1626 K STREET, N. W.

WASHINGTON, D. C.

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# FCC Committee Suggests 1-Year Licenses

The broadcasting industry's plea for longer licenses was answered this week when an FCC committee recommended that the term of licenses be extended from six months to at least one year.

This recommendation was included in a report to the whole Commission on the hearings on rules and regulations which started last June 6.

The committee also recommended that present rules governing power be left unchanged pending "a more intensive accumulation of facts and a consequent study of the economic factors involved" in super-power.

Although the committee commented that it was difficult to prescribe program standards "because initiative and reasonable freedom of action are essential to the American system of broadcasting," it set forth thirteen "practices" which it said should be taken into consideration in renewing licenses.

Network organization should be encouraged rather than discouraged, the committee said. Newspaper ownership, transcriptions, absentee ownership, international problems and other subjects also were discussed at length in the 31-page document, mailed by the Commission to all stations.

Other developments of the week:

The deal with E. V. Brinckerhoff and Company, Inc., to continue the NAB Bureau of Copyrights tax free music library collapsed when Mr. Brinckerhoff told Neville Miller, NAB President, that he would be financially unable to perform the obligations of the proposed contract.

The FCC refused NAB's request for simplification of the ownership questionnaire, due January 25. Chairman Frank R. McNinch told Mr. Miller that the information requested was necessary in the current monopoly investigation. Columbia had the stand at this week's hearings. Mutual is slated to start next week.

Four of last year's bills and one new measure, all of which the industry will oppose, were dumped into the congressional hoppers. Senator Schwellenbach (D-Wash), by three bills, would compel broadcasters to turn over their microphones for discussion of controversial issues. Representative Celler (D-NY) would have the federal government build and operate a station in the District of Columbia. Senator Reynolds (D-NC) would have the government build four stations for maritime broadcasts.

The American Federation of Radio Artists (A. F. of L.) threatens to strike against

Neville Miller, President

Edwin M. Spence, Secretary-Treasurer

Andrew Bennett, Counsel; Edward M. Kirby, Director of Public Relations; Joseph L. Miller, Director of Labor Relations; Paul F. Peter, Director of Research

## FCC COMMITTEE SUGGESTS 1-YEAR LICENSES

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all advertising agencies which refuse to sign an agreement including a minimum wage scale the union has fixed. No date for the walk-out has been fixed.

#### COPYRIGHT DEAL COLLAPSES

The following correspondence explains the collapse of the deal between the NAB and E. V. Brinckerhoff and Co., Inc., for continuation of the NAB Bureau of Copyrights, approved at the last meeting of the NAB Directors:

E. V. Brinckerhoff & Co., Inc.,29 West 57th Street, New York.January 16, 1939.

Mr. Neville Miller, President National Association of Broadcasters 1626 K Street, Northwest Washington, D. C.

Dear Neville:

This will confirm the decision arrived at during the meeting of Judge Robinson, Paul Spearman, Mr. Fletcher and you with regard to the NAB Bureau of Copyrights, Inc.

As agreed at that conference, there is nothing for us to do but withdraw our bid.

Should there be any other arrangement made or should you wish us to, we should be glad to consider making another bid.

Sincerely,

(Signed) BRINK

EVB:HC

E. V. Brinckerhoff.

P.S. At your convenience will you please have returned to me our original contract with the papers attached thereto, including the letter of guarantee.

January 16, 1939.

#### TO THE BOARD OF DIRECTORS:

Since the last meeting of the Directors in Washington on December 12, 1938, I have diligently attempted to

close the transaction concerning the NAB transcription library with E. V. Brinckerhoff and Company in accordance with the bid submitted to the Directors by Mr. Brinckerhoff.

Due to unavoidable circumstances, the negotiations have taken longer than expected. However, I spent most of last Friday and Saturday with Mr. Brinckerhoff during which time the terms and conditions of the proposed contract were carefully discussed. Mr. Brinckerhoff was accompanied by legal counsel at the second conference and at the conclusion thereof Mr. Brinckerhoff stated he would be unable financially to perform the obligations of the proposed contract and, therefore, withdrew his offer which he had submitted to the Board of Directors on December 12.

I am leaving Washington for a trip to attend District meetings in Denver, Portland, San Francisco, Los Angeles and Dallas, and shall return to Washington, February 6. I shall discuss the copyright question with the broadcasters at these District meetings and shall continue to study it and shall expect to make a report to the Board of Directors at an early date. I shall be glad to have your suggestions.

With best regards, I am

Very truly yours,

NEVILLE MILLER

#### DISTRICT 14 MEETING

The District 14 meeting this week adopted a resolution saying it was the sentiment of the district that all broadcasters immediately should meet their obligations under the Federal Radio Education Committee agreement.

Neville Miller, NAB President, and Ed Kirby, Public Relations Director, represented headquarters at the meeting held January 18-19 in Denver.

Other resolutions called for:

The NAB to move toward revision of the 1909 copyright law "that justice be done to all parties."

Congress to relieve broadcasters of unfair liability for the utterances of political candidates.

Mr. Miller to proceed hastily to make arrangements with responsible parties for continuation of the NAB library of tax-free music, in view of the Brinckerhoff withdrawal.

The NAB to ask Congress to place the responsibility for network shows upon the originating source.

"Wholehearted cooperation" with Mr. Miller.

The following members registered for the meeting:

Bishop, Frank, KFEL; Carman, Frank C., KUTA; Carrol, R. E., KWYO; Chamberlin, Howard R., KLZ; Craney, E. B., KGIR-KPFE; Crapsey, A. W., KOA; McClellan, T. G., KLZ; McCracken, H. L., KVRS; McGill, J. H., KGHF; MacPherson, James, KOA; Moyer, Holly, KFEL; O'Fallon, Gene, KFEL; Owen, Robert H., KOA; Pyle, Wm. D., KVOD; Ritchie, Sen C. P., KGHF; Sharp, Ivor, KSL; Siebert, Herbert, KWYO; Ekrem, T. C., KVOD; Fox, S. S., KDYL; Elmer, John, WCBM;

Glade, Earl J., KSL; Hilliard, L. L., KGKY; Howell, Charles, KFXJ; Howell, Rex., KFXJ; Hurt, Franke, KFXD; Jacobsen, Jessie, KFBB; McCaig, Don, KFEL; Soule, O. P., KTFI-KSEI; Wagstaff, W. E., KDYL; Wuth, Arthur, KLZ; Yocum, Edw. M., KGHL; Hathaway, Don F., KDFN.

## Labor

### AFRA THREATENS STRIKE AGAINST ADVERTISING AGENCIES

The American Federation of Radio Artists (A. F. of L.) is threatening to strike against advertising agencies which refuse to sign contracts including a minimum wage scale the union has proposed.

No date for the strike has been set, but Mrs. Emily Holt, the union's executive secretary, and George Heller, associate secretary, are holding a series of mass meetings this week in New York, Chicago and Los Angeles to obtain a vote of confidence.

Joseph L. Miller, NAB Labor Relations Director, conferred this week with both Mrs. Holt and John A. Benson, President of the American Association of Advertising Agencies, about the situation. Mr. Miller offered both Mrs. Holt and Mr. Benson his services as media-Both thanked him and said they would call on him if they felt his services would be useful.

AFRA dealt for some time with the AAAA, but withdrew from the conference after the AAAA, disclaiming authority to make any deal, suggested a wage scale somewhat below the one AFRA proposed. Mrs. Holt now says that the strike will not affect any individual agency which signs a contract. Whether the agencies will stick together is still a question.

AFRA already has contracts with NBC and CBS covering sustaining artists, and so a strike would not affect sustaining programs from those networks. strike probably would affect quite seriously the content of network commercials built by agencies. Eddie Cantor is AFRA president.

#### WAGE AND HOUR

Elmer F. Andrews, Wage and Hour Administrator, has suggested to Congress, in his first annual report, that the act might be amended to exclude from overtime provisions employees making \$400 or more a month, not otherwise excluded by executive and professional exemption. The NAB is of the opinion that \$400 is too high a figure. Joseph L. Miller, Labor Relations Director, will discuss this situation soon with the Special Wage and Hour Committee, to explore the possibility of supporting Mr. Andrews' suggestion if the figure is Mr. Miller would appreciate comment from members, including figures on how many non-exempt employees each station has, making more than \$40 a week; also the number making more than \$50 a week.

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#### Ohio State Meeting

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Joseph L. Miller, Labor Relations Director, will talk to the Ohio State Broadcasters Association about broadcasting labor problems, in Columbus January 28.

# Legal

#### STATE TAX ON BROADCASTING

State statutes and municipal ordinances which impose a license or franchise tax upon broadcasting stations uniformly are unconstitutional. They may not be exacted by any state or municipality, since they are an unconstitutional burden upon interstate commerce. This should be brought to the attention of the proper authorities before action is taken by the enacting bodies. All broadcasters located in states and municipalities which are contemplating such taxation are urged to communicate with Headquarters for details of the principles of law involved and to cooperate with their local committees and district directors to the end that useless litigation involving such legislation may be avoided.

### PROPOSED FEDERAL, STATE LEGISLA-TION AFFECTING BROADCASTING

The following bills have been introduced in the respective legislatures:

#### Congress

H. R. 94 (Mr. Maloney, La.) PAID TESTIMONIALS-To require announcement of paid "recommendations" (testimonials), if any, at time of broadcast. Referred to Interstate and Foreign Commerce Committee

H. R. 251 (Mr. Culkin, N. Y.) LIQUOR ADVERTISING—To prohibit radio advertising of alcoholic beverages. Interstate and Foreign Commerce Committee.

H. R. 252 (Mr. Culkin, N. Y.) LIQUOR ADVERTISING-Same as H. R. 251, except that it specifically defines "alcoholic beverage" as including "beer, ale, wine, gin, whiskey, or brandy." Referred to Interstate and Foreign Commerce Committee.

H. R. 253 (Mr. Culkin, N. Y.) LIQUOR ADVERTISINGprohibit the transportation in interstate commerce of intoxicating liquor advertising, either by mail or otherwise, including radio broadcasting. Referred to Interstate and Foreign Commerce Committee.

H. R. 924 (Mr. Culkin, N. Y.) LIQUOR ADVERTISING— Same as H. R. 253, except that it pertains to "alcoholic beverages" and is not limited to "intoxicating liquor." Referred to the Interstate and Foreign Commerce Committee.

S. 517 (Sen. Johnson, Colo.) LIQUOR ADVERTISING—Same

as H. R. 251. Referred to Interstate Commerce Committee. S. 547 (Sen. Lodge, Mass.) COPYRIGHT—To create renewal rights in author of articles in periodicals, encyclopedia, etc., when such articles are not separately copyrighted but were included in copyright of periodical or other composite work. Referred to Patents Committee.

S. 550 (Sen. Sheppard, Texas) COMMUNICATIONS ACT—To amend Section 303 by limiting the issuance of operators' licenses to citizens of the United States over the age of twentyone, provided the Commission may waive the age limit with respect to amateur operators. Referred to Interstate Commerce Committee. The bill as introduced refers to Section 303 (e), whereas the correct designation is 303(1). A corrected bill

S. 575 (Sen. Capper, Kans.) LIQUOR ADVERTISING—Same as H. R. 924. Referred to Interstate Commerce Committee.

S. 594 (Sen. Reynolds, N. C.) GOVERNMENT RADIO STA-TIONS-To establish marine schools in each state and other purposes, including the construction and operation by each school of one or more stations on "a wave-length and power prescribed by the Maritime Commission." Referred to Commerce Committee.

#### FEDERAL CONGRESS

S. 635 (Sen. Schwellenbach, Wash.) COMMUNICATIONS ACT-To strike Section 315 of the Communications Act and to require each station to set aside regular and definite periods of desirable day and evening time for uncensored discussion on "non-profit basis of public, social, political, and economic prob-lems, and for educational purposes." Qualified candidates for public office are not covered by the amendment. Referred to Interstate Commerce Committee.

S. 636 (Sen. Schwellenbach, Wash.) COMMUNICATIONS ACT-To add to Section 315 with respect to candidates for public office the requirement that the station shall keep complete records open to public inspection. Referred to Interstate Com-

merce Committee.

S. 637 (Sen. Schwellenbach, Wash.) COMMUNICATIONS ACT-To strike Section 326 and substitute in lieu thereof a similar provision with respect to censorship by the Commission with the proviso that it does not exempt stations from liability for defamatory, profane, indecent or obscene language or action broadcast by any officer, employee, agent or representative of the station. Referred to Interstate Commerce Committee.

H. R. 2721 (Mr. Celler, N. Y.) GOVERNMENT RADIO STATION—To construct and maintain Government radio-broadcasting station in vicinity of Washington by Secretary of the Navy, with programs under direction of the United States Commissioner

of Education. Referred to Naval Affairs Committee.

#### State Legislatures

#### ARKANSAS:

H. 8 (Weisenberger) PREMIUM TAX-To repeal Act 238 of 1937 taxing the giving away of money or other things of value

for advertising. Referred to Education Committee.

56 (Higginbotham) COPYRIGHTS — UNFAIR TRADE PRACTICES—Declaring illegal certain monopolistic abuses practiced under the guise of copyrights by price fixing combinations, monopolies and pools; enforcing the Arkansas Anti-Trust Statutes; creating a State Anti-Monopoly Board; providing for the service of process on non-residents and providing additional funds for Old Age Pensions. Referred to Judiciary Committee.

A 148 (Rosenthal) RADIO TRANSMISSION-An act for the construction of two radio broadcasting stations and the maintenance and operation thereof by the University of California. Referred to Universities Committee.

A 246 (Tenney) SLANDER—Absolves radio stations from liability for slander. Referred to Judiciary Codes.
A 248 (Tenney) LIBEL AND SLANDER—BOND—Waiving the necessity of posting a bond in libel and slander actions. Referred to Judiciary General Committee.

A 263 (Tenney) RADIO STATION'S LIABILITY—Exempting radio stations from liability for statements made. Referred to Crime Problems Committee.

A 666 (Gilbert) RADIO ADVERTISING—Provides penalties for false advertising by radio. Referred to Crime Problems

Committee.

A 826 (Millington) RADIO BROADCASTS—Relating to radio broadcasts in foreign languages. Referred to Judiciary General Committee.

#### Colorado:

S 94 (Constantine) SOUND AMPLIFIERS—An act relating to use of sound equipment. Referred to State Affairs Committee. S. 95 (Constantine) MICROPHONES-Relating to unlawful

Referred to State Affairs Committee.

H 12 (Griffith) THEATRICAL EMPLOYMENT AGENCIES -Relates to theatrical employment agencies, amending Statute 1935 annotated, Chapter 97, Section 165-179 incl. Referred to Industrial Relations Committee.

H 44 (Townsend) H 1 (Crowley-Anderson) SERVICE TAX REPEAL—Repeals 2 per cent tax enacted in 1937. Referred to Ways, Means and Finance Committee.

H 137 (Kline) SHORT WAVE RADIO—Relates to short wave radio sets in automobiles and business establishments. Referred to Appropriations Committee.

H 300 (Hornbaker) SERVICE TAX-To amend the Public Revenue Service Tax Act of 1937, Chapter 240. Referred to

Finance, Ways and Means Committee.

H 352 (King) SERVICE TAX—To amend the Public Revenue Service Tax Act of 1937. Referred to Finance, Ways and Means

H 413 (Crowley) SOUND AMPLIFICATION—Relating to the unlawful use of microphones and other sound amplifying equipment. Referred to Criminal Jurisprudence Committee.
H 408 (Crowley) SOUND AMPLIFICATION—Relating to

the use of microphones and other sound amplifying equipment. Referred to Criminal Jurisprudence Committee.

H 21 (Evans) RADIO COMMISSION-To repeal an act establishing the Georgia Radio Commission. Referred to State of Republic Committee.

#### Massachusetts:

S 34 (Skibinski) MUNICIPAL ADVERTISING—Authorizing cities and towns to appropriate money for municipal advertising purposes. Referred to Municipal Finance Committee. S 41 (Burke) LIBEL OF RACES—Prohibiting the libel of

races. Referred to Constitutional Law Committee.

H 337 (Mass. St. Fed. of Labor) EMPLOYMENT OFFICES-Providing for the regulation of private employment offices. Referred to Mercantile Affairs Committee.

#### Michigan:

H 50 (Hamilton) GAMBLING TRANSMISSION-To amend the criminal code to make telegraphic, telephone, and radio reports of wagers and bets a felony. Referred to State Affairs Committee.

#### NEW YORK:

A 9 (Ferril) (Same as S 14) RACE HATRED-Makes it a misdemeanor to incite, advocate or promote hatred, violence or hostility against any person or group by reason of race color, religion or manner of worship. Penal Law, \$514-a new. Referred to Codes Committee.

S 14 (Nunan) (Same as A 9). S 19 (Coughlin) (Same as S 14; A 9).

#### NORTH CAROLINA:

H 13 (Fenner) TAXATION—ALL FORMS—To raise revenue; affects all forms of taxation; inheritance, corporation, license, and auto; amends the liquor laws somewhat; involved amend-ments to gift and personal property taxes on tangibles and in-

tangibles. Referred to Finance Committee.

H 44 (Taylor) RADIO BROADCASTING—FRANCHISE
TAX—Imposes a franchise tax of 3 per cent on the gross receipts of all radio broadcasting companies. Referred to Finance

Committee.

S 12 (Taylor) TAXATION—ALL FORMS—To raise revenue; affects all forms of taxation; inheritance, corporation, license and auto; amends the liquor laws samewhat; involved amendments to gift and personal property taxes on tangibles and intangibles. Referred to Finance Committee.

#### OKLAHOMA:

H 170 (Sweeney) RADIO BROADCASTING—Provides facilities for the use of radio broadcasting stations.

#### WASHINGTON:

S 5 (Kyle) COPYRIGHTS—Repealing Chapter 218 of the

laws of 1937 protecting copyrights.

S 15 (Sullivan) PÜRE FOOD AND DRUG ACT—Amending the Pure Food and Drug Act to prevent the manufacture, advertising or sale of adulterated food or drugs; misbranding, false advertising; regulating the sale of dangerous habit forming drugs and of new drugs. Referred to Medicine Committee.

#### MAP DEMANDS

The Association recently has received a number of letters from members which indicate that certain map companies are making a drive against stations, alleging that the stations have infringed copyrights covering maps. The stations receiving such communications from map companies will greatly assist the NAB in its investigation by sending complete details to Headquarters.

#### FCC QUESTIONNAIRE

Numerous member stations have inquired concerning the interpretation of question 12(a) and (b) of the FCC individual licensee questionnaire [question 14(a) and (b) of the licensee corporation questionnaire]. An inquiry at the Commission brought the following answer: If question (a) is answered "Yes," the answer to question (b) must include a complete list of all advertising agencies from which business has been received, stating with respect to each the basis for the payment of compensation, the amount and percentage of such compensation and any arrangements with the agency for making payment. Station representatives also should be included with the percentage basis and the gross sum paid to them. Officials of the Commission state that it is not necessary to submit copies of contracts.

[The NAB's efforts to obtain simplification of the questionnaire were unsuccessful. Neville Miller brought the situation to the attention of Chairman Frank R. McNinch who said that the information sought was necessary for the current monopoly investigation.]

#### FREE OFFERS

The NAB regrets that it erroneously listed as a "costper-inquiry" proposal in the Reports of January 6 a proposition by the Selviair Broadcasting System, Inc., Chicago. The proposition calls for a "package deal."

A free seed offer from the Pan American Society of Tropical Research, New Orleans, has been investigated, and the NAB has found no flagrantly commercial or controversial aspect. When the listener responds to the proposed announcement, he gets a small package of seeds and a leaflet describing the climatic and historic glories of Peru.

A member reports an offer from the Bureau for Natural Pearl Information, New York, which is obviously commercial.

The NAB is investigating offers from the Non-Sectarian League for Americanism, Chicago, and Hansen Associates ("This Has Happened"), New York City. Any member desiring information should write to headquarters.

#### MONOPOLY HEARING

The financial history and organization of CBS was examined in detail at the FCC hearing on alleged monopoly in the broadcasting industry. The day-by-day story of the hearing:

#### JANUARY 12

Frank K. White, CBS Treasurer, was the only witness. After discussing the company's bookkeeping methods, he started to tell the financial history of the company, starting with the organization of the United Independent Broadcasters, Inc., in 1927, by Edward Ervin, Arthur Judson, H. M. Newman and J. Andrew White. Mr. White then told how Mr. Loucheim and Messrs. I. D. and Leon Levy of Philadelphia came into the company that same year by buying 1,020 shares of the 3.000 authorized shares of stock. In September, 1928, the Paley family obtained 2,515 shares of the then-authorized 5,000 shares of stock, by purchases from Mr. Loucheim and others. Mr. White then told how the authorization in December, 1928, was increased to 7,500 shares, and how, the following August, the 7,500 shares were exchanged on a pro rata basis for 50,000 shares of Class A and 50,000 shares of Class B stock. Mr. White said he could not tell who got the 2,500 shares issued in December, 1928, but that control of the company was not affected. On August 8, 1929, the entire Class A issue of 50,000 shares was sold to the Paramount-Famous-Lasky Corporation, which, with additional shares which P-F-L had obtained meanwhile, was sold back in 1932. Mr. White then continued the story of various stock transactions, concluding that day by stating that the company had increased its stock since 1927 from 1,000 to 3,000,000 shares; that \$1,551,155 had been received by the company in cash, and an additional \$41,000 represents the value of agreements signed and obligations cancelled, in payment for this stock; and that the company had paid \$11,194,681 in cash dividends.

#### JANUARY 13

Mr. White continued his discussion of CBS stock issues, financial statements, bookkeeping and related subjects. Commissioner Brown broke into the questioning at one point for an inquiry as to control. It was developed that on January 1, 1938, Mr. Paley controlled 52 per cent of the Class B stock and 11.4 per cent of the Class A. The Paley family acquired control in 1928 and retained it, except during the period when Paramount owned half the outstanding stock.

At the afternoon session, Edward R. Murrow, CBS European Director, described at length how the company covered this year's European crises. Then Hugh A. Cowham, Commercial Engineer in charge of Traffic, told the Commission about the relationship between CBS and the A. T. and T., and how wires for network operation were obtained and operated.

#### JANUARY 17

Mr. Cowham continued his testimony. He was followed by Ralph F. Colin, New York, counsel for CBS and Mr. Paley personally, who went into more detail about the stock transaction with Paramount. Mr. Porter, Commission Counsel, at one point said:

"Now, to sum up this transaction, between 1929 and 1932, this exchange of stock simply means Mr. Paley makes a million dollars and the Paramount Corporation makes a million dollars; some stockholders of Columbia sell 10,000 shares of Paramount for something, and then the whole deal is called off? That is the sum total of the whole thing?"

"Subject to a correction on your estimate of the profit, I think that is true," Mr. Colin replied. "Mr. Paley's and the stockholders profits were not the total amounts received because their stock had cost them something. There was a substantial profit, how-

ever.'

#### **JANUARY 18**

Mr. Paley was on the stand most of the day, devoting most of his direct testimony to CBS program policies. At the afternoon session, he was cross-examined at length about the financial structure and history of the company. Commission counsel appeared to be particularly interested in 1,300,000 shares of CBS stock held in the corporation treasury.

Mr. Porter: So far as you can testify at the present time then there is no plan either yourself or on the part of the corporation with respect to any possible disposition of the 1,300,000 odd shares

of stock?

Mr. Paley: None whatsoever.

Q. Either in the corporation or in the corporation's treasury? A. None whatsoever and that consideration would not be up to the particular group you have referred to. It would be a matter that would have to be considered by the directors and by the stockholders.

Q. Which, incidentally, you very largely control, don't you, Mr. Paley?

A. Well the statements I have made in answer to your questions

indicate to what extent that holds true.

Later, Mr. Paley said, in reply to questions, that the corporation intended to finance its television costs out of profits and had no special plans for financing.

Herbert V. Akerberg, in charge of station relations, took the stand to describe the CBS relationship with affiliated stations.

#### CELLER INTRODUCES BILL FOR **GOVERNMENT STATION**

Several bills affecting broadcasters have been introduced in Congress during the past week, one of which (H. R. 2721) was by Representative Celler, of New York, providing for the construction and operation of a government owned Pan American radio station. The bill, which was referred to the House Committee on Naval Affairs, is identical with a bill introduced by Mr. Celler at the last session of Congress and on which no action was taken.

The bill authorizes an appropriation of \$700,000 for the construction of the station under the direction of the Secretary of the Navy, and an appropriation of \$100,000 a year is also authorized for operation and maintenance of the station.

Provision is made in the bill for the arranging of the programs by the United States Commissioner of Education and general policies would be made by an advisory council to be composed of the Secretary of State, the Director General of the Pan American Union, the chairman of the Federal Communications Commission, and the United States Commissioner of Education.

According to the provisions of the bill the station would be located in Washington.

Senator Schwellenbach of Washington introduced bills Senate 635, Senate 636, and Senate 637, all of which would amend the Communications Act of 1934. They have been referred to the Senate Committee on Interstate Commerce.

Senate 635 requires that broadcasting stations shall set aside regular periods for uncensored discussion of public questions. This bill amends Section 315 of the Communications Act by striking it out and by inserting the following:

"Sec. 315. Each licensee of a radio-broadcasting station shall be required to set aside regular and definite periods at desirable

times of the day and evening for uncensored discussion on a nonprofit basis of public, social, political, and economic problems, and for educational purposes. When any such licensee permits any speaker on any controversial, social, political, or economic issue to use its facilities during any such period, it shall afford to at least one exponent or advocate of each opposing viewpoint equivalent facilities. The licensing authority shall without any delay make rules and regulations to carry this provision into effect, and in proceeding hereunder it shall appoint and, in its discretion, act upon the recommendations of an advisory committee consisting of disinterested, representative citizens: Provided, That the licensing authority, the advisory committee, and licensees shall have no power of censorship of any kind, nor shall any license be revoked or renewal refused because of material so broadcast."

Senate 636 provides that a broadcasting station shall keep complete records open for public inspection for all applications for time of all rejected applications, and the reason for such rejections, and all additions and changes requested in various programs.

Senate 637 strikes out the whole of section 326 and inserts the following:

"Sec. 326. Nothing in this Act shall be understood or construed to give the licensing authority the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the licensing authority which shall interfere with the right of free speech by means of radio communication: Provided, That this provision shall not be understood or construed to exempt any licensee from liability for any defamatory, profane, indecent, or obscene language or action broadcast by any officer, employee, agent, or representative of such licensee."

Senator Reynolds of North Carolina introduced a bill (S. 594) to establish Marine Schools.

In connection with this bill there is a section dealing with the establishment of radio stations. The bill has been referred to the Senate Committee on Commerce and the radio section of the bill is as follows:

"(d) Each such nautical school shall further construct and operate within its maritime district a radio station or stations, of a wave length and power described by the Maritime Commission, for intercommunication between the various schools and to be available as a coastal radio network for defensive purposes if needed as a screen against foreign radio penetration and propaganda, in times of war or national emergency; also for intercommunication with the Maritime Commission offices in Washington; and for broadcasting by voice to United States ships, trawlers, fishing boats, coasting vessels, aircraft, and other ships at sea or in foreign ports: Provided, That not less than four such radio stations be of a power and short wave length capable of being received around the world-one to be located on the Atlantic coast, one on the Pacific, one on the Gulf coast, and one on the Great Lakes: Provided further, that such worldwide stations shall broadcast daily programs containing hydrographic information, weather reports, storm warnings, time signals, distress reports, market prices for fishermen, quotations, news events, and other information of interest and value to citizens of the United States engaged in occupations at sea or abroad, particularly the masters of small craft not equipped with wireless transmitters and operators who may receive such broadcasts by voice through the installation of simple, inexpensive receivers mounted in the pilothouse near the steering wheels of their vessels. Such worldwide maritime broadcasts shall open and close with the national anthem and shall consist of programs and information prepared by the Maritime Commission. such broadcasts shall be prefixed and designated as 'Maritime Radio Service' for delivery to United States ships and citizens at sea, and to American Embassies, consuls and citizens abroad. By permission of the Chairman of the Maritime Commission, the several departments of the Government shall be allowed free service over said worldwide broadcast stations for the dispatch of coded voice messages or straight information to United States emissaries and residents living in foreign lands where censorship and controlled press prevent the ordinary delivery of reliable information; or, for such other purpose as the several depart-

ments may elect to use said stations' service.

"(e) To insure the maximum circulation of such broadcasts through the 'Maritime Radio Service' the Maritime Commission shall encourage the installation aboard United States ships and craft, of all classes, of short-wave receivers and sound distributing equipment, so that the greatest number of vessels may be in constant touch with home shores, wherever they may be in various corners of the world, through said broadcasting service; thereby, reducing the loss of life or property and risks at sea through the ability to direct by voice the attention of a maximum number of ships to any case of distress or emergency; and, by such installations to reduce the probabilities of casualties and the related insurance rates upon vessels and cargoes. Such 'Maritime Radio Service' shall further be used to transmit to United States ships, officers, passengers and crews at sea, programs of a moral, educational, and religious nature upon the various days of the week, to the end that an esprit de corps may be created and sustained to increase the assurances that the United States ships will at all times, in face of storms or adverse conditions, be operated by spirited and inspired personnel of the highest possible caliber; thus, adding human assurance to property insurance.'

#### FATHER COUGHLIN

The Western Union advised NAB this week that it had delivered 70,000 telegrams to Congressmen, protesting against a proposal to lift the embargo on arms shipments to Loyalist Spain, following Father Coughlin's radio request Sunday for protests to that effect. Postal carried an additional 14,600.

The Philadelphia Record reports that two signs, "Keep Frankfurter Out," were carried by pickets in front of WDAS Sunday afternoon. The station has been picketed each Sunday since it cut off Father Coughlin.

#### NEW NEWS REVIEW

A new issue of the NAB News Review, in two parts, is in the mail. One part includes comment on Neville Miller's statement about religious broadcasts; the other has comment on other phases of broadcasting.

#### NEW FREQUENCIES ALLOCATED

The allocation of three new frequencies in the 2,000 to 3,000 kilocycle band for exclusive use in forestry service in preventing and combating forest fires, was announced this week by the Federal Communications Commission. Considerable research was necessary to find these frequencies as this band is already shared by police, government, ship, coastal harbor, aviation, and relay broadcasting stations.

#### CYCLE DEVIATION

During the month of December, according to the Federal Communications Commission, 702 broadcasting stations were measured and 54 were not measured.

Of the number measured 609 had a maximum deviation within 0-10 cycles; 83 deviated within 11-25 cycles; and 9 deviated within 26-50 cycles with 1 having a deviation of over 50 cycles.

#### SUCCESS STORIES WANTED

Stations that have success stories on department store contracts please forward any promotional material on such programs to Headquarters Office. Numerous requests are received for information on success stories of department store programs and the information will be helpful to other member stations.

#### PANAMA TREATY

The Vice President has referred to the Committee on Foreign Relations a convention between the United States and the Republic of Panama, for the regulation of radio communications in the Republic of Panama and the Canal Zone, which was signed in Washington on March 2, 1936.

# FEDERAL COMMUNICATIONS COMMISSION

#### EXAMINER'S REPORT

J. Samuel Brody applied to the Federal Communications Commission for a construction permit for a new station at **Sumter**, **South Carolina**, to operate on **1310 kilocycles**, 100 watts night, 250 watts LS, unlimited time; and Station WIS, Inc., **Columbia**, **South Carolina**, applied for special authority for synchronous station to be operated on **560 kilocycles**, with 10 to 100 watts power, from local sunset to sunrise at Sumter.

Examiner John P. Bramhall, in Report No. I-761, recommended that the Brody application be denied but that the application of WIS, Inc. for the synchronous station be granted "conditioned upon compliance with the technical requirements of the Commission." Dealing with the Brody application, the Examiner stated that the applicant does not have technical qualifications to construct and operate the proposed station and that "his financial ability is very doubtful in view of his numerous contradictory statements with respect to his assets." In connection with WIS application, the Examiner found that the research and experimentation proposed will be conducted by a qualified staff and that "because of the character of the program of research and experimentation to be carried on, it is believed that the same will contribute substantially to the broadcast art."

#### DECISIONS OF COMMISSION

The Federal Communications Commission has denied the application of Station WRBL, Columbus, Georgia, to permit it to change its assignment from 1200 kilocycles, 100 watts night, 250 watts day, unlimited time, to 1330 kilocycles, 1000 watts, unlimited time, to use a directional antenna at night.

In its decision, the Commission stated that the applicant failed to show that public need exists for the additional service "as would justify a curtailment of the present good service area of Station WRBL in some directions, and to authorize operation of a regional station which will be limited to its 4.7 millivolt per meter contour at night."

The Commission has granted renewal of license of Station KMPC, Beverly Hills, California.

At one time, according to the Commission, the program of the station as to certain broadcasts was in question. Two hearings were held. As the result of a further investigation said the Commission "the evidence developed at the further hearing reveal that the station carried announcements sponsored by the Basic Science Institute to the effect that such Institute was a chiropractic organization possessed of the ability to diagnose various physical ailments and give advice as to the treatment to be administered therefor. The chief member of the staff of the organization is one who during 1935 was identified with the Alhambra Electronic Institute, a similar organization which functioned much in the same manner as the present one. He was arrested, tried and found guilty of violating the California State Medical Act. In its decision upon the application of Station KMPC for renewal of license in 1935 (Docket No. 2850), the Commission condemned the part played by the station in promulgating the schemes of the Alhambra Electronic Institute. The similarity of the present scheme with that conducted in 1935, coupled with the fact that the chief promulgator thereof is the same, should normally have placed the station on notice to inquire into the practices to be advertised. Assuming the propriety of one advertising his skill in the diagnosis and treatment of human ills, certainly stations should carefully investigate this and similar enterprises to which they are requested to lend their facilities in foisting upon the public representations and claims concerning the treatment of human disease and misery. It is enough that advertising continuity of such character be offered a station to cause it to carefully scrutinize the same, as well as thoroughly investigate the particular scheme to be presented. In this instance, the Commission feels that since subsequent to 1935 the management and ownership of the station has completely changed, and due to the fact that the program has long since been discontinued, the future service of the station will not be affected by its past conduct."

# FEDERAL COMMUNICATIONS COMMISSION DOCKET

The following hearings are scheduled before the Commission in broadcast cases beginning the week of Monday, January 23. They are subject to change.

#### Monday, January 23

WFIL—WFIL Broadcasting Co., Philadelphia, Pa.—C. P., 560 kc., 1 KW, 5 KW LS, unlimited time. Present assignment: 560 kc., 1 KW, unlimited time.

NEW-Bureau of Education, A. Corenson, Owner and Manager, Montebello, Calif.-C. P., 1420 kc., 100 watts, daytime.

#### Tuesday, January 24

NEW—St. Lawrence Broadcasting Corp., Ogdensburg, N. Y.— C. P., 1310 kc., 100 watts, 250 watts LS, unlimited time. WMSD-Estelle P. Chapman and Everett L. Chapman, Transferor. Authority to transfer control of corporation; 1400 kc., 100 watts, unlimited time.

#### Wednesday, January 25

WALA—W. O. Pape, tr/as Pape Broadcasting Co., Mobile, Ala.— C. P., 1380 kc., 1 KW, unlimited time. Present assignment: 1380 kc., 500 watts, 1 KW LS, unlimited time.

NEW—Bowling Green Broadcasting Co., Bowling Green, Ky.—

C. P., 1310 kc., 100 watts, 250 watts LS, unlimited time.

WGH-James W. Baldwin, Transferor, Daily Press, Inc., Transferce, Newport News, Va.—Authority to transfer control of corporation; 1310 kc., 100 watts, 250 watts LS, unlimited

#### Friday, January 27

Further Hearing

A Broadcast Matter

NEW-Yuba-Sutter Broadcasters, Marysville, Calif.-C. P., 1320 ke., 250 watts, unlimited time (DA at night).

#### **FUTURE HEARINGS**

During the week the Commission has announced the following tentative dates for hearings. They are subject to change.

#### February 27

WHLS-Harmon LeRoy Stevens and Herman LeRoy Stevens, d/b as Port Huron Broadcasting Co., Port Huron, Mich.-Modification of license, 1370 kc., 100 watts, 250 watts LS, unlimited time. Present assignment: 1370 kc., 250 watts, daytime.

KLCN-Charles Leo Lintzenich, Blytheville, Ark.-Renewal of license, 1290 kc., 100 watts, daytime.

-Hearst Radio, Inc., San Francisco, Calif.—Renewal of license, 1230 ke., 1 KW, 5 KW LS, unlimited time.

#### April 18

WJBW—Charles C. Carlson, New Orleans, La.—Renewal of license, 1200 kc., 100 watts, shares WBNO.

WJBW-Charles C. Carlson, New Orleans, La.-Modification of license, 1200 kc., 100 watts, unlimited time. Present assignment: 1200 kc., 100 watts, shares WBNO.

# FEDERAL COMMUNICATIONS **COMMISSION ACTION**

#### APPLICATIONS GRANTED

KIRO—Queen City Broadcasting Co., Inc., Seattle, Wash.— Granted extension of special experimental authority to operate on 710 kc., with 1 KW power, unlimited time, for the period February 1 to August 1, 1939, upon the same conditions and limitations as heretofore imposed, and may be terminated by the Commission at any time without advance notice or hearing if in its discretion the need for such action arises.

KOVC—George B. Bairey, Valley City, N. Dak.—Granted authority to transfer control of KOVC, Inc., licensee of station KOVC, from George B. Bairey to R. Giselius, H. G. Harrington, Milton Holiday, J. P. Katz, Lloyd H. Lee, M. E. McCarty, Selma Manoles, C. J. Meredith, Karl J. Olsen, E. J. Pegg, O. S. Peterson, B. R. Pfusch, John Piller, J. J. Schmitz and Herman Stern. (Station operates on 1500 kc., 100 watts night, 250 watts LS, unlimited time.)

KRBM—Roberts MacNab Co., Bozeman, Mont.—Granted voluntary assignment of C. P. (authorized to operate on 1420 kc., 100 watts night, 250 watts day, unlimited time) from the present permittee, Roberts-MacNab Co., Arthur L. Roberts, R. B. MacNab, Jr., A. J. Breitbach, General Manager, to KRBM Broadcasters.

W2XBF-William G. H. Finch, New York City.-Granted C. P. to change transmitter location of station from 37 West 47th St. to 1819 Broadway, New York, and install new antenna.

#### DESIGNATED FOR HEARING

The following applications have been designated for hearing by the Commission. Dates for hearing have not yet been set.

KSCJ-Perkins Brothers Company (The Sioux City Journal), Sioux City, Iowa.—Application for C. P. to install a directional antenna system for nighttime operation and increase night power from 1 KW to 5 KW. (To be heard before the Commission.) Application designated for hearing to determine if interference might result to existing stations, and because of violation of Rule 120.

NEW—Don Lee Broadcasting Co., San Francisco, Calif.—Application for C. P. for new television broadcast station (site to be determined in San Francisco or immediate vicinity), on an experimental basis, under the provisions of Rules 1031, 1033 and 1034, requesting frequencies 42000-56000 kc., aural and visual power 250 watts, unlimited time, in ac-

cordance with Rule 983.

NEW-Lawrence J. Heller, Washington, D. C.-Application for special experimental authority to install a synchronous station near the intersection of River Road and Wisconsin Avenue, Washington, D. C., exact site to be determined with Commission's approval, and to operate on 1310 kc. with power of 10 to 100 watts, unlimited time, in addition to regular station (if and when granted) of Lawrence J. Heller (C. P. for new station requesting 1310 kc., 100 watts night, 250 watts day, unlimited time). (Application designated for hearing to determine need for this service, and because of possible interference with existing stations. To be heard with application for C. P.)

WWRL-Long Island Broadcasting Corp., Woodside, L. I.-Application for modification of license to change hours of operation to unlimited time, facilities of WMBQ and WCNW (station now operates on 1500 kc., 100 watts night, 250 watts day, S.H.). This application designated for hearing to ascertain if interference might result to existing stations, and to be heard with other related applications for these

facilities.

#### **MISCELLANEOUS**

WHOM-New Jersey Broadcasting Corp., Jersey City, N. J.-Present license extended on a temporary basis for a period of 3 months, pending investigation and report on facts and

circumstances surrounding certain broadcasts.

NEW-Clarence A. Berger and Saul S. Freeman, Coeur D'Alene, Idaho.—Denied as in cases of default application for modification of C. P., which was designated for hearing on December 15, 1938, as applicant failed to appear and offer evidence in support of application.

WBNX—WBNX Broadcasting Co., Inc., New York City.—Denied petition to reconsider and grant application for renewal of license, which has been designated for hearing. (Commis-

sioner Craven voted to grant petition.)

W9XAA—Chicago Federation of Labor, Chicago, Ill.; and Radio Service Corp. of Utah, Saltair, Utah.—Denied motion of Chicago Federation of Labor that the Commission reconsider its action of November 21, 1938, in designating for hearing the application for consent to assignment of license for International Broadcast Station W9XAA from Chicago Federation of Labor to Radio Service Corp. of Utah; and the application for permit to move said international station from Chicago to Saltair, Utah, increase power and install new equipment, and denied motion filed on behalf of assignee, Radio Service Corp. of Utah.

KFRU-KFRU, Inc., Columbia, Mo.-Denied petition of respondent, KFRU, to remand for further hearing the applications of KVOD, Denver, Colo., and KFEL, Denver, for C. P.'s; and motion in opposition thereto, filed on behalf of KVOD; the motion to strike said petition to remand, filed by KFEL; and the opposition filed by KFRU, Inc., to said motions in opposition, and to strike said petitions to remand.

WJAC-WJAC, Inc., Johnstown, Pa.—Granted special temporary authority to operate simultaneously with station WFBC from 12 noon to 1 p. m., EST, with power of 100 watts, January 17, in order to broadcast ceremonies incident to the inauguration of the Governor of Pennsylvania.

WATS—Allen T. Simmons, Akron, Ohio, Portable-Mobile.— Granted license to cover C. P. for new relay broadcast station; frequencies 1622, 2058, 2150 and 2790 kc., 100 watts.

WILL—University of Illinois, Urbana, Ill.—Granted license to cover C. P. authorizing changes in equipment and increase in day power from 1 KW to 5 KW, using directional antenna

system.
WCLS—WCLS, Inc., Joliet, Ill.—Granted license to cover C. P.

authorizing changes in equipment.

KCRJ-Charles C. Robinson, Assignor, Central Arizona Broadcasting Co., Assignee, Jerome, Ariz.—Granted petition to take depositions of Della Tovrea Stuart in re application for

assignment of license of KCRJ.

KRRV-Red River Valley Broadcasting Corp., Sherman, Tex.-Granted request of applicant for authority to take depositions in re application for C. P. to change frequency from 1310 ke. to 880 ke., power from 250 watts to 1 KW, hours of operation from daytime to unlimited; directional antenna for day and night use; move station and install new transmitter.

NEW—Radio Enterprises, Inc., Hot Springs, Ark.; and NEW—Associated Arkansas Newspapers, Inc., Hot Springs, Ark.—Granted petitions of applicants to dismiss applications for new stations, requesting operation on frequency 1310 kc.,

100 watts, daytime only, without prejudice.

NEW-The Gateway Broadcasting Co., Louisville, Ky.-Granted applicant's petition for enlargement of depositions order (to include additional witnesses), in re application for C. P. for new station to operate on 880 kc., 500 watts, unlimited time.

NEW-Enrique Abarca Sanfeliz, San Juan, P. R.-Granted applicant's motion for authority to take depositions (supplemental) in re application for C. P. for new station to operate on 580 kc., 1 KW night, 5 KW LS, unlimited time.

NEW-Pee Dee Broadcasting Co., Florence, S. C.-Granted applicant's petition for extension of time for filing proposed findings in re application of Pee Dee Broadcasting Co. for 1200 kc., 100 watts night, 250 watts LS, unlimited time (facilities of WOLS), and application for modification of license of WOLS to change hours of operation from daytime to unlimited, and power from 100 watts to 100 watts night and day, and for renewal of license of WOLS.

WDAN-Northwestern Publishing Co., Danville, Ill.-Granted applicant's petition for acceptance of late appearance in re application for modification of license to change hours of operation from daytime to unlimited, 250 watts LS. (Now

operates on 1500 kc., 250 watts, daytime only.)

NEW-Aubrey G. McCabe and Trim W. Aydlett, tr/as Albemarle Broadcasting Co., Elizabeth City, N. C.-Granted applicant's petition to take depositions in re application for new station to operate on 1370 kc., 100 watts night, 250 watts LS, unlimited time.

WJLS—Joe L. Smith, Jr., Beckley, W. Va.—Granted modifica-tion of C. P. approving transmitter and studio sites; changes in authorized equipment and installation of a vertical

radiator.

NEW-Bureau of Education, A. Corenson, Owner and Manager, Montebello, Calif.—Granted motion of applicant to accept late appearance in re application for C. P. for new station to operate on 1420 kc., 100 watts, daytime only.

NEW-K. E. Schonert and Oscar L. Turner, d/b as Olney Broadcasting Co., Olney, Ill.—Denied applicant's motion to strike part of proposed finding of stations WGBF and WBOW. (The Olney Broadcasting Co. has applied for a C. P. for a new station to operate on 1210 kc., 100 watts night, 250

watts LS, unlimited time, facilities of WEBQ.)
WFMD—The Monocacy Broadcasting Co., Frederick, Md.— Granted petition of applicant for authority to take depositions in re application for C. P. to install directional antenna for night use; change hours of operation from daytime to unlimited. (Now operates on 900 kc., 500 watts,

daytime.)

KCRJ-Charles C. Robinson, Assignor, Central Arizona Broadcasting Co., Assignee, Jerome, Ariz.—Granted petition of applicants for authority to take depositions in re application for assignment of license of KCRJ from Charles C. Robinson to Central Arizona Broadcasting Co. Station operates on 1310 ke., 100 watts night, 250 watts LS, unlimited time.

WKRC—Columbia Broadcasting System, Inc., Cincinnati, Ohio.— Granted special temporary authority to operate simultaneously with station WOSU during daytime, using power of 5 KW, for a period of 30 days, in order to determine whether the simultaneous operation of WKRC at its maximum power and WOSU results in any objectionable interference.

WJBW—Charles C. Carlson, New Orleans, La.—Continued to April 18, 1939, the hearing heretofore scheduled for January 18 on the application for renewal of license for WJBW and modification of license to change time of operation from sharing with WBNO to unlimited.

WIBG—Seaboard Radio Broadcasting Corp., Glenside, Pa.-Granted C. P. to move transmitter site locally, install new

equipment and vertical radiator.

WEED-William Avera Wynne, Rocky Mount, N. C.-Granted

C. P. to install a new transmitter.

WGRM-P. K. Ewing, Grenada, Miss.-Granted license to cover C. P. authorizing changes in equipment and increase in day power from 100 to 250 watts.

KBND-The Bend Bulletin, Bend, Ore.-Granted license to cover C. P. authorizing erection of a new station to operate on 1310 kc., 100 watts night, 250 watts day, unlimited time. WPTF—WPTF Radio Co., Raleigh, N. C.—Granted special tem-

porary authority to operate from 11 p. m. to approximately 11:30 p. m., EST, or to end of broadcast on Saturday evenings, January 14, 21, 28, and February 4, in order to carry the complete programs of the NBC Symphony Orchestra.

WSAJ-Grove City College, Grove City, Pa.-Granted special temporary authority to operate from 8 to 10:30 p. m., EST, January 20, in order to broadcast basketball games; to operate from 2:30 to 4:15 p. m., EST, January 14, in order to broadcast dedication service of new Administration Building.

KHBG—Okmulgee Broadcasting Corp., Okmulgee, Okla.—Granted special temporary authority to operate from local sunset (January, 5:30 p. m., CST), to midnight on January 30, in order to broadcast President's Ball Dance.

National Broadcasting Co., New York City.—Granted special temporary authority to transmit network programs to Havana, Cuba, for rebroadcast on standard broadcast station CMX, operating on 1260 kc. with approximately 4 KW power, antenna directive to the east, pending action on NBC application (B1-FP-59), for a period of 30 days, in order to continue service to Havana listeners heretofore provided by station CMQ, which service has been suspended because of interference caused by recent changes made by station CMO.

KTHS-Hot Springs Chamber of Commerce, Hot Springs National Park, Ark.—Denied special temporary authority to operate simultaneously with station WBAL on 1060 ke., from 5:30 to 6:15 p. m., CST, Mondays, through Fridays, January 10 to 31, included, in order to broadcast daily resume of activi-

ties of the Ark. State Legislation.

W3XPI-Monumental Radio Co., Baltimore, Md. (Portable-Mobile.—Granted license to cover C. P. for new experimental relay broadcast station; frequencies 31100, 34600, 37600 and 40600 kc., conditionally, 2 watts.

W3XPJ—Monumental Radio Co., Portable-Mobile (State of Maryland).—Granted license to cover C. P. for new experimental relay broadcast station; frequencies 31100, 34600, 37600 and 40600 kc., conditionally, 2 watts.

WAAO-Arthur Malcolm McGregor & Dorothy Charlotte Mc-Gregor, Portable-Mobile (area of Bloomington, Ill.) .-Granted license for new relay broadcast station; frequencies 1606, 2022, 2102 and 2758 ke., 100 watts.

KSLM—Oregon Radio, Inc., Salem, Ore.—Granted modification of C. P. approving transmitter and studio sites and vertical radiator.

WDSM—Fred A. Baxter, Superior, Wis.—Granted modification of C. P. to install composite equipment instead of standard as

previously authorized.

KTHS—Hot Springs Chamber of Commerce, Hot Springs National Park, Ark.—Granted authority to make changes in automatic frequency control apparatus.

W9XAP-National Broadcasting Co., Inc., New York City.-Granted modification of C. P. to make changes in equipment.

WMMN-Monongahela Valley Broadcasting Co., Fairmont, W. Va. -Granted license to use former main transmitter as an auxiliary for emergency purposes only, using 500 watts night, 1 KW LS.

WCCO-Columbia Broadcasting System, Inc., Minneapolis, Minn. Granted special temporary authority to rebroadcast over station WCCO the broadcast of traffic control from Plane NC-37-358, with call letters CR-8, of the Minn. National Guard, operating on 4495 kc., on January 28, in connection with the Annual St. Paul Winter Ice Carnival Parade.

WCBN-Columbia Broadcasting System, Inc., New York City.-Granted special temporary authority to operate relay broadcast station WCBN, aboard the aircraft YANKEE CLIPPER, owned by Pan American Airways Co., on the frequencies 2400, 4800, 6430, 8655, 12862.5, 17310 and 23100 ke., in addition to the normal licensed frequencies, for the period January 19 to February 17, to relay broadcast special programs during flight of Yankee Clipper between Alameda, Cal., and Hong Kong and return, and to be broadcast by

#### APPLICATIONS FILED AT FCC

#### 710 Kilocycles

WOR—Bamberger Broadcasting Service, Inc., Newark, N. J.— Construction permit to make changes in antenna and transmitting equipment.

#### 1190 Kilocycles

WATR-The WATR Co., Inc., Waterbury, Conn.-Modification of construction permit (B1-P-1207) for change in frequency, increase in power, move of transmitter, changes in equipment, install directional antenna for day and night use, further requesting changes in transmitting equipment. Amended: To change type of equipment.

#### 1200 Kilocycles

WMFR—Radio Station WMFR, Inc., High Point, N. C.—License to cover construction permit (B3-P-2286) for auxiliary transmitter. Amended: Re: hours of operation.

#### 1210 Kilocycles

KROY-Royal Miller, Sacramento, Calif.-Modification of license to change hours of operation from daytime to unlimited, using 100 watts power.

#### 1230 Kilocycles

NEW-John F. Arrington, Jr., Valdosta, Ga.-Construction permit for a new broadcast station to be operated on 1230 kc., 250 watts, daytime. Amended: To request unlimited hours of operation.

#### 1270 Kilocycles

KGCA-Charles Walter Greenley, Decorah, Iowa.-License to use station KWLC's transmitter, located at 600 Leiv Erickson Drive, Decorah, Iowa, and move KGCA's studio from 201-203 Water St., to 111½ Winnebago St., Decorah, Iowa.

#### 1330 Kilocycles

WDRC-WDRC, Inc., Hartford, Conn.-Construction permit to install directional antenna for night use and increase night power from 1 to 5 KW. Amended: To request use of directional antenna for both day and night.

#### 1370 Kilocycles

WIBM-WIBM, Inc., Jackson, Micb.-License to cover construction permit (B2-P-2206) for new antenna and equipment changes, and move of transmitter and studio to new site.

Amended: Re: hours of operation.

NEW-Northwest Broadcasting Co., Fort Dodge, Iowa.-Construction permit for a new station on 1370 ke., 100 watts night, 250 watts day, unlimited time. Amended: To change name from Edward Breen and Allen R. Loomis II, to Northwest Broadcasting Company, and change from a partnership to a corporation, and give studio site as site to be determined,

Fort Dodge, Iowa.

KGKL-KGKL, Inc., San Angelo, Texas.-Modification of license to change power from 100 watts, 250 watts day, to 250 watts' day and night.

#### 1420 Kilocycles

KRLH-Clarence Scharbauer, Midland, Texas.-License to cover construction permit (B3-P-2273) for installation of new equipment. Amended: Re: Hours of operation.

#### MISCELLANEOUS

WAUT-Evansville on The Air, Inc., Evansville, Ind.-License to cover construction permit (B4-PRY-131) for new low frequency relay station.

KAOD—Wescoast Broadcasting Co., Wenatchee, Wash.—License to cover construction permit (B5-PRY-135) for a new low

frequency relay station.

NEW-Salt River Valley Broadcasting Co., Phoenix, Ariz.-Construction permit for a new portable-mobile relay broadcast station (experimental) on 31100, 34600, 37600, 40600 kc., 2 watts power, A-3 emission.
NEW—Pacific States University, Los Angeles, Calif.—Construction

permit for a new non-commercial educational broadcast station to be located at 1117 Venice Blvd., Los Angeles, Calif.,

on 41300 kc., 100 watts power, A-3 emission.
Columbia Broadcasting System, Inc., New York, N. Y.—Extension of authority to transmit programs to CFRB and CKAC and other stations under the control of the Canadian Broadcasting Corporation.
W8XLT—WLEU Broadcasting Corp., Erie City, Penna.—Con-

struction permit for reinstatement of relay broadcast station

W8XLT under new corporate name.

W8XLT-WLEU Broadcasting Corp., Erie City, Penna.-License

to cover above.

W4XA-The National Life and Accident Insurance Co., Inc., Nashville, Tenn.-Modification of construction permit (B3-PHB-62) requesting frequency of 25450 kc., instead of present authorized frequencies.

NEW-John V. L. Hogan, New York, N. Y.-Construction permit for a new high frequency (experimental) broadcast station on 41200 and 111500 kc., 1000 watts power. Amended: To delete the frequency of 111500 kc.

# 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 to show cause why cease and desist orders should not be issued against them.

Lux Company—See Lux-Visel Company, Inc.

Lux-Visel Company, Inc.—A complaint has been issued charging Lux-Visel Company, Inc., 415 West Franklin St., Elkhart, Ind., with unfair and deceptive acts and practices in connection with the sale of an electric hot water heater. The respondent company trades as The Lux Company and as Superlux, and sells its product under the name Lux Electric Water Heater or Superlux Electric Water Heater.

In its advertising matter the respondent company allegedly makes a purported "free offer", representing and implying to the purchasing public and to prospective salesmen that by purchasing one heater at a stipulated amount they will receive an additional heater free, or that by purchasing in larger quantities they will receive other heaters without charge. According to the complaint, the price charged for the one heater and the so-called "free" heater is the regular and customary price charged for two heaters, and does not constitute a free offer. (3683)

Uneeda Underwear Corporation—Charging misrepresentation of the fiber content of knitted undergarments for women, a complaint has been issued against Abraham Tabachnick, trading as Uneeda Underwear Company, 335 Van Siclen Ave., Brooklyn. The respondent is the manufacturer of the garments he sells to wholesale and retail dealers and to other customers.

By means of labels, tags and markers, the respondent allegedly designates certain garments as containing 331/3 per cent silk and wool, when, in fact, they are composed of 92 per cent cotton and 8 per cent rayon. Other garments represented as containing 15 per cent silk and wool are composed of 90 per cent cotton and 10 per cent rayon, the complaint alleges. In neither case, do the undergarments contain silk mixed with wool of any kind, it is

According to the complaint, the respondent sells other undergarments composed of 78 per cent cotton, 9 per cent rayon and 13 per cent wool, which are falsely labeled as containing "30% wool and rayon". On these labels, the complaint charges, the respondent accentuates the word "wool" by use of large type, while the word "rayon" is printed in much smaller type. (3686)

#### CEASE AND DESIST ORDERS

The Commission has issued the following cease and desist orders:

Detective Publishing Company-An order has been entered requiring Al Dunlap, trading as The Detective Publishing Company, 1029 South Wabash Ave., Chicago, to discontinue advertising that the Durite Bullet-Proof Vest he manufactures and sells has "successfully stood the highest Government test of all bulletproof vests".

The Commission found that the National Bureau of Standards, at the request of the Federal Bureau of Investigation, made tests which disclosed that the respondent's product did not stand the highest Government test of all bullet-proof vests. (3402)

S. Goldenburg & Company—See La Perla Vineyard Company.

Frederick Loeser & Co., Inc., Fulton and Bond Sts., Brooklyn. has been served with an order requiring it to cease using certain words and phrases having a capacity to mislead purchasers of fabrics, women's wearing apparel, and other like products.

Such articles, when they are not composed wholly of silk, are not to be advertised by use of the words Satin, Taffeta, or Crepe, under the order, unless such descriptive words are employed to designate the type of weave or construction, in which case they shall be qualified by including in immediate connection therewith words clearly naming the fiber or material from which the product is made.

The order also prohibits use of the word Silk or the term Pure Dve to designate fabrics not composed wholly of unweighted silk, although it provides that if an advertised fabric is composed partly of unweighted silk and partly of rayon or a material other than unweighted silk, such description shall be accompanied by other words accurately describing each constituent fiber in the order of its predominance by weight. (3502)

Par-Tex Hosiery Mills-Edward E. Partain, trading as Par-Tex Hosiery Mills, 2814 Elm St., Dallas, Tex., in connection with the sale of hosiery, has been ordered to cease and desist from certain practices deemed to be in violation of the Federal Trade Commission Act.

Among practices prohibited are representation that hosiery purchased will be of a grade, quality, texture and color corresponding to samples selected by purchasers, unless in fact the product delivered does correspond to such samples; supplying hosiery different from samples; unduly delaying correction of mistakes in filling orders; failing and neglecting to make adjustments as promised; retaining hosiery sent in by purchasers for exchange or adjustment

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of mistakes, and failing or neglecting to refund the money paid by such purchasers.

Findings are that the respondent shipped to purchasers hosiery inferior to that represented by agents and in many instances not of the size and color indicated by the buyer. (3510)

La Perla Vineyard Company and Ramshead Distilling Company. both of 1404-1406 South Canal St., Chicago, have been ordered to cease and desist from representing, through use of the word "distilling" or the word "vineyard" in a corporate or trade name, on labels, in advertising matter or in any other manner, that they are distillers, that they manufacture the wines or other alcoholic beverages they sell, or that they own, operate or control a vineyard or place where wines or other alcoholic beverages are manufactured.

The order also is directed against Harry Ex, who is president of both respondent corporations and who trades as S. Goldenburg &

Co. and as Ramshead Products Company.

Through use of the word "vineyard" in its corporate name and in other ways, La Perla Vineyard Company represents, the Commission found, that it is the producer and manufacturer of the wines it sells, when in fact it is engaged in processing, bottling and distributing wines at wholesale. The Commission also found that the company, through statements upon its stationery and in other ways, represents that it owns the famous La Perla Vineyard, located at St. Helena, Calif., when such is not a fact. (3433)

Ramshead Distilling Company—See La Perla Vineyard Company.

Sinnock & Sherrill, Inc.—Misrepresentation of the gold fineness of pen knives is prohibited under an order to cease and desist entered against Sinnock & Sherrill, Inc., 15 Maiden Lane, New York.

Certain pen knives manufactured and sold by the respondent company allegedly are stamped with the symbol 10K or 14K. According to the Commission's findings, neither the knives northeir mountings are gold of 10 or 14 carat fineness or quality as indicated, but consist of a mounting which is composed for the most part of a base metal and is so constructed as to have the appearance of solid gold, when in fact only the outer shell of such mounting is solid gold. (3421)

Texas Tasty Company—Under an order to cease and desist, Floyd Irl Sorrells, trading as Texas Tasty Company, 904 West Richmond St., Fort Worth, Tex., has been directed to discontinue certain misleading representations in the sale of a confection known as Penny Nips.

Among the representations prohibited are that the confection is a non-competitive item of merchandise which will remain in marketable condition at temperatures up to 132 degrees, and that

the liquid therein is pure fruit juice.

The respondent also is ordered to cease advertising that officials of Fort Worth or any other city have certified the purity of the confection, unless such certification actually has been obtained.

The order forbids the representation that for the purpose of aiding a dealer in selling Penny Nips under contract with the respondent, the latter's agents will remain in a territory allotted to a dealer until such time as the dealer shall have sold merchandise equal to the amount of money he has advanced the respondent under the contract. (3487)

Thorson's Soap Lake Products Company—Trading as Thorson's Soap Lake Products Company, Roxie Thorson, of Soap Lake, Wash., has been ordered to cease and desist from misrepresenting the therapeutic benefits to be obtained from the use of certain mineral salt preparations she sells in interstate commerce.

The preparations are sold under designations such as Thorson's Soap Lake Salts, Thorson's Effervescent Soap Lake Salts, Thorson's Soap Lake Liniment, and Thorson's Skin-Aid Soap Lake

Ointment.

In connection with the sale of her preparations, the respondent is ordered to discontinue representing that the mineral salts contained therein, which are obtained from the waters of Soap Lake, will prevent or cure, or are beneficial in the treatment of, stomach, liver, bowel and kidney conditions; diseases of the blood and skin; diabetes, pyorrhea, pleurisy, high blood pressure, nervous ailments, constipation, arthritis, or any similar ailments or afflictions. (2832)

#### STIPULATIONS

The Commission has entered into the following stipulations:

Ad-Lee Company, Inc., 825 South Wabash Ave., Chicago, has entered into a stipulation to cease certain misleading representations in the sale of the Ever-Ready Merchandiser, a coin-operated vending machine, and of confections for use therein.

Under the stipulation, the respondent company agrees to cease overstating and misrepresenting the opportunities for profits to be made in the vending-machine merchandising business and the

actual profits made by Ever-Ready Merchandisers.

The respondent company agrees to cease representing that a cash return on the investment is guaranteed to the buyer of a machine and to stop misrepresenting, either directly or by concealment of facts, that the expense of a merchandising business through vending machines is automatically kept at a minimum, thus always assuring maximum profits. (2356)

Hemphill Corporations, Glendale, Calif., and Hemphill agree to cease overstating and misrepresenting the demands and opportunities for employment in the Diesel field and the actual earning power or probable salaries of graduates and students, and to stop using representations implying that the respondents are in a position to offer employment to their graduates, or will procure it for all their graduates, when such are not the facts. They also agree to stop advertising their business or courses under the "Help Wanted" classification so as to imply that they have positions open and available when in fact the purpose of such advertising is only to enroll students.

The respondents agree to stop representing that their combination course will equip one generally for any position in the Diesel

field, when such is not a fact. (2354)

Hot Flash Company in the sale of a so-called faucet type water heater, Louis Newland, Louis B. London and Maurice Grober, 151 West 26th St., New York, agree to discontinue use in advertising matter of representations implying that their devices can be operated as cheaply as most household electrical devices or are capable of supplying hot water of any stated gallonage and of any specified temperature in excess of what is actually the fact. They also agree to cease representing that the Hot Flash devices, employing the recommended use of a 20 ampere, 125 volt found in condinary home, is either safe, sane or sound, when such is not a fact. (2353)

Lewis Druggist Supply Company—Joseph S. Massimo, trading as Lewis Druggist Supply Company, 621 Broadway, New York, in the sale of prophylactics, agrees to stop using the word "manufacturer" or other words of similar meaning in advertisements or in any other way to imply that he manufactures the products he sells or owns and operates the factory in which they are made. According to the stipulation, the respondent does not manufacture such articles. (2357)

Midwest Radio Corporation, 905 Broadway, Cincinnati, agrees to stop illustrating or describing a radio set or other merchandise and quoting therewith a display price in the advertising copy which is not the actual price as illustrated or described. The respondent company also stipulates that it will cease illustrating a high-priced set and quoting a price which applies to a less expensive set, or otherwise making representations in advertising copy which do not conform accurately to the representations and illustrations in the sales catalog. The respondent agrees to refrain from quoting a price which does not cover the complete set as illustrated, unless in juxtaposition therewith and in equally conspicuous type the explanation is made that the price quoted applies only to specified parts or items and no more. (2351)

Milk Minerals Company, Inc., 400 Rush St., Chicago, selling Darical Wafers, a mineral food supplement, agrees to cease advertising that the use of its product will safeguard the health of expectant and nursing mothers, unless this assertion is expressly limited to supplying calcium requirements, and to discontinue representing that nervousness, insomnia and "run down" condition will be treated effectively in any substantial proportion of cases by the administration of Darical Wafers, or that calcium deficiency is to any great extent responsible for such conditions. (02305)

Rombro Brothers—Unfair competition in connection with the sale of men's shirts will be discontinued by Jacob and Theodore Rombro, trading as Rombro Brothers, 22-24 South Howard St.,

Baltimore, under a stipulation they have entered.

The respondents agree to cease using the letters "U. S. A." either independently or in connection with other words or in any manner to imply that the shirts so labeled or advertised have been made for the United States Government or the Army, in accordance with Government specifications, or have been disposed of by the Government or the Army as surplus stock. (2363)

Sam Sandor, 2207 Clybourn Ave., Chicago, also known as S. B. Saunders, engaged in a printing and publishing business under the assumed or trade name of Fidelity Sales Promotion Service, stipulates that he will cease distributing sales-promotion cards so designed that their use by retail merchants constitutes or may constitute the operation of a lottery, game of chance or gift enterprise. He also agrees to stop supplying to retailers or other sales-promotion cards or sales-booster plans or schemes which are used or may be used without alteration or rearrangement to conduct a lottery, game of chance or gift enterprise when distributed to the consuming public. (2358)

Vocational Service, Inc., Los Angeles, Calif., agrees to cease representing that it is dedicated to an impartial and disinterested helpful guidance service to the student in selecting the right training and was founded by outstanding men in the industrial educational field. It stipulates that it will stop promising, either directly or inferentially, to recommend qualified vocational schools

in the broad field of arts and crafts suitable to whatever line would be appropriate to the inquirer or to "find the right school for the right student," whatever his inclination or aptitude when in fact no schools are recommended except the three mechanical schools whose courses the respondent sells.

Among other practices to be discontinued are the use of statements implying that the respondent's agents are not salesemen but impartial investigators of the prospect's qualifications, and the use of the assertion that a school represented by the respondent is "very strict" about admitting students. The respondent also will cease conveying the impression by guile, artifice or subtlety that it is a rare privilege to be permitted to purchase its clients' course when in fact such course is available to any mechanically minded person who can pay for it.

The respondent, in referring to its sales agents, agrees to stop employing that title "Registrar" or any other words the effect of which is to imply that such representatives have any official

or other capacity than that of salesmen. (2355)

**Dallas E. Winslow, Inc.**—Misleading representations in the sale of automobile parts and accessories will be discontinued by Dallas E. Winslow, Inc., distributor, Detroit, under a stipulation.

The respondent company agrees to cease using the trade names Continental-DeVaux Parts and Service Division, Continental Automobile Company, or the names Continental or DeVaux or the word "division" in connection with any trade name, and to discontinue otherwise designating itself in a manner implying that it is in any way connected with Continental Motors Corporation and Continental Automobile Company, which formerly manufactured and sold automobiles under the name DeVaux and Continental, or that its business is conducted by them as a division of their establishment, when such are not the facts. (2352)

#### FTC CASE CLOSED

The Federal Trade Commission has issued an order closing without prejudice its case against The Crane Chocolate Company, 1225-1227 McGee St., Kansas City, Mo., charged with using lottery methods in the sale of candy to ultimate consumers.

In closing its case the Commission points out that the respondent company has filed with the Secretary of State of Missouri an

affidavit of dissolution.

The case is closed without prejudice to the Commission's right to reopen it and resume prosecution, should future facts so warrant.