621.** **Sweet Candy Co.**, 224 South First West St., Salt Lake City, has been ordered to cease and desist from selling to wholesalers, jobbers and retailers assortments of candy so packed and assembled that a lottery scheme or game of chance is involved when the candy is resold to consumers.

#### FTC CLOSES CASE

**No. 2828.** The Federal Trade Commission has entered an order closing its case against **Mandre, Inc.**, 1400 Broadway, New York City, and **Louis C. Rosenblatt**, **Arthur J. Rosenblatt** and **H. Edelman**, officers of the corporation, and against the same respondents trading as **M. Brooks & Co.**, 1109 G Street, N. W., Washington, D. C. The New York corporation manufactures

and deals in furs, fur coats and fur-trimmed garments, while the Washington company only deals in these products.

The Commission's complaint had alleged that the respondents labeled and advertised their products with names of high-priced furs, which were, in fact, furs made from inferior skins treated and dyed to resemble higher quality skins.

According to the order, the respondents have entered into a stipulation with the Commission to discontinue such unfair methods of competition. The Commission closed the case without prejudice to the right to reopen it should the facts so warrant.

#### FEDERAL COMMUNICATIONS COMMISSION ACTION

#### HEARING CALENDAR

Tuesday, August 11

#### HEARING BEFORE AN EXAMINER (Broadcast)

WKZO—WKZO, Inc., Kalamazoo, Mich.—C. P., 590 kc., 250 watts, 1 KW LS, unlimited time.

#### APPLICATIONS RECEIVED

##### First Zone

WEEI—The Edison Electric Ill. Co. of Boston, Boston, Mass.—590 Voluntary assignment of construction permit (B1-P-1196) from The Edison Electric Illuminating Co. of Boston to WEEI Broadcasting Corp.

WEEI—WEEI Broadcasting Corp., Boston, Mass.—Modification 590 of construction permit (B1-P-1196) to install a new transmitter and directional antenna; increase power from 1 KW to 1 KW night, 5 KW day; and move transmitter, to further request increase in power from 1 KW night, 5 KW day, to 5 KW day and night. (Filed in new name.)

NEW—Rev. Edward Warren Cromey, Rector, Church Wardens 1130 & Vestrymen of St. Michael's P. E. Church, Brooklyn, New York.—Construction permit for a new station to be operated on 1130 kc., 1 KW, daytime, requests facilities of Station WOV. Amended to make changes in antenna and give exact studio site as site to be determined, Brooklyn, N. Y.

WCAX—Burlington Daily News, Inc., Burlington, Vt.—Construction permit to install new equipment.

WOCL—A. E. Newton, Jamestown, N. Y.—Construction permit 1210 to make changes in equipment to comply with Rule 132 and increase power from 50 watts to 100 watts. Amended to omit request for increase in power and make further changes in equipment.

WNAC—Shepard Broadcasting Service, Inc., Boston, Mass.—1230 License to cover construction permit (B1-P-1083) for changes in equipment and increase in power.

WNBF—Howitt-Wood Radio Co., Inc., Binghamton, N. Y.—Construction permit to install a new antenna, move transmitter from 92 Seneca Street, Binghamton, N. Y., to Acreage (no street), Binghamton, N. Y.

NEW—Bamberger Broadcasting Service, Inc., Portable-Mobile.—Construction permit for a new relay broadcast station to be operated on 1622, 2060, 2150, 2790 kc., 26.4 watts. Amended to change frequency 2060 kc. to 2058 kc.

NEW—Bamberger Broadcasting Service, Inc., Portable-Mobile.—Construction permit for a new relay broadcast station to be operated on 1622, 2060, 2150, 2790 kc., 50 watts. Amended to change frequency 2060 kc. to 2058 kc.

##### Second Zone

WCOL—WCOL, Inc., Columbus, Ohio.—Construction permit to 1210 make changes in equipment and increase power from 100 watts to 100 watts night, 250 watts day.

NEW—The Central Michigan Radio Co., James Bourland, John 1350 Tebbell, Gerald J. Cotter and Ray D. Markel, Mt. Pleasant, Mich.—Construction permit for a new station to be operated on 1350 kc., 250 watts, unlimited time.

W8XIP—The WGAR Broadcasting Co., Portable-Mobile.—License to cover construction permit for a new relay broadcast station.

W8XIQ—The WGAR Broadcasting Co., Portable-Mobile.—License to cover construction permit for a new relay broadcast station.



W8XIR—The WGAR Broadcasting Co., Portable-Mobile.—License to cover construction permit for a new relay broadcast station.

NEW—WCAU Broadcasting Co., Philadelphia, Pa.—Construction permit for a new high frequency broadcast station to be operated on 31600, 35600, 38600, 41000 kc., 100 watts.

### Third Zone

KMLB—Liner's Broadcasting Station, Inc., Monroe, La.—Construction permit to make changes in equipment, change frequency from 1200 kc. to 1210 kc., move transmitter from 512-516 S. Grand Street, Monroe, La., to (no street address) Monroe, La. Amended to change equipment, increase power from 100 watts to 100 watts night, 250 watts day, and omit request for change in frequency.

NEW—Southeastern Broadcasting Co., Inc., Macon, Ga.—Construction permit for a new station to be operated on 1210 kc., 100 watts, specified hours (local sunset to 12 midnight).

NEW—Times Publishing Co., Okmulgee, Okla.—Construction permit for a new station to be operated on 1210 kc., 100 watts, daytime.

WRR—City of Dallas, Texas, Dallas, Tex.—Modification of license 1280 for intermittent or simultaneous operation of WRR and KVPA into a single vertical radiating tower.

NEW—Virgil V. Evans, Gastonia, N. C.—Construction permit for 1420 a new station to be operated on 1420 kc., 100 watts, unlimited time.

NEW—Fort Worth Broadcasters, Inc., Portable-Mobile.—Construction permit for a new relay broadcast station to be operated on 31100, 34600, 37600, 40600 kc., 5 watts.

NEW—Fort Worth Broadcasters, Inc., Portable.—Construction permit for a new relay broadcast station to be operated on 1622, 2058, 2150, 2790 kc., 40 watts.

### Fourth Zone

NEW—Michael F. Murray, St. Cloud, Minn.—Construction permit for a new station to be operated on 560 kc., 500 watts, daytime.

WCAZ—Superior Broadcasting Service, Inc., Carthage, Ill.—1070 License to cover construction permit (B4-P-876) for changes in equipment and move of transmitter.

KGFV—Central Nebraska Broadcasting Corp., Kearney, Nebr.—1310 Construction permit to install a new antenna, move studio and transmitter from 919 West 27th Street, Kearney, Nebr., to site to be determined, Omaha, Nebr. Amended to install a new transmitter.

WLBC—Donald A. Burton, Muncie, Ind.—License to cover construction permit (B4-P-248) as modified for changes in equipment and increase in power.

WMBH—Joplin Broadcasting Co., Joplin, Mo.—Construction permit to install a new transmitter.

NEW—Hammond-Calumet Broadcasting Corp., Hammond, Ind.—1480 Construction permit for a new station to be operated on

1480 kc., 5 KW, daytime. Amended to give transmitter site as Wicker Park at Southeastern Avenue overpass, near conjunction of U. S. Routes 6 and 41, Highland, Ind., and install directional antenna.

W9XJL—Head of the Lakes Broadcasting Co., Superior, Wis.—License to cover construction permit for a general experimental station.

### Fifth Zone

KOMO—Fisher's Blend Station, Inc., Seattle, Wash.—Authority to 930 determine operating power by direct measurement of antenna.

KFEL—Eugene P. O'Fallon, Inc., Denver, Colo.—License to cover 920 construction permit (B5-P-1107) as modified for changes in equipment and move of transmitter.

NEW—Julius Brunton & Sons Co., San Jose, Calif.—Construction 970 permit for a new station to be operated on 970 kc., 250 watts, daytime. Contingent upon KQW's application for move of station, increase in power, new antenna and changes in equipment.

KQW—Pacific Agricultural Foundation, Ltd., Sacramento, Calif.—1010 Construction permit to make changes in equipment, install new antenna, increase power from 1 KW to 1 KW night, 5 KW day, move transmitter from 87 E. San Antonio St., San Jose, Calif., to North ½ of lot J. Glides, West Sacramento, Calif., subdivision as recorded in Yolo County, 4-7-15, and move studio from same address to Senator Hotel, 12th and L Sts., Sacramento, Calif.

KYOS—Merced Star Publishing Co., Merced, Calif.—Modification 1040 of construction permit (B5-P-673) to install a vertical radiator and for approval of transmitter and studio sites at just out of town, Merced, Calif.

KJBS—Julius Brunton & Sons Co., San Francisco, Calif.—Construction 1070 permit to install a new antenna, change frequency from 1070 kc. to 1080 kc., move studio and transmitter from 1380 Bush Street, San Francisco, Calif., to 1476 Pine Street, San Francisco, Calif.

NEW—John D. Fields, Inc., Las Vegas, Nev.—Construction permit 1370 for a new station to be operated on 1370 kc., 100 watts, unlimited time.

KSLM—Oregon Radio, Inc., Salem, Ore.—Construction permit to 1370 install a new transmitter, make changes in antenna, increase power from 100 watts to 250 watts, and change frequency from 1370 kc. to 1240 kc.

NEW—Loyal K. King, Pasadena, Calif.—Construction permit for 1480 a new station to be operated on 1480 kc., 250 watts, daytime.

NEW—Ben S. McGlashan, Portable-Mobile.—Construction permit for a new general experimental station to be operated on 86000-400000 kc., 100 watts. Amended to delete above frequency band and substitute the frequencies 88000, 120000, 240000, 500000 kc.

NEW—Ben S. McGlashan, Los Angeles, Calif.—Construction permit for a new high frequency broadcast station to be operated on 25950 kc., 1 KW.

# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
JAMES W. BALDWIN, Managing Director

## NAB REPORTS

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### COMPARISON NAB AND CENSUS ESTIMATES OF BROADCAST ADVERTISING

The publication of the preliminary summaries for the United States of broadcast advertising volume for 1935 by the Bureau of the Census, Department of Commerce, has given rise to numerous inquiries as to the relation of these figures to those published by the National Association of Broadcasters, and the degree of agreement or disparity found in the two sets of figures.

In order that there may be no misunderstanding in this respect, the following analysis has been prepared.

#### Comparison of Total Revenues

The gross time sales for the medium in 1935, as given by the National Association of Broadcasters was \$87,523,848. The gross revenues, as given by the U. S. Bureau of the Census, were \$86,492,653.

Actually, the correspondence between the two figures is not as great as this indicates, nor should it be. The Census figure includes \$6,875,110 revenues from the sale of talent and miscellaneous sources. Deducting this figure leaves \$79,617,543 as the revenue from the sale of time. The Census figure is therefore 9.0% lower than the NAB figure.

This lack of correspondence is explainable by the fact that the two sets of figures are collected on a different base. The Census figures represent net sales. In this instance, discounts arising out of the length of the broadcast series contracted for and similar promotional discounts are subtracted from gross billings, though agency commissions, considered a sales expense, are not deducted. The NAB figures represent gross billings, i.e., all time sold billed at the one time rate. Because of its simplicity, this latter method has been the customary form of stating advertising volume by media.

#### Comparison of National Advertising Estimates

Available data make possible a comparison of the NAB and the Census estimates with regard to national and regional advertisers.

The NAB report of national and regional network gross billings for 1935 showed a total of \$51,178,425. This figure was not the result of sampling, but constituted a complete report of the networks in question.

The Census report for national and regional network net time sales for the same year was \$39,737,867. Thus it was revealed that there were discounts of 22.4% to be deducted from gross billings of networks before net sales were arrived at.

Discounts in the national non-network or national spot field are generally similar to those applicable in the network field. It is probable that the shorter series of broadcasts utilized by the smaller regional advertisers may reduce the average discount slightly. Assuming the existence of discounts of between 20% and 22.4% in the national non-network field, it is possible to calculate estimated gross billings on the basis of the \$13,805,200 volume of this type of business reported by the Census. Such a calculation reveals estimated gross billings of between \$17,256,000 and \$17,802,000. Both of these figures are slightly higher, but extremely close to the reported figure of the NAB for 1935, that of \$17,063,688. This seems to confirm once more both the general accuracy and the conservatism of the NAB statistics.

#### Proportion of National and Local Business

The most important discrepancy between the two sets of figures is with regard to the proportion of total business represented by

national and regional non-network advertisers and local broadcast advertisers. According to the NAB estimates national non-network volume accounted for \$17,063,688 in 1935 and local broadcast advertising for \$19,281,735. These two figures are approximately equal.

In the case of the Census report of net sales, national non-network volume is \$13,805,200 (this has been reconciled to the NAB estimates in the preceding paragraphs), while local broadcast advertising is given as \$26,074,676.

Two problems present themselves at this point. The first, already alluded to, is the discrepancy in the two reports as to the proportion of non-network business represented by national and local advertisers. The second discrepancy is the fact that the combined national and local non-network *net sales* of the Census report are greater than the NAB *gross billings* by \$3,534,163.

Turning to the first problem, that of the relative proportion of national and regional business and of local business comprising the non-network total for the medium: It is probable in this instance that the NAB figures are closer to the actual situation than are those of the U. S. Census. This is true for the following reasons: The Census estimates are the result of the reports of the various stations to the Bureau of the Census. The division of business into national and regional on the one hand and local on the other is certain to be an extremely rough estimate on the part of the great majority of stations. Studies leading to the development of standard cost accounting for radio stations, conducted in 1934, indicated only the roughest separation of business along national and local lines by stations.

In addition, it is quite probable that station estimates tend to inflate the local rather than the national figure. Where national advertisers and local agencies combine, and where such combined advertising is carried at the local rate, it will tend at times to be classified as local. Some regional advertisers will tend to be classified as local.

The NAB method of compiling data in this field seems to be the more careful. No over-all estimate is used for the year, or even for any individual month. The tabulations of national and local business are the results of the individual classification of every account broadcast over each of the reporting stations every month. This classification is made entirely upon the basis of the actual point of origin of the business and without regard to whether it is billed at one rate or another. The original classifications made by the reporting stations, in addition, are carefully checked by experts prior to tabulation and compilation. This method, it would seem, should yield the more desirable results from the viewpoint of accuracy.

#### Comparison of Local Volume

The discrepancy in the local volume between the NAB and Census reports is undoubtedly explained in part by the confusion in classification of business as to national and local. This, however, does not explain the fact that the total non-network business as set forth by the NAB is below that reported by the Census. Discounts on local business are relatively small for the most part, but still will serve to swell the reported Census figure of \$39,737,867 to at least some degree, thus further increasing the difference between it and the reported non-network volume of \$36,534,163 of the NAB.

One conclusion is inescapable from the above figures, namely, that the NAB estimates of non-network volume have been highly conservative on the whole, probably by 10% to 15%. As more detailed final information is revealed by the Census Bureau, it may be possible to indicate the exact extent to which this has been the case.