



Wheeler Introduces New FCC Bill

Senator Wheeler (D-Mont) introduced his bill this week to abolish the FCC and substitute a new three-man commission, with a promise that he later would propose legislation to re-define Congressional broadcasting policy.

"My observation over a long period of years convinces me that big commissions are a mistake," Mr. Wheeler said in a statement issued simultaneously with the introduction of his bill. "Personal responsibility is lost." Often we know that matters are badly handled, but we can't tell where or how the mishandling starts, or where to put the blame. Commonly, too, a big board lacks cohesion and morale. It is very likely to be an aggregation of individualists, each working too much in his own way and to his own ends, with too little common purpose of serving the public interest.

"In the Communications Commission such conditions have been aggravated because the Commission for years has been plagued by politics—not simple party politics alone, but the politics of big business too. The best way to eliminate politics is to center responsibility, carefully defined and appropriately limited, in a small group, where it cannot be dodged or divided. That way I think we can get results."

The NAB Legislative Committee, in session when the bill was introduced, gave it careful study and will recommend to the Executive Committee, meeting here Saturday and Sunday, what position the NAB should take.

The Wheeler bill, the text of which is carried in another part of the REPORTS, provides for a bipartisan commission, the members of which would serve six year terms. The commission would make decisions on all contested cases in broadcasting, telegraph, telephone and radio point-to-point communication. Three administrative assistants would handle matters in these three fields where no commission decision was necessary.

Hearings would be conducted as at present by the commission's legal staff. The bill also would set up a new research division to work on "problems related to telephone and telegraph, the analysis of listener responses to radio programs and the handling and study of listener complaints and endorsements". This same division also would handle publicity and information.

All present commission employees would be transferred to the new commission for 60 days and could be continued in a temporary status for not more than 4 months. They would be given preference for a permanent appointment.

Mr. Miller called in the Legislative and Executive Committees immediately after his return from a successful trip through NAB's western Districts. Along with the Wheeler

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*

WHEELER INTRODUCES NEW FCC BILL

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bill, the Celler bill to protect broadcasters from libel on the part of outside speakers and numerous other measures received the Legislative Committee's attention. It was decided to have a lawyers' committee go over the Celler bill and to propose any amendments needed before NAB endorsement.

The copyright question in general and the collapse of the Brinckerhoff deal for the continuation of the NAB Bureau of Copyrights will share with the legislative situation most of the Executive Committee's discussion. Dates for the annual convention plan, for San Francisco next summer also will be discussed.

Wheeler's Statement

Senator Wheeler (D.-Mont.) issued the following statement Thursday after introducing the Administration bill to abolish the Federal Communications Commission and to substitute a three-man Federal Radio and Communications Commission:

The bill I am introducing to create a new Federal Communications and Radio Commission, replacing the present Federal Communications Commission, is intended to correct looseness and uncertainty to functioning and diffused responsibility. It provides for a board of three to head the Commission, with one of the three serving as chairman and principal executive officer. The Board would be bi-partisan, with not more than two members drawn from any political party.

The staff organization would be compact, and closely integrated internally and in its relation to the Board. Provision is made for division of functions as between broadcasting, telephone and telegraph and international radio and communications, with provisions to assure that none of these functions shall be slighted.

My observation over a long period of years convinces me that big commissions are a mistake. Personal responsibility is lost. Often we know that matters are badly handled, but we can't tell where or how the mishandling starts, or where to put the blame. Commonly, too, a big

board lacks cohesion and morale. It is very likely to be an aggregation of individualists, each working too much in his own way and to his own ends, with too little common purpose of serving the public interest.

In the Communications Commission such conditions have been aggravated because the Commission for years has been plagued by politics—not simple party politics alone but the politics of big business too. The best way to eliminate politics is to center responsibility, carefully defined and appropriately limited, in a small group, where it cannot be dodged or divided. That way I think we can get results.

In this new set-up responsibility would be centered squarely upon the members of the small Board and the staff functioning under its direction.

The bill transfers to the new agency all jurisdiction, powers, duties and functions of the Federal Communications Commission under the Communications Act of 1934, as amended. Insofar as this bill is concerned, all of the substantive provisions of the Communications Act of 1934 are continued in effect and made applicable to the new agency. Any changes in substantive provisions involving such questions as the methods of regulation, ownership of broadcasting stations by newspapers, the character of radio programs, censorship, high power and superpower stations, and other policies, will be proposed in a separate bill I shall introduce later. The only changes now proposed in the existing law are changes in the administrative machinery of the agency.

Section 3 of the bill provides for the new three-man board, whose members are to be appointed by the President with the advice and consent of the Senate, and with the President designating a chairman, as at present. The terms of the members first appointed are two, four and six years, respectively; thereafter the members of the Board will hold office for staggered terms of six years each. The salary of each member of the Board will be \$10,000, as at present.

A provision similar to that now contained in the Communications Act of 1934 authorizes the Board to assign or refer any portion of its work to an individual member of the Board or to one or more employees of the Commission, except the functions of making final decisions in contested cases involving the taking of testimony at public hearings. The purpose of this provision is to permit the Board to delegate purely executive functions but not final decisions of cases required to be handled in a quasi-judicial manner. The Board itself must make final decisions in all contested cases involving the weighing of evidence adduced at public hearings.

Section 4 relates to personnel and authorizes the appointment of employees subject to the Civil Service laws and the Classification Act of 1923, with certain positions exempted. The exempted positions, many of which are also exempted by the Communications Act, include a gen-

eral counsel, a chief engineer and a chief accountant, their assistants, and a secretary of the Commission. The bill also exempts attorneys, as in most of the Government agencies, and also a few new positions, such as those of an administrative assistant for broadcasting, an administrative assistant for communications carriers, an administrative assistant for international radio and communications, and a chief of a new Department of Research and Information.

The functions of the latter department will include one not now specifically provided for in the Communications Act, but badly needed. This consists primarily of research on problems relating to telephone and telegraph, the analysis of listener responses to radio programs, and the handling and study of the multitude of listener complaints and indorsements. With such measures the Commission would establish, for the first time, a close contact with listeners and the users of telephone and telegraph facilities, and be far better equipped to develop standards for its allocations of broadcast frequencies and for regulation of the communications industries. Along with this would go the compiling and analysis of other information needed by the Board and to be disseminated to the public.

Section 5 provides for an administrative assistant to the Board to handle matters relating to domestic broadcasting. This administrative assistant is under the administrative supervision of the Chairman. The administrative assistant is not authorized to make final decisions on any quasi-judicial matters. His duty is primarily that of an executive officer responsible to the Board for the efficient and expeditious handling and presentation to the Board of certain important matters committed to the Board's jurisdiction.

Section 6 provides for the administrative assistant to the Board on matters relating to communications carriers, and Section 7 for the administrative assistant for international radio and communications matters.

Section 7 transfers the present employees, records, properties and appropriations of the Federal Communications Commission to the new Commission. All present employees are transferred for a period of sixty (60) days and may be continued in a temporary status for not more than four months. They are given a preference for appointment in a permanent status to any position for which, in the opinion of the Board, they are qualified. I have no doubt that most of the present employees will be retained. However, in view of unsatisfactory conditions in the present Commission and the uncertainty as to how far the responsibility for them extends down the line, the new Board should be free to make such personnel changes as the public interest might require.

Sections 9, 10 and 11 contain various provisions necessary to give effect to the new plan of reorganization. They make no substantive change in the law.

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Wheeler's Bill

To amend the Communications Act of 1934, as amended, and for other purposes.

DEFINITIONS

Sec. 1. For the purpose of this Act, unless the context otherwise requires;

- (a) "Commission" means the Federal Communications and Radio Commission created by section 2 of this Act;
- (b) "Board" means the Board of the Commission;
- (c) "Chairman" means the chairman of the Board.

FEDERAL COMMUNICATIONS AND RADIO COMMISSION

Sec. 2. There is hereby created an agency to be known as the Federal Communications and Radio Commission which shall be administered by a Board composed of three members. All jurisdiction, powers, duties, and functions of the Federal Communications Commission under the Communications Act of 1934, as amended, are hereby imposed upon and vested in the Commission. The provisions of the Communications Act of 1934, as herein amended, shall until further action by the Congress, continue in full force and effect, and shall apply to the Commission and to members of the Board to the same extent as said Act is now applicable to the Federal Communications Commission and to members thereof. The Commission shall have an official seal which shall be judicially noticed.

BOARD

Sec. 3. The members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, one of whom the President shall designate as Chairman, who shall be the principal executive officer of the Commission. The members of the Board first appointed shall continue in office for terms of two, four and six years respectively, from December 31 next following the date of their appointment, the term of each to be designated by the President, but their successors shall be appointed for terms of six years; except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. The members of the Board shall receive a salary at the rate of \$10,000 per annum. Two members of the Board shall constitute a quorum. Not more than two members of the Board shall be of the same political party. The Board shall have power to perform any and all acts, to prescribe, issue, make, amend, and rescind such orders, rules and regulations and to hold such hearings as it may find necessary or appropriate to carry out the provisions of this Act. The Board is hereby authorized by its order to assign or refer any portion of its work, business or functions to an individual member of the Board or to an employee or employees

of the Commission, to be designated by such order, for action thereon, and by its order at any time to amend, modify, supplement, or rescind any such assignment or reference; Provided, however, That this authority shall not apply to the making of final decisions in contested proceedings involving the taking of testimony at public hearings.

PERSONNEL

Sec. 4 Without regard to the civil service laws or the Classification Act of 1923, as amended, (1) the Board may appoint and prescribe the duties and fix the salaries of an administrative assistant for broadcasting, an administrative assistant for communications carriers, an administrative assistant for international radio and communications, a secretary of the Commission, a chief engineer and not more than three assistants, a chief accountant and not more than three assistants, a general counsel and not more than three assistants, a director of research and information and not more than two assistants, and subject to the Classification Act of 1923, as amended, such attorneys as are necessary in the execution of the functions of the Commission; (2) each Commissioner may appoint and prescribe the duties of an assistant at an annual salary not to exceed \$5,000, and a secretary at an annual salary not to exceed \$3,000. The three administrative assistants, the general counsel, the chief engineer and the chief accountant shall each receive an annual salary not to exceed \$9,000; the secretary of the Commission shall receive an annual salary not to exceed \$7,500, and the director of research and information shall receive an annual salary of not to exceed \$8,000. The assistants to the chief engineer, chief accountant and general counsel shall each receive an annual salary not in excess of \$7,500 and the assistants to the director of research and information shall not receive an annual salary in excess of \$6,000 each. Subject to the civil service laws and the Classification Act of 1923, as amended, the Board may appoint such officers, engineers, accountants, inspectors and other employees as are necessary in the execution of the functions of the Commission.

ADMINISTRATIVE ASSISTANT FOR BROADCASTING

Sec. 5. The Administrative Assistant for Broadcasting, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with broadcasting (except international broadcasting).

ADMINISTRATIVE ASSISTANT FOR COMMUNICATIONS CARRIERS

Sec. 6. The Administrative Assistant for Communications Carriers, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with record communications by wire, radio or cable and all forms and classes of fixed and mobile radio telegraph service (other than international record communications) and all matters relating to or connected with telephone communications (other than broadcasting) by wire, radio or cable including all forms of fixed and mobile radio, telephone service, (other than international telephone communications).

ADMINISTRATIVE ASSISTANT FOR INTERNATIONAL RADIO AND COMMUNICATIONS

Sec. 7. The Administrative Assistant for International Radio and Communications, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with international radio and international communications.

TRANSFER OF EMPLOYEES, RECORDS, PROPERTY AND APPROPRIATIONS

Sec. 8. (a) All officers and employees of the Federal Communications Commission (except the members thereof, whose offices are hereby abolished) are hereby transferred to the Commission, without change in classification or compensation for a period of sixty (60) days or for such longer period, not to exceed four months, in a temporary status, as may be deemed necessary by the Board, subject to appropriate adjustment of classification or compensation to conform to the duties to which they may be assigned. All such officers and employees shall be eligible and shall have preference for appointment in a permanent status to any position for which, in the opinion of the Board they are qualified.

(b) There are hereby transferred to the jurisdiction and control of the Commission all records and property (including office furniture and equipment, and including monitoring radio stations) under the jurisdiction of the Federal Communications Commission.

(c) All appropriations and unexpended balances of appropriations available for expenditure by the Federal Communications Commission shall be available for expenditure by the Commission for any and all authorized objects of expenditure in the discretion of the Board, without regard to the requirements of apportionment under the Anti-deficiency Act of February 27, 1906. To the extent that it may be practicable to do so, the Board shall allocate a portion of its available funds for expenditure exclusively in the performance of functions relating to broadcasting and communications carriers, respectively, and shall make its expenditures in the performance of such functions in accordance with such allocations; Provided, That if the Board at any time determines that any such allocation is in excess of the amount necessary for the performance of the functions for which such allocation was made, such excess may be used in the discretion of the Board for the performance of some other function.

EFFECT OF TRANSFERS, REPEALS AND AMENDMENTS

Sec. 9. (a) All orders, determinations, rules, regulations, permits, contracts, licenses and privileges, which have been issued, made or granted by the Federal Communications Commission under any provisions of law, repealed, or amended by this Act or in the exercise of duties, powers, functions, transferred to the Commission by this Act and which are in effect at the time this Act takes effect, shall continue in effect until modified, terminated, superseded or repealed by the Commission or by the operation of law.

(b) Any proceeding, hearing or investigation commenced or pending before the Federal Communications Commission on the effective date of this Act shall be continued by the Commission in the same manner as though originally commenced by the Commission.

(c) All records transferred to the Commission under this Act shall be available for use by the Commission to the same extent as if such records were original records of the Commission.

(d) The provisions of this Act shall not affect suits commenced prior to the effective date of this Act and all such suits shall be continued, proceedings therein had, appeals therein taken and judgments therein rendered in the same manner and with the same effect as if this Act had not been passed. No suit, action or other proceeding lawfully commenced by or against the Federal Communications Commission or any member, officer or employee, thereof, in relation to the discharge of official duties, shall abate by reason of any transfer or authority, power and duties from the Federal Communications Commission or from such member, officer or employee to the Commission under the provisions of this Act, but the Court, upon the motion or supplemental petition, filed at any time within twelve (12) months after such transfer, showing the necessity for a survival of such suit, action or other proceeding to obtain a settlement of the question involved, may allow the same to be maintained by or against the Commission.

(e) The proceedings to enforce or set aside orders of the Commission and appeals from orders of the Commission shall be in the same manner and in the same courts as provided in the Communications Act of 1934, as amended, for enforcing or setting aside orders of the Federal Communications Commission and for appeals from such orders.

AMENDMENTS OF COMMUNICATIONS ACT OF 1934

Sec. 10. Subdivisions (a), (c), (d), (f), (h), (i), and (n) of Section 4 and Section 5 of the Communications Act of 1934, as amended, are hereby repealed.

EFFECTIVE DATE

Sec. 11. This Act shall take effect as soon as the members of the Board shall have taken office.

LEGISLATIVE COMMITTEE MEETS

In order to make an immediate and comprehensive study of fresh industry problems evoked by new bills introduced in Congress, President Miller this week met Thursday with the NAB Legislative Committee.

Chairman John Kennedy, WCHS; Harry Butcher, CBS; William Dolph, WOL; Luther Hill, KRNT; Frank Russell, NBC; and Theodore Streibert, WOR, attended.

The committee will submit its recommendations to the Executive Committee, scheduled to meet at Headquarters on Saturday and Sunday, February 11 and 12.

Labor

AFRA AGREEMENT

Both NBC and CBS told the NAB this week that the contracts covering commercial programs which they signed last week with AFRA do not affect their network affiliates directly. To the contrary, they say, a clause was inserted at their insistence to protect the receipt of network commercials by affiliates during any controversy the affiliates might have with AFRA. This clause says:

"So long as the producer performs this code, AFRA will not strike against the producer as to the performers covered by this code in the field covered by this code. To the extent AFRA has agreed not to strike, it will order its members to perform their contracts with the producer. This paragraph only applies to producers who sign this code."

Although NBC and CBS signed the agreement, a number of advertising agencies have signified their intention of complying with the terms, by letter to the networks.

AFRA CERTIFIED AT WEW

The National Labor Relations Board has certified the St. Louis Local, American Federation of Radio Artists (AFofL), as sole collective bargaining agent for staff actors, singers, and announcers, as well as all free-lance actors, singers, and announcers employed by St. Louis University at its radio station WEW in St. Louis, Mo., following a secret ballot election held on January 6 resulting in a count of four to two for the A. F. of L. union.

FREE OFFERS

The American Life and Accident Insurance Company is renewing its proposal for commission advertising, despite the NAB's notice that such was banned by the NAB Code of Ethics. The number of follow-ups reaching Headquarters indicates that the insurance company is wasting postage.

The duPont interests are disturbed about the NAB's opinion that use of one of their free offers—telling housewives how to decorate with cellophane—would constitute a violation of the code. F. J. Byrne, chief of their public relations department, came to Headquarters to explain how such material was sent out only on request, that many stations made much use of their "style" service as well as of their news bulletins, and that they bought and paid for a great deal of radio time. Of course, the NAB realizes that there is a fine line between news and

advertising sometimes. Members are urged carefully to look for "commercial" material in the "news" sent out by corporations, etc.

The Macfadden Publications are again offering dramatic skits in return for a credit line. The NAB has advised this company that acceptance of its offer would constitute code violation.

Junior chambers of commerce are asking for free time for speeches to be delivered by local members and prepared by the national junior chamber with the assistance of Brookings Institution. They purport to educate the average man in the fundamentals of economics and to be non-partisan. Labor leaders and New Dealers generally take issue with Brookings economic theories and might claim the right to answer these talks.

The National Wildlife Federation, through Steve Hanagan, is asking for free time for spot announcements about wild life conservation. These appear to be non-commercial.

Dr. C. A. Scates of Del Rio, Tex., has asked a southwestern member to sell medicine on a 50-50 basis. The member refused.

Ernest Cutting, who represents himself as a New York radio talent scout, has asked a member to plug his future appearance in the member's city, in return for 20 per cent of the amount he takes at \$5 per audition. The NAB has notified Mr. Cutting that acceptance of his proposal would constitute a violation of the NAB code.

The Safe Winter Driving League reports to the NAB that it is working with "numerous insurance companies." The NAB hopes at some early date to work out a coordinated highway safety program that will eliminate all requests for safety programs such as the League's.

TO WESTERN MEMBERS

I would like to express our thanks for the splendid manner in which broadcasters turned out for the five NAB District Meetings in Denver, Portland, San Francisco, Los Angeles and Mineral Wells, Texas.

The attendance at all meetings was unusually large, and particularly gratifying to all of us at Headquarters has been the significant fact that each meeting resulted in an increase in the NAB membership in those districts where meetings were held.

There was a seriousness of purpose pervading our conferences. Industry problems were fully discussed and analyzed. We are a better informed industry because of them. I believe we all have a better understanding of our common problems. This is especially reflected in the rising number of pledges to the FREC fund which have followed us home. In addition to industry problems, we discussed sales problems as well and the Sales Managers meetings will prove of inestimable benefit to the commercial side of the industry.

Ed Kirby who accompanied me, joins in my thanks to all broadcasters for their courtesy, kindness and warm-hearted hospitality.

Gratefully yours,

NEVILLE MILLER, *President.*

MONOPOLY HEARING

Columbia concluded its testimony and Mutual took the stand this week at the FCC monopoly hearing. The relationship between the stations in the Mutual system occupied the Commission during the first day of the MBS testimony.

FEBRUARY 2

Dr. Frank Stanton, manager of the CBS Market Research Division, was on the stand all day, discussing various exhibits dealing with Columbia's coverage, listener habits, and so forth, and the social and economic phases of network broadcasting.

FEBRUARY 3

Dr. Stanton again took the stand to put more exhibits into the record. He was carefully questioned about the "typical CBS affiliate" which, he said, received a net of \$58,819 from Columbia out of a total net revenue of \$213,000 in 1937. Then Dr. Stanton discussed the factors motivating advertisers in selection of stations and the effect of network affiliation on stations. Limitation upon the size of networks, he said, would militate against the smaller stations because the advertiser would be inclined to choose the larger stations if the number of stations on a network were limited. In the afternoon, Lawrence W. Lowman, vice-president in charge of operation, discussed the Columbia Artists Bureau which, he said, manages about 110 artists. Ten thousand artists were available in New York alone, he added. In 1937, he said, the artists bureau made a profit of \$82,671, while Columbia Management of California, Inc., lost \$6,707. Dr. Stanton went back to the stand, after Mr. Lowman completed his testimony, for additional testimony about payments to affiliates, a subject in which the Commission appeared to have a great deal of interest. He then told about an analysis of 43,373 pieces of mail CBS received from December 11 to 17, 1938. About 25 per cent of this mail included comment on programs. Thirteen per cent of the comment on commercial programs were adverse, while only two per cent of the comment on sustaining was adverse. Sixty-six per cent of the comment on commercials was appreciative, while 78 per cent on sustaining was appreciative, he said. This completed Columbia's testimony.

FEBRUARY 7

The Mutual Broadcasting System opened its testimony with a description of its A. T. and T. service by Andrew L. Poole, Traffic Manager. Elbert M. Antrim, Secretary-Treasurer, then started a description of Mutual's structure and its relationship with members, "participating" members and affiliates. He pointed out that WGN, Inc., and the Bamberger Broadcasting System, Inc., (WOR) each owned 50 per cent of the 15 shares of Mutual stock, and that WLW had owned five of these shares from January 20 to August 20, 1936. Since it dropped its "member" status, WLW has been an "affiliate," Mr. Antrim said. He said WGN, Inc., was wholly owned by the Tribune Company, while the Bamberger Broadcasting System, Inc., was wholly owned by R. H. Macy and Co.—and that further details as to ownership would be developed by the recent FCC questionnaire. He pointed out that the only programs Mutual in itself produced came from Europe where John S. Steele was a full time representative of the system.

Asked to describe "the nature and character of activities engaged in by Mutual," Mr. Antrim said:

"It is a corporation designed primarily for making available programs, both sustaining and commercial, for the different members, different stations comprising the system. It makes contracts with the telephone company for lines for such service, contracts with advertisers for the commercial programs involved. It assembles from lists of available sustaining programs those which it believes are the best from different standpoints to put on the lines to be available for sustaining service to the network."

With Louis G. Caldwell, attorney, asking the questions, Mr. Antrim summarized the relationship between the network and its member stations (WGN and WOR) and its participating organizations (Colonial Network, United Broadcasting Company, CKLW and the Don Lee Networks) as follows:

Q. Mr. Antrim, we have completed the contracts now in force between the Mutual and the two member stations and the four participating organizations, I want to ask you to summarize these so far as they are possible on their financial side. Is it not true that in each case the basic figure is the station's national card rate?

A. That is right.

Q. Out of that in all cases, all six of these organizations is first taken an agency commission of 15 per cent?

A. Correct.

Q. After that in all cases a commission of 3½ per cent is retained by Mutual except where the account is secured by the station itself?

A. Correct.

Q. The one apparent exception to that was the Colonial contract in Boston, in New England. Will you explain the omission of any retaining of 2 per cent by that organization?

A. Well, the reason it is not covered in the contract was that we have never had any occasion where a contract was sold by the Sheppard organization but we realize that if such a piece of business were sold by Colonial Network it probably would be in connection with the New York agency; it would require a certain amount of servicing and although it is not stated in the contract, Mutual would pay to Sheppard 2 per cent commission on that.

Q. If the servicing were done by Sheppard?

A. Yes.

Q. If it were done by Mutual, Mutual would retain 3½ per cent?

A. That is right.

Q. Now after these two figures are deducted, the agency commission of 15 per cent and 3½ per cent to Mutual, take next the operating expenses, those are budgeted once a year?

A. That is right.

Q. And divided into shares?

A. Yes.

Q. Now the basic member share for this current year is \$3775.00?

A. That is right.

Q. And that is paid by WGN, WOR, Colonial and Don Lee?

A. That is right; four members.

Q. Now with respect to United, you state its payment this year is \$2775.00?

A. If that is the amount.

Q. At any rate it is the amount inherited from the provision that was in effect a couple of years ago?

A. That is right. It hasn't been increased.

Q. The reason for not increasing it has been what?

A. Lack of revenue.

Q. Let's leave aside CKLW for the moment on operating expenses and wire line expenses. With respect to the others then the provision is \$3775 for four members and \$2775 for the fifth member monthly?

A. That is right.

Q. Now the fourth item is wire line expense. Still leaving aside CKLW, Colonial doesn't contribute to the wire line expense because it maintains its own system?

A. That is right.

Q. United pays a definite sum of \$534 monthly which represents the cost of connecting it with the System?

A. That is right.

Q. Don Lee pays five-eighths of the cost of the Chicago-Los Angeles line under the present sums which it is receiving after certain other contributions have been deducted by stations along that line?

A. That is right.

Q. All the balance of the wire line cost except what may be contributed by affiliated stations is borne by WOR and WGN equally?

A. That is correct.

Q. With respect to CKLW, its obligation is less than the others for what reason?

A. On account of lack of revenue from programs on their station.

Q. That has been reduced to definite figures or definite limits?

A. Yes. As I stated, I think it is \$30,000. The deductions are 3½ per cent commission then \$30,000, then any receipts above \$30,000, 85 per cent of the next \$25,000 and then 50 per cent of any above those two amounts.

Q. Suppose now that the sum received on CKLW's account by Mutual, that is time sold over CKLW, is \$30,000, how is that

divided on your books between wire lines and operating costs?

A. It would be about \$20,000 to wire lines and ten to operating costs. In other words,—

Q. (Interposing) That is per year?

A. Per year.

Q. Two-thirds to wire lines and one-third to operating cost?

A. That is the ratio of wire lines to operating cost of Mutual, generally speaking.

Summarizing the relationships with affiliated stations, Mr. Antrim said they were governed by "either formal contracts or letters which provide that the affiliated station pays the line charges for the connection with the Mutual circuit and they pay Mutual a certain commission, and Mutual on its part provides them with sustaining programs without cost and commercial programs."

CONGRESSIONAL SPEECHES

Arrangements have been made with Radioscriptions, a recording organization in Washington, with offices in the Old House Office Building, to record talks by your Congressman or Senator, at the price of \$3.50 per program including mailing for members of NAB who are interested in this type of program. Arrangements can be made through NAB Headquarters office or by writing directly to Radioscriptions.

WATL REQUEST

Any station having a William A. Weatherford, Jr., approach them regarding work of any kind is requested to communicate with Radio Station WATL, Atlanta, Ga.

"MARCH OF DIMES"

The Radio Industry, the chief promotional avenue through which flowed this year's "March of Dimes" campaign, received the thanks of Keith Morgan, Chairman of the Committee for the Celebration of the President's Birthday Celebration Committee.

Mr. Morgan wired Neville Miller, NAB president, who served as chairman of the Radio Council, the following:

"To you as chairman of the Radio Council and through you to its members may I, on this, the President's 57th birthday, express our appreciation for your fine services. I know results will be gratifying. You and your Council members are a vital part of the hearty band of pioneers who have joined forces to stamp out that costly disease infantile paralysis. To you my heartfelt thanks."

LARGE ATTENDANCE AT WESTERN DISTRICT MEETINGS

The following attended the Fifteenth District Meeting in San Francisco, January 25:

Lloyd Yoder, Ray Rhodes, W. B. Ryan, Gene Grant, Bob McAndrews, G. H. Ticer, Milton Samuel, KGO-KPO; Fred Macpherson, Art Westlund, KRE; Bill Smullin, KIEM; Ed Franklin, Leon Churchon, Irwin Sidney, David McKay, KJBS; Lou Keplinger, KARM; Henry M. Jackson, Clyde H. Coombs, Columbia Broadcasting System; Les Hacker, John C. Clifton, KVEC; Wilt Gunzendorfer, KSRO; William D. Pabst, Merwyn L. McCabe, Jack O. Hall, Ward D. Ingram, KFRC; Howard V. Walters, KDON; C. S. Harper, H. O. Fiebig, C. L. McCarthy, KQW; Neville Miller, Edward M. Kirby, National Association of Broadcasters; Charles P. Scott, Charles A. Whitmore, KTKC; Howard Lane, McClatchy Broadcasting Company; S. H. Patterson, William C. Grone, KSAN; Will Thompson, Jr., KROY; S. W. Warner, F. Wellington Morse, KLS; Preston D. Allen, Howard N. Smith, KLX; Philip G. Lasky, Lew Lasky, Frank Oxanart, R. W. Dumm, KSFO.

Stations represented at the Sixteenth District Meeting at Los Angeles on January 27:

L. A. Schamblin, Mgr., KPMC; L. W. Peters, Mgr., KIEV; Lawrence W. McDowell, Com. Mgr., KFOX; C. Merwin Dobyns, Owner-Mgr., KGER; Harrison Holliway, Mgr., KFI; Jack Gross, Mgr., KEHE; Calvin J. Smith, Mgr., KFAC; H. Duke Hancock, Mgr., KGFJ; Lewis Allen Weiss, V.P., Don Lee Broadcasting Co., representing KHJ, KGB, and KDB; J. C. Lee, Mgr., KFXM; Chet Mittendorf, Sales Mgr., KFWB; Kenneth O. Tinkham, Mgr., KMTR; T. M. Storke, Owner, KTMS; Leo B. Tyson, Mgr., KMPG; Ralph Brunton, Mgr., KJBS; Don Gilman, Vice. Pres., National Broadcasting Co.; D. W. Thornburgh, CBS, Vice Pres., Columbia Broadcasting System, KNX, Director 16th District; Fred A. Palmer, Mgr., KOY; and E. B. Sturdivant, Mgr., KUMA, Yuma.

Others attending the Sixteenth District Meeting were:

Clyde Scott, Sales Mgr., KFI-KECA, Los Angeles; Reid Collier, Sales Mgr., KIEV, Glendale; Harry Witt, Sales Mgr., KNX, Los Angeles; George Moskovics, Radio Sales, KNX, Los Angeles; Sidney Gaynor, Com. Mgr., KHJ, Los Angeles; Thayer Ridgeway, Com. Mgr., Don Lee Network, KHJ, Los Angeles; John Babcock, Sales Mgr., KFAC, Los Angeles; Arthur J. Kemp, Sales Mgr., Pacific Network-CBS, San Francisco; Sidney Dixon, Sales Mgr., Western Division-NBC, Hollywood; Carl Haverlin, Davis & Schwegler; Jerry Mara, C. P. McGregor Transc.; Gerald King, Standard Radio Transc.; Wm. H. Beltz, R. C. A., Los Angeles; Harry Myerson; Arthur Rowe, Golden Gate Expo.; Leslie Hewitt, Golden Gate Expo.; Jack Hellman, Variety, Hollywood; Jack Beaman, Variety, Hollywood; Wm. Bloecher, Reporter, Hollywood; Grant Wood, Report, Hollywood; Fox Case, Public Affairs-CBS, Hollywood; Hal Rorke, Pub. Dir., CBS, Hollywood; Carl Moritz, Pub. Dept., KNX, Hollywood; Ted Allan, Photographs, CBS, Hollywood; Glan Heisch, Pgm. Dir., KFI-KECA, Los Angeles; Gene Lee and two others, KFXM, San Bernardino; W. Mason Talley, Sales Mgr., KUMA, Yuma; Kevin Sweeney, Promotion Dept., KNX, Hollywood; David Glickman, Representing Broadcasting, Hollywood; Doc Powers, Representing, Western Advertising; Mr. Bussy, Rim; Mr. Charles Storke, KTMS, Santa Barbara.

Legal

STATE BILLS INTRODUCED TO CURB MUSIC MONOPOLIES

Bills have been introduced in New Mexico and Pennsylvania seeking to curb the activities of pools controlling public performance of copyright music. It is reported that bills also have been introduced in a number of other states, but definite information with respect to these states had not been received at the time of going to press. The Pennsylvania bill H. 194 prohibits monopolies, pools and combinations in connection with copyrighted music and the fixing of prices for public performance. It also requires registration of the compositions with a state authority as a condition precedent to licensing.

The legislature of North Carolina has before it a bill to abrogate common law rights of performing artists in phonograph records, transcriptions and other recordings. This bill is similar to the one introduced in South Carolina (NAB REPORTS, February 3), which has been passed by the House of that state and is now before the Senate.

It is reported that a hearing on the Connecticut bill (NAB REPORTS, January 27) will be held within the next two weeks. This bill is said by lawyers to meet all con-

stitutional objections, and Senator Enquist, who is sponsoring the bill, states that he has received many favorable communications from all parts of the United States.

The bill introduced in Illinois (NAB REPORTS, February 3) incorporates the principles of the Nebraska-Florida statutes, which are claimed to be unconstitutional. It prohibits any combination of copyright owners of musical compositions which constitute a substantial number of all such owners in the United States. It also requires that the sale price of sheet music shall be stamped upon the music and that a purchaser at that price shall also acquire the right to perform the composition, either privately or publicly.

PROPOSED BROADCASTING BILLS

The following bills have been introduced in Congress and state legislatures:

CONGRESS

H. R. 3752 (Mr. Lea, Calif.) COMMUNICATIONS ACT—To amend Section 303(1). Limits the issuance of operators' licenses to citizens of the United States over the age of twenty-one, provided the Commission may waive the age limit with respect to amateur operators. Referred to Interstate and Foreign Commerce Committee. Same as S—

H. J. Res. 149 (Mr. Sirovich, N. Y.) COPYRIGHT—To create a Bureau of Fine Arts in the Department of the Interior with authority in the Secretary of the Interior to undertake and carry on "such projects and activities as may be necessary or appropriate to foster, develop and encourage the use of copyrighted and copyrightable material." Referred to Patents Committee.

STATE LEGISLATURES

CALIFORNIA:

A. 2 (Meehan) TRANSACTIONS TAX PENSION PAYMENTS—Sets up unstated transactions tax to finance pension payments of \$60 each to married couples past 60 and \$75 to surviving spouse. Referred to Social Security Committee.

A. 99 (Voight) BANK AND CORPORATION TAXES—Provides for an increase in bank and corporation taxes. Referred to Revenue Committee.

A. 250 (Tenney) MANAGERIAL CONTRACTS—Prohibiting managerial contracts for longer than one year unless the pay is at least \$75.00 per week. Referred to Labor Committee.

KANSAS:

H. 201 (Kessler) ELECTRICAL ADMINISTRATION BOARD—Provides for inspection of all electrical installations excepting mines, railroad cars, auto equipment, telephones, and telegraph. Sets standards, procedure, permits and fees.

MASSACHUSETTS:

H. 1924 (From the files) RADIO—Creating a state radio commission and providing for the licensing and regulating of radio stations by the commonwealth. Referred to State Administration Committee.

MONTANA:

S. 1657 (Foor) RADIO—FREEDOM OF SPEECH—Relating to freedom of speech over radio and liability for libel and slander.

NEW HAMPSHIRE:

H. 190 (Fernald) COLLECTION AGENCIES—Provides laws against collection agencies. Referred to Revision Committee.

NEW MEXICO:

S. 85 (Harris et al.) MUSICAL COMPOSITIONS—Provides for copyrights and public performance rights of musical compositions. Referred to State Affairs Committee.

NEW YORK:

A. 634 (Feely) Same as S. 14, 19; A. 9. 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. Referred to Codes Committee.

A. 790 (Mitchell) Same as S. 562. TELEGRAPH AND TELEPHONE MESSAGES—EMPLOYEES—Makes it a misdemeanor to wrongfully obtain text or information contained in telegraph or through telephone messages and for employee to wilfully refuse or neglect to transmit or deliver message received unless same is in aid of unlawful business or to perpetuate crime and in such case information shall be transmitted to district attorney and message withheld. Referred to Judiciary Committee.

A. 791 (Mitchell) Same as S. 563. TELEGRAPH AND TELEPHONE COMMUNICATIONS—INTERCEPTION—Permits magistrates upon oath of district attorney or law enforcement agency to issue ex parte order for interception of telegraph and telephone communications for use as evidence of crime. Referred to Judiciary Committee.

A. 792 (Mitchell) Same as S. 564. TELEPHONE AND TELEGRAPH MESSAGES—INTERCEPTION—Guarantees security from unreasonable interception of telephone and telegraph messages, permits issuance of ex parte orders or warrants only on the ground that evidence of crime may be obtained and prohibits use of any such messages obtained without court order. Referred to Judiciary Committee.

S. 562 (Coudert) Same as A. 790, above. Referred to Codes Committee.

S. 563 (Coudert) Same as A. 791, above. Referred to Codes Committee.

S. 564 (Coudert) Same as A. 792, above. Referred to Judiciary Committee.

NORTH CAROLINA:

S. 95 (Separk) RECORDED MUSIC—SALES FEES—Preventing claims for additional compensation fees or payment for sale of phonograph records, transcriptions or any form of recorded music and entertainment, or collection of licenses for the use of same after sale, by any performing artist, manufacturer or organization representing such performing artist or manufacturer, and to protect the purchaser thereof in its or their use for any purpose whatever. Referred to Judiciary Committee.

PENNSYLVANIA:

H. 198 (Melchiorre) MUSICAL COMPOSITIONS—COPYRIGHTS—Prohibiting monopolies, pools and combinations in connection with copyrighted vocal or instrumental musical compositions; prohibiting fixing of prices for rendition of copyrighted musical compositions; providing for registration of compositions with State; providing for civil and criminal procedure.

CASE CONFIRMED

On Monday, the Senate confirmed the nomination of Norman S. Case as a member of the Federal Communications Commission for seven years from July 1, 1938. Mr. Case has been a member since July 1, 1934, when the Federal Communications Commission Act became effective.

ENGINEER LICENSE BILL

Representative Lea (D-Calif.) introduced a bill (H. R. 3752) this week to amend section 303 of the Communications Act dealing with engineers, as follows:

"(1) Have authority to prescribe the qualifications of station operators, to classify them according to the duties to be performed, to fix the forms of such licenses, and to issue them to such citizens of the United States who are twenty-one years of age or over as the Commission finds qualified: provided, that the Commission may waive the age-limit provisions of this paragraph insofar as the issuance of licenses to amateur operators is concerned."

FCC APPROPRIATION

The House Appropriations Committee reported the Independent Offices Appropriation Bill this week without

any recommendation for the Federal Communications Commission. In explanation, the committee said:

"The committee had before it a budget estimate of \$2,038,175 for the Federal Communications Commission, an increase of \$293,175 over 1939. During the hearings on the bill the President transmitted a message to Congress recommending fundamental organic changes in this agency. In view of the possibility that changes vitally affecting the set-up of the Commission and materially altering the budget requirements may become law before July 1, it was decided to defer action on the estimates at this time. They will be considered in a subsequent appropriation measure in the light of such legislative action as may have been decided on."

BALANCE SHEETS DUE AT FCC BY MARCH 15

To All Standard Broadcast Station Licensees:

Section 15.11 of the Commission's Rules of Practice and Procedure, approved November 28, 1938, and made effective January 1, 1939, provides that each licensee of a standard broadcast station shall file with the Commission on or before March 1 of each year a balance sheet showing the financial condition of the licensee as of December 31 of the preceding year and an income statement for the preceding calendar year.

The forms to be used for the year 1938 in compliance with this rule will soon be available for distribution. Due to this delay in the distribution of the forms, the time limit for the filing of these data for the year 1938 will be extended to March 15, 1939.

The forms provide in general for the filing of a balance sheet as of December 31, 1938, and information as to earnings and other data for the year 1938, similar to what were required for the year 1937 by Commission Order No. 38. They provide also for the submission of data on personnel for the week beginning December 11, 1938, and information as to program service for the same week, similar to the data and information that were required by the Commission's Order of April 22, 1938.

The principal changes from the 1937 reports concern the earnings from the sale of time. With respect to earnings from sales to networks, such earnings are to be shown as "Sales to national networks," "Sales to regional networks," and "Sales to other networks." With respect to earnings from other sales of time, the division will be made among "Sales to national users," "Sales to regional users," "Sales to local users," and "Sales to other persons," such as sales of time through lease to others or other bulk-sales arrangements. In each case of network sales, the name of the network and the total number of hours furnished to the network will be required.

T. J. SLOWIE, *Secretary*.

FCC RULES AMENDMENTS

The FCC on January 30 amended Sections 9.01, 15.17 and 16.02 of the Rules of Practice and Procedure. Section 9.01 as amended will read as follows:

"Sec. 9.01. *Service, proof of service.* All pleadings, petitions, motions, or other documents (other than applications under Title

II, formal complaints, supplemental complaints, cross-complaints and amended complaints) filed in any proceeding shall be served by the party filing the same upon all parties of record, as follows:

"Service upon common carriers shall be made as provided in Section 413 of the Communications Act of 1934, as amended.

"In all other cases whenever under these rules service is required or permitted to be made upon a party, and such party is represented by an attorney of record in the proceeding, the service shall be made upon the attorney. Service upon the attorney or upon a party shall be made by delivering a copy to him or by mailing it to him at his last known address. Delivery of a copy within this rule means: handing it to the attorney or to the party; or leaving it at his office with his clerk or other person in charge thereof; or, if there is no one in charge, leaving it in a conspicuous place therein, or, if the office is closed or the person to be served has no office, leaving it at his dwelling house or usual place of abode with some person of suitable age and discretion then residing therein. Service by mail is complete upon mailing.

"Proof of service as provided in the foregoing shall be made by appropriate affidavit describing the service which shall be attached to the original and copies of which shall be attached to all copies filed with the Commission. If service has been made by delivery of a copy to the attorney, written acknowledgment thereof on the original filed will be considered proof of service; in such case an appropriate notation of such acknowledgment shall be made on all copies filed."

In order to correct an error in the headnote of Sec. 15.17 the letter "s" was deleted in "broadcast services" so that the headnote will read:

"Sec. 15.17. Multiple applications; broadcast service."

The second paragraph of Section 16.02 was deleted and a new rule adopted. Accordingly Section 6.03 will read as follows:

"Sec. 6.03. *Complaints.* Communications to the Commission complaining of anything done, or omitted to be done, in contravention of the provisions of the Act, except formal and informal complaints filed under Part 16 hereof, may, in the discretion of the Commission, be investigated or otherwise acted upon in any manner the Commission may deem expedient; but such communications shall not be deemed to be either formal or informal complaints within the meaning of these rules, irrespective of any action taken thereon by the Commission."

The Title of Part 6 as amended will read:

"Part 6. PETITIONS AND COMPLAINTS"

A change in the Table of Contents will be as follows:

Change "Part 6. PETITIONS" to read: "Part 6. PETITIONS AND COMPLAINTS." The following new sub-part heading added: "Complaints . . . 6.03."

FEDERAL COMMUNICATIONS COMMISSION

DECISIONS OF COMMISSION

The Federal Communications Commission this week unanimously (Commissioner Payne not participating) denied the application of the Crosley Radio Corporation, Cincinnati, Ohio, for an extension of the special experimental authorization for 500,000 watts for WLW.

In its decision, the Commission stated that the applicant had failed "to sustain the burden of showing that the special authorization requested is necessary in order to accomplish a proposed program of experimentation which

will offer promise of substantial contribution to the radio art."

The decision of the Commission stated that March 1 is to be the effective date of the Commission's order. In other words, on that date WLW goes back to its 50,000 watt assignment.

"In the final disposition of this case," said the Commission, "even if it were assumed by the Commission that the proposed program of experimentation would constitute a substantial contribution to the radio art, and even if it were further assumed that an output of 500 KW is essential to the accomplishment of certain aspects of this program of experimentation, nevertheless, in view of the fact that the applicant has failed utterly to show, and the Commission is unable to find, that the use of the frequency of **700 kc.**, with power of 500 KW, unlimited time, is necessary to accomplish the proposed program of experimentation, the request for an extension of special experimental authorization to operate on the frequency of **700 kc.**, with power output of 500 KW, unlimited time, must be denied."

In its conclusions in the WLW case, the Commission said:

"To the extent that a power output of 500 KW may be necessary to carry out the applicant's proposed program of experimentation, insofar as it contemplates further investigation into the technical aspects of transmitter equipment, the applicant has sufficient authority to experiment in this field under its experimental license for Station W8XO, and the extension of the special experimental authorization of Station WLW for this purpose is not justified.

"In so far as the proposed program of experimentation contemplates studies in the secondary service area of Station WLW requiring a power output of 500 KW, the experimentation can be carried on only during the nighttime, and the extension of the special experimental authorization of Station WLW permitting unlimited hours of operation on 500 KW for this purpose is not justified.

"Insofar as the proposed program of experimentation includes studies of daytime service, a power output of 500 KW for Station WLW is not necessary, and therefore the extension of the special experimental authorization of Station WLW for this purpose is not justified."

The Commission has granted the application of the First Baptist Church, **Pontiac, Michigan**, for authority to transmit programs from the applicant's studio in Pontiac over the wire lines of the Michigan Bell Telephone Company to Windsor, Ontario, Canada, there to be broadcast over Station CKLW.

Commissioners Case and Payne did not participate in this case.

The application of the Kentucky Broadcasting Cor-

poration for the construction of a new station at **Louisville, Kentucky**, has been granted by the Commission. The station will operate on **1210 kilocycles**, 100 watts night, 250 watts day, unlimited hours.

It was found by the Commission that a public need exists for the proposed service and, said the Commission, "there is reasonable assurance that sufficient commercial support is available to provide the finances necessary to operate in the public interest." It was stated also by the Commission that the operation of the proposed station will not have any detrimental effect upon the continued operation in the public interest of Stations WHAS, WAVE, and WGRC.

The Commission has denied the application of Broadcasting Station KMED, **Medford, Oregon**, which operates on **1410 kilocycles**, 250 watts, unlimited time, to continue with the same frequency with **1000 watts**, unlimited time.

The Commission found that the granting of the application would result in objectionable interference to existing broadcasting stations and found further that the need for the additional service in the area "is not sufficiently compelling to warrant the granting of this application when consideration is given to the limitation which would be suffered by existing broadcast stations."

The application of WEMP, **Milwaukee, Wisconsin**, to increase its power from 100 to 250 watts daytime has been granted by the Commission. The station operates on **1310 kilocycles**.

The Commission stated in its decision that a substantial need exists in Milwaukee for the improved broadcast signal which this applicant seeks to provide. Also, the Commission stated that the granting of this application will improve the interference condition now existing between Stations WEMP and WHBL.

Commissioner Payne did not participate in this case.

The Commission has granted the application of WNEW, **New York City**, to increase the daytime power on its frequency of **1250 kilocycles** from 2500 watts to 5000 watts. The station now operates with 2500 watts day, 1000 watts night and shares time with WHBI.

There is need for additional daytime service in the New York metropolitan area according to the Commission and the operation of the station as proposed would not cause objectionable interference to any existing broadcast station. It is further stated by the Commission that the use of the additional power for daytime operation "would render an improved signal in the entire area now served by the applicant which would materially aid in overriding the high noise level existing in the New York metropolitan area."

Commissioners Case, Payne and Craven did not participate in this case.

The Commission also announced a decision in the matter of the application of WSBT, **South Bend, Indiana**, and the King-Trendle Broadcasting Corporation, **Grand Rapids, Michigan**.

The Commission denied the application of WSBT for authority to move the transmitter of the station and to shift from its present authorized assignment of **1360 kilocycles**, 500 watts, sharing time with WGES, to an operating assignment on the frequency of **1010 kilocycles**, with 1000 watts, unlimited time, using a directional antenna at night.

The Commission also denied the King-Trendle Broadcasting Corporation application for authority to construct a new station at Grand Rapids, to operate on **1010 kilocycles**, with 1000 watts, unlimited time. In connection with the proposed new station, the Commission stated that it would devote but a small part of its time to programs of local character inasmuch as it would have network affiliations. It was further stated by the Commission that the station would be under the same management and control as the two existing stations in Grand Rapids. "The applicant," said the Commission, "has failed to show a public need for a new station to broadcast programs of the type and character proposed."

Commissioners Case, Payne and Craven did not participate in this case.

FEDERAL COMMUNICATIONS COMMISSION DOCKET

The following hearings and oral arguments are scheduled before the Commission in broadcast cases beginning the week of Monday, February 13. They are subject to change.

Wednesday, February 15

WGRC—Northside Broadcasting Corp., New Albany, Ind.—C. P., **880 kc.**, 250 watts, unlimited time (DA for night use).
KRRV—Red River Valley Broadcasting Corp., Sherman, Tex.—C. P., **880 kc.**, 1 KW, unlimited time (DA day and night).

Thursday, February 16

Oral Argument Before the Commission

Examiner's Report No. I-746:

WJBL—Commodore Broadcasting, Inc., Decatur, Ill.—C. P., **1310 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1200 kc.**, 100 watts, shares with WJBC.
WBOW—Banks of Wabash, Inc., Terre Haute, Ind.—C. P., **1200 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1310 kc.**, 100 watts, 250 watts LS, unlimited time.
WJBC—Arthur Malcolm McGregor and Dorothy Charlotte McGregor, Bloomington, Ill.—Modification of license, **1200 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1200 kc.**, 100 watts, 250 watts LS, shares with WJBL.

Examiner's Report No. I-755:

NEW—Orville W. Lyerla, Herrin, Ill.—C. P., **1310 kc.**, 100 watts, 250 watts LS, unlimited time.
WEBQ—Harrisburg Broadcasting Co., Harrisburg, Ill.—Modification of license, **1310 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1210 kc.**, 100 watts, 250 watts LS, S.H. (KFVS).
KFVS—Oscar C. Hirsch, tr/as Hirsch Battery & Radio Co., Cape Girardeau, Mo.—Modification of license, **1210 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1210 kc.**, 100 watts, 250 watts LS, S.H. (WEBQ).

Examiner's Report No. I-758:

KTBS—Tri-State Broadcasting System, Inc., Shreveport, La.—C. P., **620 kc.**, 1 KW, 5 KW LS, unlimited time (DA at night). Present assignment: **1450 kc.**, 1 KW, unlimited time.

FUTURE HEARINGS

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

March 7

KRSC—Radio Sales Corporation, Seattle, Wash.—C. P., **1120 kc.**, 1 KW, unlimited time. Present assignment: **1120 kc.**, 250 watts, unlimited time.
NEW—Panama City Broadcasting Co., Panama City, Fla.—C. P., **1200 kc.**, 100 watts, 250 watts LS, unlimited time.

March 14

WHDF—Upper Michigan Broadcasting Co., Calumet, Mich.—Modification of license, **1370 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1370 kc.**, 100 watts, 250 watts LS, specified hours.
WHDF—Upper Michigan Broadcasting Co., Calumet, Mich.—Renewal of license, **1370 kc.**, 100 watts, 250 watts LS, specified hours.
NEW—Lane J. Horrigan, d/b as Copper County Broadcasting Co., Hancock, Mich.—C. P., **1370 kc.**, 100 watts, 250 watts LS, specified hours (requests facilities in part of WHDF).
WKAQ—Radio Corporation of Porto Rico, San Juan, P. R.—Renewal of license, **1240 kc.**, 1 KW, unlimited time.
WNEL—Juan Piza, San Juan, P. R.—Renewal of license, **1290 kc.**, 1 KW, 2½ KW LS, unlimited time.
NEW—Enrique Abarca Sanfeliz, San Juan, P. R.—C. P., **580 kc.**, 1 KW, 5 KW LS, unlimited time.
NEW—United Theatres, Inc., San Juan, P. R.—C. P., **580 kc.**, 1 KW, unlimited time.

March 21

NEW—Southern Oregon Broadcasting Co., Grants Pass, Ore.—C. P., **1310 kc.**, 100 watts, unlimited time.
KFJZ—Fort Worth Broadcaster, Inc., Fort Worth, Tex.—C. P., **930 kc.**, 500 watts, unlimited time (DA at night). Present assignment: **1370 kc.**, 100 watts, 250 watts LS, unlimited time.

March 24

NEW—Birney Imes, Columbus, Miss.—C. P., **1370 kc.**, 100 watts, 250 watts LS, unlimited time.

March 27

NEW—Spartanburg Advertising Co., Spartanburg, S. C.—C. P., **1370 kc.**, 100 watts, 250 watts LS, unlimited time.
WSUI—The State University of Iowa, Iowa City, Iowa.—C. P., **880 kc.**, 1 KW, 5 KW LS, unlimited time (DA at night). Present assignment: **880 kc.**, 500 watts, 1 KW LS, unlimited time.

March 28

WFBG—The Gable Broadcasting Co., Altoona, Pa.—Modification of license, **1310 kc.**, 100 watts, unlimited time. Present assignment: **1310 kc.**, 100 watts, shares WJAC.
NEW—Lawrence J. Heller, Washington, D. C.—C. P., **1310 kc.**, 100 watts, 250 watts LS, unlimited time.
NEW—Lawrence J. Heller, Washington, D. C.—Special experimental authorization, **1310 kc.**, 10 to 100 watts, unlimited time.

FEDERAL COMMUNICATIONS COMMISSION ACTION

APPLICATIONS GRANTED

- WFAS**—Westchester Broadcasting Corp., White Plains, N. Y.—Granted modification of license to change time of operation from S-WGNY, WGBB, WBRB, to S-WGBB, WBRB, to use the hours released by WGNY.
- WDSM**—Fred A. Baxter, Superior, Wis.—Granted voluntary assignment of C. P. for station WDSM, Superior, Wis., from Fred A. Baxter, individual permittee, to WDSM, Inc., a Wisconsin corporation, to operate on 1200 kc., 100 watts, unlimited time.
- W4XA**—The National Life and Accident Insurance Co., Inc., Nashville, Tenn.—Granted modification of C. P. authorizing deletion of frequencies under its present assignment and in lieu thereof to use frequencies 26150 kc. listed in Group C of Rule 1053(a).

DESIGNATED FOR HEARING

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

- KOH**—The Bee, Inc., Reno, Nev.—Application for C. P. requesting move of transmitter site locally; install new equipment and directional antenna system; change frequency from 1380 kc. to 630 kc.; and increase power from 500 watts, unlimited time, to 1 KW, unlimited, employing directional antenna for nighttime operation. Application set for hearing to determine if interference might result to existing stations.
- WREN**—The WREN Broadcasting Co., Inc., Lawrence, Kans.—Application for C. P. to move transmitter location from South of Tonganoxie, Kans., to southwest of Kansas City, Kans., and studio location from Lawrence, Kans., to Kansas City, Mo.; install directional antenna system for day and nighttime operation. Application set for hearing to determine if interference might be caused to existing stations, and pending applications from Missouri involve increase in service.
- WJNO**—WJNO, Inc., West Palm Beach, Fla.—Application for modification of license to increase night power from 100 watts to 250 watts. (To be heard before the Commission.) Application designated for hearing as the request violates Rule 121, and pending applications from Florida involve increase in service.
- WCSC**—South Carolina Broadcasting Co., Inc., Charleston, S. C.—Application for C. P. to install a vertical radiator at the present transmitter site and increase night power from 500 watts to 1 KW. Application designated for hearing to determine if interference might result, and pending applications from South Carolina involve increase in service.
- KROY**—Royal Miller, Sacramento, Calif.—Application for modification of license to increase time of operation from daytime to unlimited, using 100 watts power. Application designated for hearing to determine if interference might result to existing stations, and pending applications from California involve an increase in service.

RENEWAL OF LICENSES

The following stations were granted renewal of licenses for the regular period, September 1, 1939:

KARK, Little Rock, Ark.; KEHE and auxiliary, Los Angeles; KFDY, Brookings, S. Dak.; KFEL, Denver; KFRC and auxiliary, San Francisco; KFRU, Columbia, Mo.; KFSD, San Diego, Calif.; KGW, Portland, Ore.; KHJ and auxiliary, Los Angeles; KLLX, Oakland, Calif.; KOMO, Seattle, Wash.; KSAC, Manhattan, Kans.; KTAR, Phoenix, Ariz.; KTSA, San Antonio, Tex.; WAAF, Chicago; WBAA, West Lafayette, Ind.; WBEN and auxiliary, Buffalo; WCAO and auxiliary, Baltimore; WDBO and auxiliary, Orlando, Fla.; WELI, New Haven, Conn.; WGST, Atlanta, Ga.; WHJB, Greensburg, Pa.; WMAL and auxiliary, Washington, D. C.; WOSU, Columbus, Ohio; WOW, Omaha, Nebr.; WQAM, Miami,

Fla.; WQAM, auxiliary; WSUI, Iowa City, Iowa; WTAD, Quincy, Ill.; WTAG, Worcester, Mass.; WTAG, auxiliary; WTMJ and auxiliary, Milwaukee, Wis.; KFYR, Bismarck, N. Dak.; KGKO, Fort Worth, Tex.; KMJ, Fresno, Calif.; KMTR, Los Angeles, Calif.; KOAC, Corvallis, Ore.; KSFO, San Francisco; KVI, Tacoma, Wash.; KWTQ, Springfield, Mo.; WCHS, Charleston, W. Va.; WDAF, Kansas City, Mo.; WEAN, Providence, R. I.; WFIL and auxiliary, Philadelphia, Pa.; WGR and auxiliary, Buffalo, N. Y.; WIBW, Topeka, Kans.; WILL, Urbana, Ill.; WIOD-WMBF and auxiliary, Miami, Fla.; WIP and auxiliary, Philadelphia, Pa.; WKRC, Cincinnati, Ohio; WKZO, Kalamazoo, Mich.; WMC and auxiliary, Memphis, Tenn.; WMCA and auxiliary, New York City; WWSA, Harrisonburg, Va.; WTAR and auxiliary, Norfolk, Va.; WWNC, Asheville, N. C.; KOMO, auxiliary, Seattle, Wash.

WAGM—Aroostook Broadcasting Corp., Presque Isle, Maine.—Granted renewal of license for the period ending July 1, 1939.

WJAX—City of Jacksonville, Jacksonville, Fla.—Present license extended upon a temporary basis only for the period ending April 1, 1939, pending determination upon application for renewal.

WLBL—Board of Regents, University of Wisconsin, Stevens Point, Wis.—Present license extended upon a temporary basis only for the period ending April 1, 1939, pending determination upon application for renewal.

W9XZY—The Pulitzer Publishing Co., St. Louis, Mo.—Granted renewal of facsimile broadcast (experimental) station license for the period March 1, 1939, to March 1, 1940, subject to the condition that it is subject to change or cancellation by the Commission at any time, without advance notice or hearing, if in its discretion the need for such action arises. Nothing in the license shall be construed as a finding by the Commission that the operation of the station upon the frequencies authorized is or will be in the public interest beyond the express terms of the grant.

W2XR—Radio Pictures, Inc., Long Island City, N. Y.—Granted renewal of facsimile broadcast (experimental) station license for the period March 1, 1939, to March 1, 1940, subject to the condition that it is subject to change or cancellation by the Commission at any time, without advance notice or hearing, if in its discretion the need for such action arises. Nothing in the license shall be construed as a finding by the Commission that the operation of the station upon the frequencies authorized is or will be in the public interest beyond the express terms of the grant.

W1XXM—The Yankee Network, Inc., Sargents Purchase, N. H.—Granted renewal of facsimile broadcast (experimental) station license for the period March 1, 1939, to March 1, 1940, subject to the condition that it is subject to change or cancellation by the Commission at any time, without advance notice or hearing, if in its discretion the need for such action arises. Nothing in the license shall be construed as a finding by the Commission that the operation of the station upon the frequencies authorized is or will be in the public interest beyond the express terms of the grant.

MISCELLANEOUS

WEBQ—Harrisburg Broadcasting Co., Harrisburg, Ill.—Granted special temporary authority to operate simultaneously with station KFVS from 9 p. m. to 12 p. m., CST, February 28, in order to broadcast city primary election returns.

KWNO—Winona Radio Service, Winona, Minn.—Granted special temporary authority to operate with power of 100 watts from 5:30 p. m., February 13, to 3 a. m., CST, February 14, in order to broadcast city election returns.

WSAJ—Grove City College, Grove City, Pa.—Granted special temporary authority to operate from 8 to 10:30 p. m., EST, February 9, 17, and March 3, in order to broadcast basketball games.

WAFS—Westchester Broadcasting Corp., White Plains, N. Y.—Granted extension of special temporary authority to operate simultaneously with Station WBRB from 4:30 to 6:30 p. m., EST, February 3, 10, 17 and 24, in order to broadcast special sessions of WFAS Request Club, Civic "Bulletin Board," Theater Commentary, and "Music of Memory" features.

WEAU—Central Broadcasting Co., Eau Claire, Wis.—Granted special temporary authority to operate from 8 p. m., CST, February 23, to 1 a. m., CST, February 24, or to end of broadcast, in order to broadcast District Golden Glove Boxing Tournament.

WTAR—WTAR Radio Corp., Norfolk, Va.—Granted special temporary authority to make daytime tests of WTAR directional antenna, operating with 1 KW with new equipment and ground system authorized December 5, in order to submit proof of performance to Commission, for period of 10 days.

WWRL—Long Island Broadcasting Corp., Woodside, N. Y.—Adopted an order extending the effective date of order dated December 5, 1938, relating to modification of license of WWRL for a period of 60 days from February 4, 1939.

WDAN—Northwestern Publishing Co., Danville, Ill.—Granted special temporary authority to operate with power of 100 watts from local sunset (February 5:30 p. m., CST) on February 14, to 1 a. m., CST, February 15, in order to broadcast local election returns and other entertainment of public interest.

KIDW—Lamar Broadcasting Co., Lamar, Colo.—Granted special temporary authority to remain silent for a period ending no later than February 15, 1939, in order to complete arrangements pursuant to grant of voluntary assignment of license.

WGBF—Evansville on the Air, Inc., Evansville, Ind.—Granted special temporary authority to operate simultaneously with station KFRU, with reduced power of 250 watts, from 7 to 8 p. m., CST, February 4, in order to broadcast talk by Colonel Francis C. Harrington, Chief, WPA.

NEW—Food Terminal Broadcasting Co., Cleveland, Ohio.—The Commission agreed to reconsider application for new station (Ex. Rep. No. 1-458), which was denied by the Commission on September 13, 1938, and further ordered that the five members who heard the re-argument on June 2, 1938 (Commissioners Craven, Sykes, Brown, Walker and Case), vote on the application and Chairman McNinch and Commissioner Payne not participate in the vote.

WSTP—Piedmont Broadcasting Corp., Salisbury, N. C.—Denied petition for rehearing (Chairman McNinch voting "No"), in re the application of P. W. Spencer for authority to erect a new station at Rock Hill, S. C.

WDGY—Dr. George W. Young, Minneapolis, Minn.—Denied special temporary authority to operate unlimited time on 1180 kc., using 1 KW power night, for the period February 15, and ending not later than March 16, in order to broadcast various civic, charitable, religious, educational, fraternal and commercial programs of outstanding public interest.

WOSU—Ohio State University, Columbus, Ohio.—Granted special temporary authority to operate from 10 to 10:30 p. m., EST, February 6, provided WKBN remains silent, in order to broadcast important athletic contest.

KJBS—Julius Brunton & Sons Co., San Francisco, Calif.—Granted special temporary authority to operate simultaneously with station WTAM from 5:45 to 10:30 p. m., PST, on February 18, in order to broadcast opening of Golden Gate International Exposition.

KGFL—KGFL, Inc., Roswell, N. Mex.—Granted special temporary authority to operate simultaneously with Station KICA from 7:30 to 9:30 p. m., MST, on February 12, 19, 26, and March 5, in order to broadcast evening church services.

WHAI—John W. Haigis, Greenfield, Mass.—Granted special temporary authority to operate from local sunset (February 5:15 p. m., EST) to 9:30 p. m., EST, on February 8, in order to broadcast Taxpayers Rally, using 100 watts only.

WEEI—Columbia Broadcasting System, Inc., Boston, Mass.—Denied special temporary authority to operate with 5 KW night for a period of 30 days, employing DA in order to overcome interference from Cuban station CMCY, provided such operation with additional power terminates immediately when CMCY ceases operation on frequency 590 kc. or reduces power so that additional interference is not involved.

WGRC—North Side Broadcasting Corp., New Albany, Ind.—Granted special temporary authority to operate from local sunset (February 5:15 p. m., CST) to conclusion of basketball game, on February 17, using 100 watts power.

WJBO—Baton Rouge Broadcasting Co., Inc., Baton Rouge, La.—Granted extension of special temporary authority to operate simultaneously with station WTAW from 8 to 9 p. m., CST, the following Mondays: February 20, 27, and March 6, 13, 1939, in order to broadcast special programs from Louisiana State University and special addresses by the president and members of the faculty of that University.

WBAA—Purdue University, West Lafayette, Ind.—Granted special temporary authority to operate from 7:15 to 9 p. m.,

CST, on February 11, 25 and 27, in order to broadcast University basketball games.

W2XMN—Edwin H. Armstrong, north of Alpine, N. J.—Granted extension of special temporary authority to operate a high frequency broadcast station W2XMN on the frequency 42.5 megacycles, power output of 40000 watts, for the period February 14 to March 15, pending definite arrangements to be made in the ultra high frequency bands.

WPG—City of Atlantic City, Atlantic City, N. J.—Granted extension of special temporary authority to operate from 3:15 to 4:30 p. m., EST, Sundays, February 19 and 26, and March 5 and 12, in order to broadcast feature by the New York Philharmonic Symphony Orchestra and a special religious talk by the Rev. Charles E. Coughlin; also to operate from 2 to 3 p. m., EST, Fridays, February 24, March 3, 10, 17, in order to broadcast programs consisting of Columbia features, including Irene Beasley and American School of the Air.

NEW—Gateway Broadcasting Co., Louisville, Ky.—Cancelled the hearing date, now scheduled for February 15, in re application for C. P. to use 880 kc., 500 watts, unlimited time (DA night and day), and directed applicant to submit full and complete information respecting directional antenna system it proposes for the new location.

WHIO—Miami Valley Broadcasting Corp., Dayton, Ohio.—Granted C. P. to make changes in equipment.

WHBF—Rock Island Broadcasting Co., Rock Island, Ill.—Granted license to cover C. P. authorizing change in transmitter site, installation of new equipment, change in frequency to 1240 kc., and increase in power to 1 KW, unlimited time, employing directional antenna system for nighttime operation.

W4XHW—Radiophone Broadcasting Station WOPI, Inc., Bristol, Tenn., Portable-Mobile.—Granted license to cover C. P. for new experimental relay broadcast station, frequencies 31100., 34600, 37600 and 40600 kc., on an experimental basis conditionally, 50 watts.

WRAL—Capitol Broadcasting Co., Inc., Raleigh, N. C.—Granted modification of C. P. approving transmitter and studio sites, installation of new equipment and vertical radiator.

WDAN—Northwestern Publishing Co., Danville, Ill.—Granted special temporary authority to operate with power of 100 watts from local sunset (February 5:30 p. m., CST) to 11 p. m., CST, on February 8, in order to broadcast national program of Boy Scouts of America.

WAGA—Liberty Broadcasting Co., Atlanta, Ga.—Granted continuance of hearing from February 14 to March 17, on application for consent to voluntary assignment of license of WAGA to the Liberty Broadcasting Corp.

APPLICATIONS FILED AT FCC

620 Kilocycles

KGW—KGW, Oregonian Publishing Co., Portland, Ore.—Authority to transfer control of corporation from O. L. Price, Trustee, to beneficiaries of Pittock Will Trust, 470 shares common stock, namely: Kate P. Hebard, Susan P. Emery, Caroline P. Leadbetter, Louise P. Gantenbein and E. B. MacNaughton (trustee for: Virginia P. Thorsen, Marjorie P. McDougall, Barbara F. Pittock, Roberta P. MacNaughton, Frederika F. Pittock and Henry L. Pittock).

780 Kilocycles

WTAR—WTAR Radio Corp., Norfolk, Va.—License to cover construction permit (B2-P-2280) for new transmitter and increase in power.

850 Kilocycles

KWKH—International Broadcasting Corporation, Shreveport, La.—Modification of special experimental authority (B3-SA-329) to install new equipment, increase power from 10 to 50 KW, move transmitter from Mooringsport Road, near Shreveport, La., to 3 miles west of Dixie, near Dixie, La.

890 Kilocycles

KFNF—KFNF, Inc., Shenandoah, Iowa.—Modification of construction permit (B4-P-1449) as modified for increase in power, new equipment, move of transmitter, directional antenna for night use, further requesting extension of commencement date from 9-1-38 to 4-15-39 and completion date from 3-1-39 to 8-1-39.

1210 Kilocycles

- KGLO—Mason City Globe Gazette Company, Mason City, Iowa.—Construction permit to install new transmitter, directional antenna (for night use only), and increase power from 100 watts, 250 watts day, to 1 KW day and night; change frequency from 1210 kc. to 1270 kc. (Request facilities of stations KWLC and KGCA).
- WTMA—Y. W. Scarborough and J. W. Orvin, d/b as Atlantic Coast Broadcasting Co., Charleston, S. C.—Modification of construction permit (B3-P-1721) for a new station, requesting approval of antenna and transmitter site at north end of 11th St., Charleston, S. C., and studio site at Charleston Hotel, Meeting St., Charleston, S. C.; install new transmitter. Amended re antenna.

1290 Kilocycles

- KDYL—Intermountain Broadcasting Corp., Salt Lake City, Utah.—License to cover construction permit (B5-P-2248) for an auxiliary transmitter.

1310 Kilocycles

- NEW—John R. Pepper, Greenville, Miss.—Construction permit for a new station on 1310 kc., 100 watts night, 250 watts day, unlimited time. Amended to give transmitter site as to be determined, Greenville, Miss.

1350 Kilocycles

- WAWZ—Pillar of Fire, Zarephath, N. J.—License to cover construction permit (B1-P-2079) to install directional antenna for night use, and increase power.

1370 Kilocycles

- NEW—Oregon Broadcasting System, Inc., Grants Pass, Ore.—Construction permit for a new station on 1370 kc., 100 watts, 250 watts day, unlimited time.

1500 Kilocycles

- WGKV—Kanawha Valley Broadcasting Co., Charleston, W. Va.—Modification of construction permit (B2-P-1848) for a new station, requesting approval of antenna and new transmitter, approval of studio site at 1016 Lee St., Charleston, W. Va., and transmitter site at Kanawha Country Club Road, South Charleston, W. Va. Amended to make changes in antenna and give transmitter site at 1016 Lee St., Charleston, W. Va.

MISCELLANEOUS

- W1XKB—Westinghouse Electric & Manufacturing Company, E. Springfield, Mass.—Modification of license to reduce authorized power without new construction from 500 watts to 50 watts.
- W1XEI—Westinghouse Electric & Manufacturing Company, Portable-Mobile.—Modification of license to reduce authorized power from 150 to 50 watts.
- W10XWA—Westinghouse Electric & Manufacturing Company, Chicopee Falls, Mass.—Modification of license to reduce power from 500 to 50 watts.
- W10XWB—Westinghouse Electric & Manufacturing Company, Chicopee Falls, Mass.—Modification of license to reduce power from 500 to 50 watts.
- W10XWC—Westinghouse Electric & Manufacturing Company, Chicopee Falls, Mass.—Modification of license to reduce power from 500 watts to 50 watts.
- W10XWD—Westinghouse Electric & Manufacturing Company, Chicopee Falls, Mass.—Modification of license to reduce power from 50 to 15 watts.
- W10XWF—Westinghouse Electric & Manufacturing Company, Chicopee Falls, Mass.—Modification of license to reduce power from 50 to 15 watts.
- W8XKA—Westinghouse Electric & Manufacturing Company, Pittsburgh, Pa.—Modification of license to reduce power from 150 to 50 watts.
- KAOG—Don Lee Broadcasting System, Los Angeles, Calif.—License to cover construction permit (B5-PRY-148) for a new relay broadcast station.
- W9XER—Midland Broadcasting Co., Inc., Kansas City, Mo.—Construction permit for changes in equipment, increase in power from 50 to 500 watts, move transmitter to 106 W. 14th St., Kansas City, Mo.

National Broadcasting Company, Inc., New York, N. Y.—Authority to transmit via RCA Communications, Inc., programs originating in NBC's studio at 30 Rockefeller Plaza, New York City, or any points in the U. S. where network programs may originate, to station CMQ, Havana, Cuba. Amended to request transmission of programs to CMX instead of CMQ.

NEW—John V. L. Hogan, New York, N. Y.—Construction permit for a new high frequency broadcast (experimental) station on 41200 and 111500 kc. Amended to delete the frequency 111500 kc.

NEW—WBNS, Inc., Columbus, Ohio.—Construction permit for a new facsimile station (experimental) in Columbus, Ohio, on the frequencies 31600, 35600 and 38600 and 41000 kc., 100 watts power.

W3XEO—WCAU Broadcasting Co., Portable-Mobile.—Modification of license for change in authorized power, without new construction, from 50 to 6 watts.

W9XAP—National Broadcasting Company, Inc., Chicago, Ill.—License to cover construction permit (B4-PRE-186) as modified for equipment changes, move of transmitter, and increase in power.

W5XN—Tulsa Broadcasting Co., Inc., Tulsa, Okla.—Construction permit for change in equipment, reduction in power from 10.5 watts to 5 watts.

W5XN—Tulsa Broadcasting Co., Inc., Tulsa, Okla.—License to cover above.

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.

Metropolitan Publishing Company—Charging violation of the Federal Trade Commission Act in the sale of greeting cards, a complaint has been issued against Alphonso M. Simon, Jr., and Phyllis Schuster, trading as Metropolitan Publishing Co., 110 Wooster Street, New York.

The respondents are alleged to sell their products to stationery and other stores through agents, who exhibit samples of high quality and quote prices considerably lower than those at which the same class of cards can be bought from other manufacturers.

With the cooperation of the respondents, their agents are alleged to represent:

(1) That a purchaser may make his own selection of cards or the respondents will make a selection for him, but that in all cases the cards delivered will be of a quality equal to or better than the samples; (2) that cards are sent on consignment and the purchaser is required to pay only for cards actually sold by him; and (3) that the respondents' salesmen will make periodical return calls to effect such changes as the purchaser may desire due to unsalability of any cards.

The complaint alleges that the respondents' representations are false and misleading; that in many instances cards delivered by the respondents are old, inferior and cheaper in quality than the samples; that they are not sold on consignment, the contract requiring the purchaser unconditionally to pay for the entire amount called for without privilege of returning unsold cards, and that in many cases the amount of the contract is determined after the purchaser has signed it in blank and larger quantities of cards are shipped than he ordered. (3699)

Southern Art Stone Company—Charging violation of the Federal Trade Commission Act in the sale of imitation marble and granite tombstones and memorials, a complaint has been issued against Roy D. Burnsed, trading as Southern Art Stone Company, 1927 Piedmont Road, N. E., Atlanta.

In advertising his products, which are produced from a mixture of crushed marble or granite, cement and other ingredients, the respondent is alleged to have represented that they are made of genuine, natural marble and granite; that they take and retain a higher polish and luster than ordinary marble or granite, and that they will last forever.

These products, known as Marbletexture and Granitexture, are alleged to have been advertised as being superior to ordinary marble or granite in that they are less porous, stronger and more enduring.

Alleging that the respondent's representations are false and misleading, the complaint points out that his tombstones and memorials have the general appearance of natural marble and granite products of this class, and that nowhere in his advertising matter is it disclosed that they are synthetic or cast stone memorials. (3697)

S. & C. Sales—Alleging the use of lottery methods or gift enterprises in the sale of merchandise to ultimate consumers, a complaint has been issued against Samuel Cohen, trading as S. & C. Sales, 4949 D St., Philadelphia.

The respondent's sales plan is alleged to involve the use of push cards, by means of which purchasers, selecting feminine names and buying chances thereon, receive premiums wholly by lot or chance. (3698)

CEASE AND DESIST ORDERS

The Commission has issued the following cease and desist orders:

Endura Corporation—Under an order to cease and desist, The Endura Corporation, 4951 Sunset Blvd., Hollywood, Calif., is directed to discontinue certain misleading representations in the sale of its cosmetic preparation known as Endura, or as Endura Permanent Wave.

The order prohibits representation that the respondent's preparation has been tested in the world's foremost laboratories, or that it is used in Hollywood's studios or by the screen's smartest stars, or that it is actually good for the hair or will benefit bleached, dyed, gray or naturally colored hair. (3419)

Knox Company—An order prohibiting misleading representations concerning the therapeutic properties of Nixoderm, advertised as a skin remedy, has been entered against The Knox Company, 811 West 7th St., Los Angeles.

The respondent company is ordered to desist from advertising the preparation as an adequate remedy or a cure for acne, psoriasis, eczema, pimples, dandruff, or any other diseased condition of the skin, unless such claims are limited to certain skin ailments which are of a surface character only and not caused by, or associated with, a systematic or metabolic disorder. (3430)

Moretrench Corporation, Rockaway, N. J., manufacturer of wellpoints, pumps and equipment used in drawing water from wet soil during excavation work, has been served with an order requiring it to cease and desist from certain misleading representations in the sale of its products.

The order prohibits the disparaging of competitive products through representations that the unobstructed water-passing screen area of competitive wellpoints is smaller than that of the respondent's wellpoints, which representations are based on the use of different methods of calculation.

These differing computing methods, as used by the respondent and represented in its catalogs, give to its products an apparent

efficiency exceeding that of competing products, but such representations are misleading and deceptive, according to findings.

The order also bars disparagement of competitive products through representation that the respondent's wellpoints equipped with two valves are superior to competitive wellpoints equipped with one valve, when in fact the respective wellpoints are constructed on different mechanical principles, and the number of valves does not affect their relative efficiency. (3262)

STIPULATIONS

The Commission has entered into the following stipulations:

I. F. Laucks, Inc.—See National Distributors.

National Distributors—Two dealers selling their products in interstate commerce have entered into stipulations to discontinue misleading representations in advertising matter.

The respondents are Rolla L. Long, 304 North Main St., Marion, Ill., formerly trading as National Distributors, and I. F. Laucks, Inc., 314 Maritime Building, Seattle.

Long agrees to cease using in advertising matter or otherwise phrases such as "Beautiful Silk Pieces" or "Fast Color Prints and Percales" as descriptive of cloth pieces in a manner implying that they are of sufficient size to be used in making garments, unless such quoted words are accompanied by other words in equally conspicuous type explaining that the cloth pieces are only remnants or scraps, the utility of which is limited to uses such as the making of quilts. The respondent also stipulates that he will cease representing that a face powder offered as an inducement to prospective customers is priced at \$1 when in fact this price is fictitious and much in excess of the regular price. Through the medium of his advertising or otherwise, Long agrees to discontinue offering to employ prospective customers to address postal cards at home, when in fact such offer is not bona fide.

I. F. Laucks, Inc., a manufacturer of casein glue, stipulates that it will desist from the use on labels or in advertising matter of the word "waterproof" as descriptive of its Lauxein glue, when in fact the product is not waterproof. The respondent company has plants in Los Angeles, Lockport, N. Y., and Portsmouth, Va. (2389 and 2390)

Seiberling Rubber Company, 345-15th St., Akron, Ohio, has entered into a stipulation to discontinue certain misleading representations in the sale of its tires.

The respondent agrees to cease representing that its Seiberling Two-Tread Air Cooled tires never wear smooth and that they are protected against blow-outs, insure safety, "give anti-skid protection to the final mile", and will stay cool.

A further representation to be discontinued is that use of this tire will enable a driver to stop a car promptly under any road conditions encountered, or will insure his having his car under proper control at all times. (02317)

F. T. C. CLOSES CASE

The Federal Trade Commission has closed its case against Hochschild, Kohn & Co., Baltimore, charged with misrepresentations in the sale of furs.

In closing the case, the Commission makes known that the evidence introduced at the hearings failed to sustain the allegations of the complaint with respect to interstate commerce.

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