



The Week In Washington

Studiously avoiding the monopoly issue, the Supreme Court this week directed a district court in Florida to proceed with a case to determine whether that State's anti-ASCAP law was constitutional. At the same time the court decided that a similar case involving the State of Washington's law was not properly in the Federal Courts.

In a vigorous dissent, however, Justice Hugo Black, agreed with Florida's Attorney-General that ASCAP constitutes a price fixing monopoly in violation of Anti-Trust Laws and that the case should be dismissed. He strongly criticized the Court for refusing to throw out a suit brought by "a price fixing combination that actually wields the power of life and death over every business in Florida, and elsewhere, dependent upon copyrighted musical compositions for existence".

A Senate Interstate Commerce sub-committee favorably reported the Johnson (D-Col) Bill to ban both beer and liquor advertising on the air. Efforts to stop the bill in the full Committee are under way. Beer advertising accounted for \$1,268,638 of the broadcasting industry's revenue last year.

The FCC's hearing on network broadcasting, monopoly "and related matters" came to an end Wednesday after the Commission had taken seventy volumes of testimony and received 662 exhibits. The Commission Committee in charge of the hearing took under advisement a motion by Louis G. Caldwell, counsel for Mutual, that the Commission ban renewal of network contracts beyond December 31, 1940. Both CBS and NBC protested.

Reports to Headquarters indicated practically 100 per cent cooperation and excellent results in the "Open House Week" which started off the NAB-RMA campaign to promote the American System of Broadcasting.

Legal

U. S. SUPREME COURT DECIDES TWO ASCAP CASES

The United States Supreme Court, on Monday, April 17, rendered its long-delayed decisions on the technical point of jurisdiction of the federal court involved in the ASCAP suits against officials of the States of Florida and Washington. ASCAP had sued the officials of both states to enjoin them from enforcing the provisions of the respec-

tive state statutes enacted in 1937 which sought to curb price fixing activities of copyright pools.

The state officials in both cases moved to dismiss ASCAP's petition on the grounds that ASCAP failed to show the \$3,000.00 jurisdictional amount necessary to give the federal court jurisdiction of the cases. In the Florida case, the lower court determined that it had jurisdiction and granted a preliminary injunction, whereas the lower court in Washington determined that the jurisdictional amount was not established and therefore dismissed the suit. Appeals were taken to the United States

(Continued on page 3430)



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U. S. SUPREME COURT DECIDES TWO ASCAP CASES

(Continued from page 3429)

Supreme Court by the Attorney General of Florida and by ASCAP in the respective cases. Incidental in the Florida appeal was the claim that ASCAP constituted a price fixing monopoly violating anti-trust laws and as such should not receive aid from a court of equity.

Although the majority of the court concluded in the Florida case that the jurisdictional amount had been established and therefore remanded the case to the lower court for the purpose of taking evidence, Mr. Justice Black, in a vigorous and powerful dissenting opinion, stated that ASCAP is "*a price fixing combination that actually wields the power of life and death over every business in Florida, and elsewhere, dependent upon copyrighted musical compositions for existence. Such a monopolistic combination's power to fix prices is the power to destroy.*" He forcefully criticized the majority of the court for delaying a decision on ASCAP's illegal price fixing until after testimony is taken. He pointed out that a careful scrutiny of "appellee's bill for injunction reveals no allegations indicating that Florida's power to prohibit monopolistic price fixing would * * * be altered by proof of any particular economic facts which are properly the subject of evidence and of findings," and further said:

"If the States have somehow lost their historic power to prohibit monopolistic price fixing combinations before presentation of evidence to a federal court, at what point in our history and in what manner did they lose it? The people have not exercised their exclusive authority, by Constitutional amendment, to strip the States of their power over price fixing combinations and thus raise monopoly above the traditional power of legislative bodies.

"It was expressly conceded at the bar that Florida had the Constitutional power to prohibit price fixing combinations unless the copyright laws limited this power. And, since argument of the present case, a decision rendered by us February 13, this year, made clear the principle that the copyright laws grant no immunity to copyright owners from statutes prohibiting monopolistic practices and agreements. We there declared that 'An agreement illegal (by statute) because it suppresses competition is not any less so because the competitive article is copyrighted.' *Interstate Circuit, Inc., v. United States.*

Mr. Justice Black's opinion is important in the copyright problem and constitutes a landmark in that, for the first time in ASCAP's history, a judge unequivocally has held ASCAP to be an illegal price fixing combination violating anti-trust laws.

The majority opinion deals exclusively with the jurisdiction of the federal court, stating that other issues can be more satisfactorily disposed of upon final hearing. The basis for sustaining jurisdiction is that the members of ASCAP's "have a common and undivided interest in the matter in controversy" and that this is represented by the total license fees taken from the state. An analysis of the majority opinion discloses an apparently studied effort to avoid mention of the monopoly. It has been suggested that, if the court had not adopted this method but had followed Mr. Justice Black's opinion, it would have left on the statute books of Florida a statute which in many respects is considered by attorneys to be unconstitutional. These provisions are Section 2 and related sections, which provide that the purchaser of sheet music shall obtain for the price of the sheet music the right to perform that music publicly for profit for the duration of the copyright. It has been suggested that, since the Supreme Court could not pass upon the constitutionality of these sections in the present proceeding but must wait until such question is before it after final adjudication by the lower court, the majority recognized the irreparable damage which would be sustained by copyright owners and therefore avoided all reference to the monopoly. Attorneys say that support is given to this suggestion when the apparently studied care of the majority to avoid mention of monopoly or mention of any facts in the record which disclosed monopoly are considered in conjunction with Mr. Justice Black's forceful argument and the further fact that the decision normally would have been rendered in early February. It is said further support is found in Mr. Justice Black's statement that, even after the taking of testimony, there is nothing to indicate "that Florida's power to prohibit monopolistic price fixing would * * * be altered" and his references to "suspension of the Florida statute until evidence is heard by the court." He pointed out that "Thus, while the law is suspended, these non-resident appellees can carry on a monopolistic business in Florida contrary to its prohibitions, and the people of Florida who must pay monopoly prices are granted no protection." Added significance may be drawn from the fact that, if the majority of the court had disagreed with Mr. Justice Black on the illegality of the ASCAP price fixing combination, they could have so stated. The monopoly issue definitely was before the court for consideration, and it has been suggested that, if the majority had believed ASCAP's price fixing was legal, they would not have avoided the question.

In discussing ASCAP's monopolistic price fixing, Mr. Justice Black said:

"Even according to the comparatively new judicial formula here applied, the only issue is whether 'novel . . . unique' or 'grave constitutional questions' are raised by the charge that these state officials will perform their sole duty under the Florida statute of prosecuting appellees for violations of the prohibitions against monopolistic price fixing. Paraphrasing this formula, the question here actually becomes: *When complainants charge in a Federal*

Court of Equity that a State has passed, and its officers are about to enforce, a law against monopolistic price fixing, is there so much doubt about the power of the State to prohibit monopolistic price fixing that operation of the law must be enjoined and effect denied to it until evidence is heard by the Court?

"Here, both the very bill upon which the injunction now approved was granted and affidavits of record establish beyond dispute appellees' flagrant violation of the Florida law by combining to fix prices. This combination apparently includes practically all (probably 95%) American and foreign copyright owners controlling rendition of copyrighted music for profit in the United States. *Not only does this combination fix prices through a self-perpetuating board of twenty-four directors, but its power over the business of musical rendition is so great that it can refuse to sell rights to single compositions, and can, and does require purchasers to take, at a monopolistically fixed annual fee, the entire repertory of all numbers controlled by the combination.* And these fees are not the same for like purchasers even in the same locality. Evidence shows that competing radio stations in the same city, operating on the same power and serving the same audience, are charged widely variant fees for identical performance rights, not because of competition, but by the exercise of monopoly power. Since it appears that music is an essential part of public entertainment for profit, radio stations or other businesses arbitrarily compelled to pay discriminatory fees are faced with price fixing practices that could destroy them, because the Society has a monopoly of practically all—if not completely all—available music. When consideration is also given to the fact that an arbitrarily fixed lower rate is granted to a favored station itself controlled by another instrument of public communication—a newspaper—the ultimate possibilities for control of the channels of public communication and information are apparent.

"We have here a price fixing combination that actually wields the power of life and death over every business in Florida, and elsewhere, dependent upon copyrighted musical compositions for existence. Such a monopolistic combination's power to fix prices is the power to destroy. Should a Court of Equity grant this combination the privilege of violating a State anti-monopoly law? (Cont'l Wall Paper Co. v. Voight & Co., 212 U. S. 227, 262, affirming 148 Fed. 939, and others.) Does a State law prohibiting such a combination present 'grave constitutional questions?'

"It is my position that a State law prohibiting monopolistic price fixing in restraint of trade is not 'novel' and 'unique' and raises no 'grave constitutional questions.' The constitutional right of the States to pass laws against monopolies should now be beyond possibility of controversy. That State legislatures have the right . . . to prevent unlawful combinations to prevent competition and in restraint of trade, and to prohibit and punish monopolies, is not open to question.' (Waters-Pierce Oil Co. v. Texas, 212 U. S. 86, 107, and others) and few have challenged the power of State legislatures to ordain that 'competition not combination, should be the law of trade.' (National Cotton Oil Co. v. Texas, 197 U. S. 115, 129, and others.) Surely, there is presently no basis to doubt this power and to assert that its exercise raises 'grave constitutional questions.' As recently as 1937, this Court held that Porto Rico, with legislative powers not equal to, but 'nearly as extensive as those exercised by any State legislature,' could prohibit monopolistic price fixing as one of the 'rightful subjects of legislation' upon which legislatures act. (Puerto Rico v. Shell Co., 302 U. S. 253, 260, 261.)"

In the Washington case, the majority of the Supreme Court concluded that the lower court should have heard evidence on the question of the jurisdictional amount at the time such evidence was offered by ASCAP. This offer was made after the lower court had filed its opinion, but before a decree was entered. The lower court did not refuse to accept the testimony on the grounds that the time had expired during which it should have been offered but based its refusal on the grounds that it was immaterial. Under these circumstances, the Supreme Court decided that error had been committed by the lower court and remanded the case for the taking of testimony on the jurisdictional amount.

The majority opinions in both the Florida and Washing-

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ton cases pointed out the distinction between the statutes in the respective states. The court found that the Florida statute prohibited ASCAP from doing business within the state and therefore was "prohibitory." On the other hand, it found that the Washington statute permitted ASCAP to do business provided license fees were on a per-piece basis and that this was merely regulatory.

WOW LOSES APPEAL

The United States Court of Appeals for the District of Columbia on Monday, April 17, decided against WOW in its appeal from the decision of the Commission, granting the application of WKZO. In 1934 WKZO asked leave of the Commission to move its transmitter site, to change its equipment and power, and to change its hours of operation from daytime to unlimited time. Both stations operate on 590 kc.

The Court upheld the Commission, stating that a denial of the application would result in a "denial to the City of Kalamazoo of night radio service on a record which preponderantly shows that this can be had without resulting in objectionable interference to WOW or any other station."

AMENDMENT TO COMMUNICATIONS ACT PROPOSED

A bill was introduced in Congress April 17th (H. R. 5791) and has been referred to the Interstate and Foreign Commerce Committee, which would amend the Communications Act by providing that it shall be unlawful to record a program without the consent of the performer or performers.

Violation of the provision is made punishable under Section 501, which provides for a fine of not more than \$10,000, or imprisonment for not more than two years, or both.

BILLS AFFECTING BROADCASTING

CONGRESS

H. R. 5791 (Mr. Schulte, Indiana) COMMUNICATIONS ACT—To prohibit recording for profit or gain any program without consent in writing of the performers. Referred to Interstate and Foreign Commerce Committee.

STATE LEGISLATION

MICHIGAN:

S. 469 (Flynn) RADIOS IN CARS—Relating to the use of short wave radios in automobiles. Referred to State Affairs Committee.

PENNSYLVANIA:

S. 558 (Eroe) RADIO BROADCASTING STATIONS—Making it lawful for fifth class counties to erect and maintain radio broadcasting stations. Referred to County Government Committee.

LIQUOR ADS

The Senate Committee on Interstate Commerce on Thursday ordered a favorable report on the Johnson (D-Colo) bill (S. 517) to ban beer and liquor advertising on the air.

Previous to this action a three-man subcommittee, made up of Senator Johnson, Senator Andrews (D-Fla) and Senator Gurney (R-SD), too favorable action over the protest of the NAB, the American Federation of Labor and others. Both the NAB and the A. F. of L. contended enactment of the bill would constitute an extremely dangerous precedent.

A decline in the amount of hard liquor advertising carried by broadcasting stations this year is indicated by returns to an NAB questionnaire. Revenue from this source for January and February was \$1,943 for nine stations. During the whole of 1938, 14 stations received \$23,202. Four hundred and thirty-eight stations answered the questionnaire. Beer accounts in 1938 were reported by 317 stations and accounted for \$1,268,638 revenue.

The indicated decline of hard liquor advertising during the first two months of 1939 is undoubtedly attributable to the NAB Board of Directors resolution of December 13, 1938, that "American broadcasting stations should not carry distilled spirits advertising."

A full report on returns to the questionnaire is being mailed to all stations which made returns.

Proposed FCC Rules

In last week's reports, the analysis of the report of the Committee to the FCC on Proposed Rules Governing Standard Broadcast Stations and Standards of Good Engineering Practice covered those sections dealing with allocation. The present article covers the remaining engineering sections.

The sections not dealing with allocation cover in detail Rules and Standards on the construction and operation of broadcast equipment. These items are arranged and explained clearly in the report. Moreover, there are provided two appendices which list the changes of the proposed rules with those now in force (Appendix XI), and also the modification of the proposed rules from those originally proposed at the hearing of June 6, 1938 (Appendix X). It would be difficult to improve on the arrangement of the report to aid broadcasters in analyzing the effect upon them of the detailed changes proposed in the Rules. In the following analysis, therefore, only the more important features of the proposed rules and standards are considered. For the exact wording of the provisions discussed, the original report should be referred to.

Rule 31.03. Paragraph 3 of this Rule define a daytime station. According to this paragraph, daytime stations may operate between 6 a.m. and average monthly local sunset. The old rule used to make it permissible to operate "until sunset at the dominant station if further West than the daytime station."

Paragraph 2 of this rule, however, permits the operation of some stations until sunset at the dominant station, if that station is located to the West. This paragraph is applicable, however, only to "limited time" stations, which are Class II stations operating on clear channels only.

Rule 31.04 lists the requirements for a new broadcast station or for increase in the facilities of an existing station.

Paragraph 1 of this rule has been modified from that originally proposed. Originally, an authorization for a new station, or new facilities, was to be dependent on showing that "the proposed programs are of such standards as to provide a meritorious service, including such cultural programs as may be required, to the listening public; but there is a need for such service; and that the necessary program material is available to provide such service." In its report, the Committee deleted this section on the grounds that it might conceivably lead to Government censorship of program material.

Paragraph 5 of this rule originally had a section requiring that an applicant for a Class IV station be a resident in and be familiar with the needs of the community to be served. In the Committee's report, this section is deleted on the grounds that it is a matter to be determined by the Commission in the consideration of an individual case.

Rule 31.12 is a new rule which covers special experimental authorization. It specifies the showing which an applicant must make when petitioning for special experimental authorization in addition to the regular license. The requirements of this rule are quite detailed. There is one clause of special importance to those stations that finance part of their experimental work by advertising during the experimental period. This section prohibits the transmission of any commercial or sponsored program, or any commercial announcement during such time of operation. It goes even further by prohibiting additional charges to be made in case other additional facilities are made available for experimental purposes by reason of transmission of such facilities.

Rule 31.14. This rule gives the expiration date of licenses and states that the license period is to be for one year instead of six months, as it is at present.

Rule 32.05. This rule deals principally with the antennas to be used. Section (a) of this rule indicates that existing stations whose antennas do not meet the Proposed Standards of Good Engineering Practice will not have to change their structures when the rules come into effect, but if they ask for additional facilities, they will have to meet these Standards of Good Engineering Practice, if such facilities are granted.

Section (e) of this rule prohibits the use of a common antenna of two stations, unless both stations are licensed to the same licensee. At the hearing some objection was raised to this rule and a suggestion was made that the use of a single antenna by two licensees ought to be permitted when an agreement suitable to the FCC was made between the two stations, or when the two licensees were controlled by the same organization. In rejecting these suggestions, the Committee states that the rule is desirable from an administrative standpoint, and that it does not appear that an undue hardship is caused by the requirements of this rule.

Rule 33.04. This rule gives the formula for calculating the operating power by indirect measurement from the plate input power of the last radio stage. According to this rule, low power stations using this method of power measurement will have to reduce their output power. The basis is stated to be the increase of efficiency of modern equipment. The reduction in power, when the new rules would come into effect, for low power stations using the indirect method of measuring power is different in the report of the Committee from that originally proposed. The reductions are given in the following table:

Reduction in input power required owing to increased efficiency of equipment for stations employing plate modulation in last stage.

Maximum rated carrier power of transmitter	Originally proposed at hearing of June 6, 1938	Proposed in Committee's report
100 watts	17%	23%
250-1000 watts	8	8
5000 watts & over	7	7

Rule 33.12. This rule deals with the tolerance permissible in frequency. The present tolerance of 50 cycles is to be changed to 20 cycles.

Rule 33.16. This rule was a new rule requiring that certain clocks be maintained at the transmitter. The rule has been deleted in the Committee's report.

Rules 33.17 and 33.18. These rules cover in detail the use and operation of auxiliary transmitters. The Committee recommended a change in the rule as originally proposed, permitting identical transmitters to be used as main transmitters. If they are not identical or not located in the same place, one must be licensed as a main transmitter and the other an auxiliary transmitter.

Rule 34.05. This rule establishes a standard for proportionate division of time for the broadcast day for sharing time stations. One night hour is to be considered the equivalent of two day hours.

Rule 34.14. This rule is similar to the existing rule, but provision is made that daytime stations shall not operate prior to 6 a.m. local standard time for the transmission of regular programs.

Rule 34.17 to 36.04 go into great detail on the requirements for operating a station, keeping the logs, announcing programs, re-broadcasting, and conditions under which the station may permit a candidate for public office to use its facilities.

The Proposed Standards of Good Engineering Practice go into detail of requirements for the measurement of field intensities, the requirements for directional antennas, the requirements for measuring resistance, etc. They also cover details of equipment, including minimum antenna heights and ground systems, painting and lighting of antennas, safety requirements, construction and general operation, indicating instruments, etc. To engineers, a few points may be of more general interest. The term "unattenuated field at one mile" is replaced by the "effective field intensity at one mile." The effective field is taken to be that at a distance of two wavelengths from the antenna. The method of obtaining this value is described in detail on p. 2.1.

On p. 2.5 is given standards of measurement for measuring the field intensity of broadcast stations. The second paragraph on that page states that in presenting evidence, actual measurements will take precedence over theoretical values, provided such measurements are properly taken and presented. In the case of sky wave measurements, recordings are to be made on ten or more nights for sufficient periods each night to obtain reasonable average values. Existing stations may find this condition burdensome. It is well known that ten nights may indicate sky wave values which do not correspond to true average values. They may be taken during a year when the sun spot activity is such that waves are abnormally high or abnormally low, or they may be taken shortly after a magnetic storm, in which case the values will also be abnormal. An applicant for new facilities could, according to this standard, present evidence based on selected measurements, which could only be counteracted by similar measurements taken under different conditions and on different days. This provision may mean that the existing station will have to protect itself by making elaborate and extensive measurements every time a new applicant endeavors to interfere in some of its service area.

On p. 4.1 there is a description on selecting a site for a broadcast station. Of particular interest in this description is a table offered as a general guide to be used in determining the site from the point of view of limiting the blanket area. This is shown in the following table:

Selection of Site

Power of Station	Population of City or Metropolitan Area ¹	Approx. Radius of Blanket Area 250 MV/M	Site-Distance from Center of City (Business or in Blanket Geographical)	Maximum Percentage of Total Population in Blanket Area ¹
100 watts	5,000-50,000	0.15 mi.	1/2-1 mi	1%
100 watts	50,000 or more	0.15 mi.	"	"
250-500 watts	5,000-150,000	0.3 to 0.5 mi.	1-3 mi.	1%
250-500 watts	150,000 or more	0.3 to 0.5 mi.	"	"
1 kilowatt	5,000 to 200,000	0.6 to 0.9 mi.	2-5 mi.	1%
1 kilowatt	200,000 or more	0.6 to 0.9 mi.	"	"
5-10 kilowatts	All	1.5 to 2.5 mi.	5-10 mi.	1%
25-50 kilowatts	All	3.0 to 4.5 mi.	10-15 mi.	1%

¹ The total population is the population of the city sought to be served except in those instances when the station is to be located in an area classified by the Department of Commerce, Bureau of Census, as a metropolitan area, in which case the population of the metropolitan area shall apply, provided, however, that when the power of the station is such that all the metropolitan area cannot be served, the population that will actually be served shall determine. The population figures are those determined by the latest official census and where greater population is claimed, the burden of proof is on the applicant.

² In these instances it is usually necessary to locate the station within the city in order to render satisfactory service throughout the city. Such sites shall be in or near the center of the business district and under no circumstances will a site in the residential area be approved.

There is also given a table which is valuable in estimating the ground conductivity in different directions from the transmitter, for purposes of calculating the service area of the station and the interference it may produce. This table is reproduced here.

Ground Conductivities

Type of Terrain	Inductivity	Conductivity	Absorption factor at 50 miles, 1000 kc ¹
Sea water, minimum attenuation	81	4.64×10^{-11}	1.0
Pastoral, low hills, rich soil, typical of Dallas, Texas area	20	3×10^{-13}	0.50
Pastoral, low hills, rich soil, typical of Ohio and Illinois	14	10^{-13}	0.17
Flat country, marshy, densely wooded, typical of La. near Mississippi River	12	7.5×10^{-14}	0.13
Pastoral, medium hills, and forestation, typical of Md., Pa., N. Y., exclusive of mountainous territory and sea coasts	13	6×10^{-13}	0.09
Pastoral, medium hills and forestation, heavy clay soil, typical of central Va.	13	4×10^{-14}	0.05
Rocky soil, steep hills, typical of New England	14	2×10^{-14}	0.025
Sandy, dry, flat, typical of coastal country	10	2×10^{-14}	0.024
City, industrial areas, average attenuation	5	10^{-14}	0.011
City, industrial areas, maximum attenuation	3	10^{-15}	0.003

This is a new requirement of special interest to stations that have used concentric lines to feed their radiators. It is provided on p. 12.4a that duplicate transmission lines are required in such cases. This provision has been added by the Committee in its report and was not in the Standards of Good Engineering Practice as originally proposed.

On p. 18.1 is listed the money required to construct and complete electrical tests of stations of different classes and power. Since this section may be of interest to many stations, it is reproduced below in complete form.

Rule 31.4 (4) requires that an applicant for a standard broadcast station show that it is financially qualified to construct and operate the proposed station.

It is considered that the money specified below is required to construct and complete electrical tests of a new standard broadcast station of the class and power indicated, in accordance with the requirements of the Rules and Regulations of the Commission and Good Engineering Practice.

Power and Class of Station

Money Required

100 Watts Class IV	\$6,500
250 Watts Class IV	8,500
250 Watts Class II	10,000
500 Watts Class II or III	22,500
1000 Watts Class II or III	25,000
5 kw Class II or III	40,000
10 kw Class I or II	65,000
25 kw Class I or II	175,000
50 kw Class I or II	200,000

Attention is invited to the fact that the above figures are considered the minimum required for satisfactory installation, including the transmitter, antenna system, monitoring equipment and equipment for one large and one small studio of average dimensions and equipment including microphones, speech input equipment, and usual acoustical treatment, but exclusive of the cost of land and buildings and organization and development costs. More elaborate installations including directional antenna would increase the cost accordingly.

The other requirements and recommendations comprised in the Proposed Standards of Good Engineering Practice go into such detail that they cannot be satisfactorily abstracted.

In conclusion, it may be pointed out that the Proposed Standards of Good Engineering Practice have increased the requirements made by the FCC on the operation of a broadcast station.

¹ This figure is stated for comparison purposes in order to indicate at a glance which values of conductivity and inductivity represent the higher absorption. This figure is the ratio between field intensity obtained with the soil constants given and with no absorption.

There does not appear to be any section which reduces any of the present requirements and the whole trend seems to be toward increasing details of regulation. There is a possible alternative for such detailed regulation by requiring that the performance of a station, measured by the service rendered, reaches a certain minimum standard, leaving the broadcaster to use whatever method he desires to achieve this result. There are many arguments for and against both these methods of regulation. That used by the FCC is to regulate method of achieving performance rather than the performance itself. On the assumption that this method is the best, the Engineering Committee of the NAB considered that, with the exceptions of some provisions, and a feeling that the rules and standards were becoming too detailed, the Engineering Division of the FCC were to be congratulated on having consolidated the regulations relating to standard broadcasting and for having clarified many of the points that have been in doubt for a good many months, if not years.

RAYMOND WILMOTTE.

Monopoly Hearing

APRIL 13

Transcriptions again were discussed, with Cyril O. Langlois, of Langlois and Wentworth, Inc., and Langworth Feature Programs, Inc., and J. R. Poppele, WOR, representing Radio Quality Group Service, on the stand.

APRIL 18

Fred Weber, general manager of Mutual, suggested that exclusive network contracts should be eliminated and that five-year contracts were too long. He also suggested some limitation on time options, and said that a fourth "restrictive" factor was "one company operating two sets of networks." Asked whether he thought some Commission action on network contracts was needed, he said "it is absolutely necessary."

Elliott Roosevelt, president of the Texas State Network, appearing as a Commission witness, suggested that networks "probably should be licensed to operate" as such. He said he did not "think it necessary for the Commission to definitely set up hard and fast rules with regard to option time * * * other than to see that there is no restraint of competition." He said he didn't think exclusive contracts were necessary, but disagreed with Mr. Weber about any limit on their length.

Joseph N. Weber, president of the American Federation of Musicians, urged the Commission to continue its rule requiring announcement of transcribed programs as such. He maintained that a trained musician could tell the difference between a "live" show and a recorded show, when he listened to his radio.

APRIL 19

The Commission introduced another set of exhibits dealing with station and network income. Then Louis G. Caldwell, counsel for Mutual, made a motion that the Commission ban renewal of any network contracts beyond December 31, 1940. Both NBC and CBS counsel objected, Judge John J. Burns of CBS expressing "amazement at the gall of counsel for Mutual." But the Commission took the motion under advisement. The hearing was concluded with Adrian Murphy, CBS, about that network's record and transcription activities. The Commission suggested that parties to the proceeding file briefs, and said the record was not yet closed.

FREE OFFERS

The Beauty Products Company, Kansas City, has suggested that broadcasting stations go into the shaving cream business, advertising and selling "Shavoil," at a profit of \$15 a hundred bottles.

The Popular Music Instruction Company wants stations to advertise and sell its piano lessons, keeping 40 cents from every incoming dollar.

Rogers and Smith, Dallas, Texas, wants stations to

advertise and sell rose bushes, keeping 40 cents out of each dollar received.

The NAB has advised all three that broadcasting stations are in the broadcasting business and has suggested that each undertake a regular radio advertising campaign.

CALENDAR OF MAY EVENTS

May 1	—Moving day in many cities
May 1	—May Day or Child Health Day
May 1 to May 7	—National Egg Week
May 7 to May 13	—National Music Week
May 7 to May 13	—Raisin Week
May 8	—National Restaurant Week starts
May 10	—Confederate Memorial Day
May 12	—National Hospital Day
May 12 to May 18	—Peace Week
May 13	—West Coast Relays in Fresno, California
May 14	—Mothers Day
May 14	—National First Aid Week
May 15	—Straw Hat day in many cities
May 15	—Air Mail service, established 1918
May 18	—Ascension Day (Parochial Schools closed)
May 18	—International Good Will Day
May 21	—Lindbergh's Paris Flight, 1927
May 21 to May 27	—Foreign Trade Week
May 21 to May 28	—National Tennis Week
May 21 to May 28	—National Poetry Week
May 21 to May 28	—National Cotton Week
May 22	—National Maritime Day
May 24	—Empire Day in Canada
May 28	—Dionne Quintuplets born at Callender, Ontario, 1934
May 30	—Memorial Day

JACK FALVEY

Information about Jack Falvey is available at headquarters for any interested member.

CELLER PUTS "ABC OF RADIO" IN CONGRESSIONAL RECORD

Headquarters acknowledges with thanks receipt of a letter from Representative Emanuel Celler (D-NY) who has had "The ABC of Radio," published by the NAB, reprinted in the Congressional Record.

In introducing the ABC booklet in his extended remarks, Congressman Celler said: "Mr. Speaker, under leave to extend my remarks in the Record I include the following article prepared for me by the National Association of Broadcasters, a splendid national group of broadcasters."

DR. LEONARD POWERS NAMED RESEARCH ASSISTANT TO FREC

At an all-day meeting in Washington of the Executive Committee of the Federal Radio Education Committee on Friday, April 14, Dr. John W. Studebaker, United States Commissioner of Education, as Chairman of the FREC, announced the appointment of Dr. Leonard Power as his Assistant in-Charge-of-Research. Dr. Power will undertake to prosecute the studies for the Committee which have been assigned to the Office of Education, Department of the Interior. These studies are: A survey of successful cooperative efforts on the part of broadcasters

and educators, another on teacher training, and a third on the development of an experiment and idea exchange. In addition, Dr. Power is expected to serve as coordinator of all research studies which are being undertaken by the Federal Radio Education Committee.

Preliminary plans for publishing the committee studies were discussed in some detail by the Executive Committee. It is expected that the first publication will be ready in November of this year.

In addition to the appointment of Dr. Power, the Executive Committee also approved Dr. Studebaer's recommendation that his Assistant, Dr. C. F. Klinefelter, continue to serve as Vice Chairman of the FREC, in charge of finances and other general duties, and the designation of Mr. William D. Boutwell, as assistant in charge of the Educational Radio Scripts Exchange and Services.

Neville Miller attended the meeting.

NAB-RMA NETWORK PROGRAMS

Following are additional network programs arranged for "Open House Week" in the NAB-RMA campaign to promote the American System of Broadcasting. The first list appeared in last week's REPORTS.

Additional NAB-RMA programs scheduled by CBS.

April 19-3:00 to 3:30 P. M.—Sterling Fisher, CBS director of education and radio talks, is moderator of a round-table discussion on "Radio's Contribution to International Good Will," held at Women's National Radio Committee Annual Radio Award luncheon. Participants are H. V. Kaltenborn, CBS news analyst and foreign affairs expert; Alfred J. McCosker, MBS chairman of the board, and Frank Mason, NBC vice-president.

April 23-3:00 to 5:00 P. M.—Deems Taylor, CBS musical consultant, talks on "Music and Radio" during New York Philharmonic-Symphony program intermission.

April 24-2:30 to 3:00 P. M.—Dr. Alice V. Keliher, chairman of the Human Relations Commission of the Progressive Education Association, is guest speaker on American School of the Air. She sums up aims of "Frontiers of Democracy," Monday series of the School of the Air, before an audience of several thousand educators in the auditorium in St. Louis from where the broadcast comes.

April 24-10:30 to 11:00 P. M.—The Columbia Workshop presents Norman Corwin's new verse play, "Seems Radio Is Here to Stay." Corwin describes it as a "lusty ta-ra-ra for the business of broadcasting."

May 16-4:00 to 4:15 P. M.—Dr. Iago Galdston, director of information for the New York Academy of Medicine, talks on "Radio and Health Information" in the Highways to Health broadcast.

May 27-7:00 to 7:30 P. M.—Announcers, commentators and executives of CBS, tell how they do their work in the "Americans at Work" episode.

Additional NAB-RMA programs scheduled by NBC.

April 21-11:05 to 11:30 P. M.—NBC-Blue—*Back of the Dials*, an original dramatic sketch by Thomas Langan, dedicated to the radio dealers of America and demonstrating, through a novel use of orchestral music and ancient and modern receiving sets the tremendous improvements in quality of reception available to home listeners today as compared to the highest standards of ten or fifteen years ago.

April 22-3 P. M.—*This is Radio*, an hour's dramatization of the history of radio from its beginning to the present day, will be repeated—this time on the Blue.

Time Not Set—*What Radio Means To Me*—Broadcast out of Chicago from such places as a hospital, a lake, a lighthouse, etc.

The Federal Council of Churches' programs throughout the week will stress the fact that their service is made possible under the American System of broadcasting. These programs are:

April 17—"Faith and Freedom," Dr. Harold Paul Sloan, RED 12:30-12:45 P. M.

April 18—"Where to Look for Help," Dr. Jesse M. Bader, RED 12:30-12:45 P. M.

April 19—"Homespun," Dr. William Hiram Foulkes, RED 12:30-12:45 P. M.

April 20—"Art of Living," Dr. Norman Vincent Peale, RED 12:30-12:45 P. M.

April 21—"Inner Drama of Life," Dr. Lloyd Ellis Foster, RED 12:30-12:45 P. M.

April 22—"Religion in the News," Dr. Walter W. Van Kirk, RED 6:45-7:00 P. M.

April 23—"Radio Pulpit," Dr. Ralph W. Sockman, RED 10:00-10:30 A. M.

April 23—"National Vespers," Dr. Harry Emerson Fosdick, BLUE 4:00-4:30 P. M.

The U. S. Office of Education has promised announcement on *Wings for the Martins*, its weekly dramatization of educational problems in the family, on April 19, BLUE 9:30-10:00 P. M.

Dr. Rollo G. Reynolds will incorporate in Thursday Social Science program of *Ideas That Came True* on April 20, BLUE 2:00-2:30 P. M.

Cesar Saerchinger will include in his broadcast of *Story Behind the Headlines* April 21, RED 10:45-11:00 P. M.

Belmont Farley, of the National Education Association, will mention on the *Our American Schools* program April 19, RED 6:00-6:15 P. M.

Youth Meets Government, the weekly high school program on public affairs, will include on April 22, RED 5:15-6:00 P. M.

The Message of Israel, Rabbi Leo Franklin, will point out that its program is possible only under the American System of broadcasting on April 22, BLUE 7:00-7:30 P. M.

Florence Hale, National Education Association executive, will mention the benefits of American radio on her Radio Column April 22, RED 10:30-10:45 A. M.

American Education Forum, conducted by Professor Alvin C. Eurich of Stanford, will point out that American radio makes possible the service of education which his program offers on April 22, BLUE 12:00-12:25 P. M.

The World Is Yours, U. S. Office of Education and Smithsonian Institution broadcast will cooperate on April 16 and April 23, RED 4:30-5:00 P. M.

Other programs which are expected to join in the general theme "Our program is an example of what you get under the American system of broadcasting" are:

Science Everywhere, American Association for the Advancement of Science, April 18, BLUE 2:00-2:30 P. M.

Science on the March, AAAS program with Dr. Forest Tay Moulton on April 17, BLUE 7:45-8:00 P. M.

Great Plays, NBC series on April 16 and April 23, BLUE 1:00-2:00 P. M.

Lives of Great Men, with Dr. Edward Howard Griggs of Brooklyn Institute of Arts and Sciences, April 22, 7:30-7:45 P. M. RED.

NBC Music Appreciation Hour, April 21, BLUE 2:00-3:00 P. M.

Phi Beta Kappa Program, "Getting Ready for Tomorrow," April 21, RED 6:00-6:15 P. M.

Americas Town Meeting, April 20, BLUE 9:30-10:30 P. M.

Science in the News, with Dr. Arthur H. Compton, Monday, April 17, RED 6:00-6:15 P. M.

University of Chicago Round Table, Sunday, April 16 and April 23, RED 12:30-1:00 P. M.

Your Health, American Medical Association program, Wednesday, April 19, BLUE 2:00-2:30 P. M.

Music Makers, with Dr. Joseph E. Maddy, Tuesday, April 18, RED 12:45-1:15 P. M.

Music and American Youth, Sundays, April 16 and 23, 10:30-11:00 A. M., RED.

Chicago is preparing special announcement to be made on the Farm and Home Hour, Carnation, and other sustaining and participation programs.

The ABC of Radio, a series of three dramatizations pointing up the wonders of broadcasting and adapted from original scripts written and aired by WTMJ, NBC affiliate in Milwaukee, have been distributed to all Red and Blue stations for local presentation some time during "Open House Week." Spot announcements regarding the celebration also have been distributed to all stations.

Radio City Parade and *Radio City Fanfare*, scripts written in New York by the NBC Press Division and distributed to all Red and Blue Network stations this week, include institutional material about "Open House Week" as well as announcements about the special programs.

NBC ELECTRICAL TRANSCRIPTION SERVICE has sent out to its clients a half-hour script, *Radio's American Way*. With the script was a bulletin explaining the purpose of the script and urging its use during the week of April 17. Electrical Transcription also is planning to send out every week a page of announcements on the American System of broadcasting to its Thesaurus subscribers. There will be approximately one announcement per program series each week, and there are nineteen series in the service.

FCC TELEVISION REPORT

The Television Committee of the FCC, which has just returned from a field trip, found that there are two groups of thought in the industry: one that television is ready for public participation and the other that that point has not yet been reached. In connection with its recent trip, the Television Committee on Tuesday made public the following statement:

The Television Committee of the Federal Communications Commission, consisting of Commissioners T. A. M. Craven, Chairman, Thad H. Brown and Norman S. Case, have returned to their offices from Philadelphia and New York, where the Committee conferred during the past week with certain leaders of the radio industry in the East concerning the future of television, and where the Committee inspected various factories and laboratories engaged in the development of this new art of radio.

Significant of the importance which the Commission attaches to the recent developments in television is the fact that Commissioners George Henry Payne and Paul A. Walker joined the Committee during the week and participated with them in the various inspections and conferences.

The Commission has hitherto kept abreast of the development of television but until recently has not found it necessary to take any action tending to affect the details of the technical development of the art. However, by reason of the action of the Radio Manufacturers Association in proposing that the Commission approve certain technical standards pertaining to the operation of radio television transmitters which may be licensed by the Commission in the future, it has been necessary for the Commission to secure additional information in order to be fully assured that the interest of the public is safeguarded. The Television Committee was appointed by the Commission to make such an investigation and report.

The Committee has deemed its duty to be, in accordance with the continuing policy of the Commission, to encourage American inventive genius and private enterprise to further its remarkable efforts toward the accomplishment of the necessary improvements in the technical quality of television, and at the same time to consider the interest of the public. The Committee hopes that private enterprise and inventive genius may be able to develop a practical system of television which will permit the early inauguration of this service to the public, but which, at the same time, will permit considerable future improvements in quality without too rapid an obsolescence of receivers which may be purchased by the public.

As a result of the trip to Philadelphia and New York, the Television Committee has secured a better knowledge and understanding of the many complex problems involved in television and the Committee considers that its policy of cooperative discussion of mutual problems with the various individuals and organizations concerned in the industry has been beneficial.

The Committee is of the opinion that undoubtedly the technical development of television has progressed remarkably during the past year, and that all concerned in its development are now at a fork in the road with respect to the next phase of providing television as a practical service to the public. The Committee ascertained that there are two divergent schools of thought as to which method should be followed at this particular stage of development in initiating television as a service to the public. One group asserts the view that from a technical standpoint as represented by the standards proposed by the Radio Manufacturers Association, television is now ready for public participation through the purchase of receivers. Another group maintains the view that the proposed standards are not sufficiently flexible to permit certain future technical improvements without unduly jeopardizing the initial investment of the public in receivers.

The Committee intends to proceed forthwith to secure additional pertinent information concerning all of the aspects of this question from other television leaders in other sections of the

country. It may be necessary, in the judgment of the Committee, to hold public hearings before submitting its final report to the Commission.

The Committee visited and conferred with the Farnsworth Television Company and the Philadelphia Storage Battery Company in Philadelphia. In New York the Committee conferred with representatives and inspected the developments of the National Television Corporation, and conferred with representatives of the International Television Radio Corporation as well as with Major Armstrong, an inventor. In addition, in New York the Committee conferred with representatives of the General Electric Company, witnessed demonstrations and conferred with officials of the Radio Corporation of America, the Bell Telephone Laboratories, the Columbia Broadcasting System and the DuMont Laboratories.

NEW FCC REGULATIONS

The FCC has issued the new regulations governing relay, international, television, facsimile, high frequency, non-commercial educational and developmental broadcast stations. The new rules, which are effective immediately, make several minor changes in the various classes of stations. The rules governing international broadcast stations are not included as the final policy in regard to these stations has not been determined by the Commission.

Of principal general interest are the modifications in the rules governing facsimile broadcast and high frequency stations. Under the Havana allocation three low frequencies, previously used for facsimile broadcasting, are dropped. This deficiency is remedied through the addition of several frequencies from 25,000 to 116,000 kilocycles. The frequencies now available appear adequate to take care of the present demand and full technical development of this service.

While the high frequency stations are continued on an experimental basis, with the present restrictions as to commercial operation, several additional frequencies are made available both for amplitude and frequency modulation. Frequency modulation is recognized on an equal basis with amplitude modulation and occupies approximately the same total frequency band.

Under the new regulations licensees of relay stations are required to specify the regular broadcast station with which the relay station operates. All relay stations under the new rule must be definitely associated with a specific standard broadcast station or network system. The relay broadcast stations operating on frequencies from 30,000 to 41,000 kilocycles have been removed from the experimental classification and new frequencies have been provided from 130,000 to 138,000 to be operated either with frequency or with amplitude modulation. This is the first time that frequency modulation has been specifically recognized for relay stations for which service it appears to offer special results both as to lightness of transmitting equipment and reduction of reception noise.

The name of the "experimental" broadcast stations has been changed to "developmental" broadcast stations. The purpose of the change is to avoid confusion between this particular class of station and many other stations operating on the experimental basis which are often referred to as "experimental" stations.

No changes of significance have been made in the rules governing television stations. However, the regulations pertaining to the operation of non-commercial educational broadcast stations have been specifically defined under the new rules.

OPERATOR OF UNLICENSED STATION IN ST. PAUL PLEADS GUILTY

In the first prosecution of its kind in the Federal Courts in Minnesota, Thomas Carpender, St. Paul, Minnesota, pleaded guilty to an indictment charging the operation of an unlicensed radio station in violation of Sections 301 and 318 of the Communications Act of 1934, as amended. The court deferred imposition of a sentence and placed the defendant on probation for a period of two years.

Inspectors of the FCC have evidence indicating that there are other unlicensed radio stations operating in the St. Paul area and further prosecutions are expected to follow.

FCC BROADCAST MEASUREMENTS

During the month of March, the FCC measured 714 broadcast stations, leaving 46 not measured.

Included in this number 635 stations had a maximum deviation of within 0-10 cycles; 69 stations a deviation of 11-25 cycles; 8 stations a deviation of 26-50 cycles; and 2 stations of over 50 cycles.

HAVANA TREATY

Unofficial information has reached Washington that the President of Mexico has signed an executive decree putting into force the North American regional radio agreement, with certain exceptions by administrative agreement, when the signatory countries accept such proposal. It is reported that the Mexican administration hopes that within a month the Senate of Mexico will ratify the Havana Treaty.

FEDERAL COMMUNICATIONS COMMISSION

DECISIONS OF COMMISSION

The Federal Communications Commission this week granted the application of KPAC, **Port Arthur, Texas**, to change its frequency from **1260** to **1220 kilocycles** and its power from 500 watts daytime only to 500 watts unlimited time, using a directional antenna at night.

In its decision, the Commission stated that the applicant is in all ways qualified to make the changes and that the granting of the application will not result in objectionable interference to any existing broadcast station.

It is further stated by the Commission that a public need exists in Port Arthur for the additional service proposed.

Commissioner Thompson did not participate in this decision.

The application of WTOL, **Toledo, Ohio**, to increase its hours of operation from daytime only to unlimited time with 100 watts on **1200 kilocycles** has been granted by the Commission.

The order announcing this decision which was handed down this week is based on the Proposed Findings of Fact entered on March 30.

Commissioner Thompson did not participate in this decision.

PROPOSED FINDINGS OF FACT

The Federal Communications Commission this week announced its Proposed Findings of Fact proposing to deny the application of WAWZ, **Zarephath, New Jersey**, to erect a new international broadcast station at Zarephath to operate on **6,080, 11,830 and 17,780 kilocycles**, with 5000 watts power, unlimited time.

In its Proposed Findings of Fact the Commission stated that the applicant has not formulated a definite program of research and experimentation which indicates reasonable promise of substantial contribution to the development of international broadcast service. The Commission stated also that the granting of the application and the operation of the station as proposed would result in objectionable interference and reduce the operating hours of existing licensed international stations situated in the United States. Due to the type of equipment proposed and to the frequency selected, according to the Commission's Proposed Findings of Fact, any division of station time on these frequencies "will necessarily result in a definite curtailment of the international service now rendered by Stations W3XAL and W2XE." The Commission stated also that the applicant has not established a need for the frequency requested "sufficient to warrant the granting of this application."

FEDERAL COMMUNICATIONS COMMISSION DOCKET

The following hearings and oral arguments are scheduled before the Commission in broadcast cases beginning the week of April 24. They are subject to change.

Monday, April 24

KLCN—Charles Leo Lintzenich, Blytheville, Ark.—Renewal of license, **1290 kc.**, 100 watts, daytime.
KLCN—Charles Leo Lintzenich, Blytheville, Ark.—C. P., **1290 kc.**, 100 watts, daytime. (C. P. to install new antenna and move transmitter and studio locally.)

WQDM—E. J. Regan & Arthur Bostwick, d/b as Regan & Bostwick, St. Albans, Vt.—Modification of license, **1390 kc.**, 1 KW, daytime to LS at WHK at Cleveland, Ohio. Present assignment: **1390 kc.**, 1 KW, daytime.

KRBA—Red Lands Broadcasting Assn. (Ben T. Wilson, President), Lufkin, Texas.—C. P., **1310 kc.**, 250 watts, daytime. Present assignment: **1310 kc.**, 100 watts, daytime.

Tuesday, April 25

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.

Wednesday, April 26

KSAM—Sam Houston Broadcasting Assn. (H. G. Webster, President), Huntsville, Texas.—C. P., **1500 kc.**, 250 watts, daytime. Present assignment: **1500 kc.**, 100 watts, daytime.

Thursday, April 27

Oral Argument Before the Commission

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-night). Present assignment: **1450 kc.**, 1 KW, unlimited time.

Friday, April 28

NEW—Coastal Broadcasting Co., Brunswick, Ga.—C. P., **1500 kc.**, 100 watts, 250 watts LS, unlimited time.

WOC—Tri-City Broadcasting Co., Davenport, Iowa.—C. P., **1390 kc.**, 1 KW, unlimited time (DA-night). Present assignment: **1370 kc.**, 100 watts, 250 LS, unlimited time.

FUTURE HEARINGS

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

May 2

WCOU—Twin City Broadcasting Co., Inc., Lewiston, Maine.—C. P., **1210 kc.**, 100 watts, 250 watts LS, unlimited time. Present assignment: **1210 kc.**, 100 watts, unlimited time.

Further Hearing

NEW—Suffolk Broadcasting Corp., Suffolk, Va.—C. P., **1420 kc.**, 100 watts, 250 watts LS, unlimited time.

June 19

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

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

FEDERAL COMMUNICATIONS COMMISSION ACTION

APPLICATIONS GRANTED

WTIC—The Travelers Broadcasting Service Corp., Hartford, Conn.—Granted C. P. to install a DA system for nighttime operation to be used on special experimental authorization on **1040 kc.** with power of 50 KW operating simultaneously with station KRLD.

KVWC—The Northwestern Broadcasting Co., Vernon, Texas.—Granted C. P. to make changes in composite equipment and increase day power from 100 to 250 watts.

WOSU—Ohio State University, Columbus, Ohio.—Granted modification of license to increase night power from 750 watts to 1 KW.

DESIGNATED FOR HEARING

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

NEW—Neptune Broadcasting Corp., Atlantic City, N. J.—Application for C. P. to erect a new station to operate on frequency **1420 kc.**, 100 watts night, 250 watts day, unlimited time. Exact transmitter and studio sites to be determined with Commission's approval.

WCOV—John S. Allen and G. W. Covington, Jr., Montgomery, Ala.—Application for modification of license to increase time of operation from daytime to unlimited, using 100 watts. (Commissioner Thompson not participating.) Application was designated for hearing to determine if interference might result to existing station, WJBY, Gadsden, Ala.

NEW—Catawba Valley Broadcasting Corp., Hickory, N. C.—Application for C. P. for new station to operate on frequency **1370 kc.**, 100 watts nighttime, 250 watts day, unlimited. Exact transmitter site and type of antenna to be determined with Commission's approval.

WMFR—Radio Station WMFR, High Point, N. C.—Application for C. P. to make changes in equipment and increase day power from 100 to 250 watts. (Application designated for hearing to determine if interference might result to four existing stations, and pending applications involve increase in service.)

KNEL—G. L. Burns, Brady, Tex.—Modification of license to increase power and time of operation from 250 watts daytime to 100 watts night, 250 watts day, unlimited time. (Application designated for hearing to determine if interference might result, and pending applications involve increase in service.)

WBIG—North Carolina Broadcasting Co., Inc., Greensboro, N. C.—C. P. to move transmitter site locally approximately 3½ miles, install new equipment and vertical radiator, and increase day power from 1 KW to 5 KW. (Application designated for hearing to determine if increased interference might result, and because of pending applications.)

NEW—Samuel M. Emison, Vincennes, Ind.—C. P. to erect a new station to operate on frequency **1420 kc.**, with 100 watts, unlimited time. Exact transmitter and studio sites and type of antenna to be determined with Commission's approval.

MISCELLANEOUS

KFBI—The Farmers & Bankers Broadcasting Corp., Abilene, Kans.—Granted special temporary authority to operate from 8:30 to 9 p. m., CST, on April 13, in order to broadcast the Jeffersonian Banquet from Wichita, using 1 KW only.

W2XVT—Allen B. DuMont Labs., Inc., Passaic, N. J.—Granted special temporary authority to operate experimental television broadcast station W2XVT from 9 a. m. to 2 p. m., EST, on April 15, in order to conduct exhibition.

W10XFZ—Don Lee Broadcasting System, Los Angeles, Calif.—Granted extension of special temporary authority to operate relay broadcast (exp.) station W10XFZ with 10 watts instead of 100 watts transmitting equipment, for the period April 17 to May 16, pending action on an application for C. P. to change the equipment and licensed power of station.

NEW—United Theatres, Inc., San Juan, P. R.—Granted petition to consolidate the hearing in re Docket Nos. 4610 and 5298, involving applications for C. P.'s for new stations in San Juan.

WREC—Hoyt B. Wooten, d/b as WREC Broadcasting Service, Memphis, Tenn.—Granted petition to accept amendment to application, requesting substitution of petitioner for WREC, Inc., as applicant (File No. B3-ML-382).

WHLS—Port Huron Broadcasting Co., Port Huron, Mich.—Granted petition to intervene in the hearing on the application of Thumb Broadcasting Co., Brown City, Mich., for C. P. to erect a new station to operate on **880 kc.**, 1 KW, daytime.

WJBW—Charles C. Carlson, New Orleans, La.—Granted motion for continuance of hearing now scheduled for April 18, for

a period of 60 days, in re applications for renewal of license and modification of license to change hours of operation to unlimited.

WIBC—Indiana Broadcasting Corp., Indianapolis, Ind.—Granted motion to dismiss without prejudice application for modification of license to change hours of operation from daytime to limited, sunset at Eau Claire, Wis.

Iowa Broadcasting Co., Des Moines, Iowa.—Denied motion of respondent to amend notice of hearing by another issue, in re application of The Gazette Co. for a new station in Cedar Rapids. Counsel for petitioner noted exception to the ruling.

KGNO—Dodge City Broadcasting Co., Inc., Dodge City, Kans.—Granted motion to amend application to request 250 watts night, 1 KW day, with change in transmitting equipment, and cancelled hearing date of May 15.

NEW—Suffolk Broadcasting Corp., Suffolk, Va.—Granted motion to authorize and receive deposition in re application for C. P. to operate on 1420 kc., 100-250 watts LS, unlimited time.

NEW—The Gazette Co., Cedar Rapids, Iowa.—Granted motion for leave to amend application to specify antenna system and studio and transmitter location, and cancelled hearing date—April 28th.

WWNC—Asheville Citizen-Times Co., Inc., Asheville, N. C.—Granted motion to extend time for all parties for filing Proposed Findings due April 14, to April 24th, in re application of Publix Bamford Theatres, Inc., for a new station in Asheville.

NEW—Martin K. Calaway and Harry S. Hooper, Marysville, Calif.—Granted motion to dismiss without prejudice application for new station to operate on 1420 kc., 100 watts, 250 watts LS, unlimited.

Stenger Broadcasting Corp., Wilkes-Barre, Pa.—Granted petition to intervene and consolidation of hearings on renewal and on assignment of license of WBAX to petitioner (File B2-AL-240), and continued hearing indefinitely.

NEW—Sherman V. Coultas, Milton Edge and Hobart Stephenson, Jacksonville, Ill.—Denied petition for leave to amend application by substitution of name of Edgar J. Korsmeyer for Sherman V. Coultas, deceased, in re application for new station.

KOY—Salt River Valley Broadcasting Co., Phoenix, Ariz.—Denied motion to vacate and set aside Order to take depositions on behalf of station KOAC.

WFBR—The Baltimore Radio Show, Inc., Baltimore, Md.—Granted special temporary authority for nondirective operation of new WFBR plant, using power of 1 KW, by direct measurements in single radiator of antenna covered by C. P., during daytime (LS 6:45 p. m., EST), for the period April 15 to April 24, in order to collect field data over terrain.

KFGQ—Boone Biblical College, Boone, Iowa.—Granted extension of special temporary authority to operate from 4 to 5 p. m., CST, on May 10, 17, 24 and 31, in order to broadcast children's services.

WBBM—Columbia Broadcasting System, Inc., Chicago, Ill.—Granted special temporary authority to operate auxiliary transmitter of station WENR, at Downers Grove, for a period not to exceed 30 days, until new antenna can be put up at WBBM's location.

W1XAR—World Wide Broadcasting Co., Boston, Mass.—Granted modification of C. P. authorizing change in transmitter location from Norwood, Mass., to Boston.

KOME—Harry Schwartz, Tulsa, Okla.—Granted special temporary authority for period of 10 days to operate from 8:30 to 10:30 p. m., CST, in order to broadcast the Texas League baseball games, using 100 watts only.

WNAD—University of Oklahoma, Norman, Okla.—Granted special temporary authority to operate from 4 to 4:30 p. m., on May 2, 9 and 16; from 4 to 4:45 p. m., CST, on May 23; and from 9:15 to 10 p. m., CST, on May 16, in order to broadcast special educational programs (provided KGGF remains silent).

KGGF—Powell and Platz, Coffeyville, Kans.—To operate from 7:15 to 9:15 p. m., CST, on May 25 and 30, and from 8:15 p. m. to 9:15 p. m., CST, on May 31, in order that WNAD may remain silent during University examinations (provided WNAD remains silent).

WREC—WREC, Inc., Memphis, Tenn.—Retired to the closed files the application for C. P. to install new transmitter for auxiliary purposes only, as no application for assignment of C. P. has been filed.

NEW—Publix Bamford Theatres, Inc., Asheville, N. C.—Granted in part with leave to amend application to specify exact site and further hearing to be held as to the availability and suitability of site.

WMEX—The Northern Corp., Boston, Mass.—Denied without prejudice to a renewal of the motion, if after further hearing applicant fails to file proposed findings as required by the Commission's rules. (The Northern Corp. are respondents in re application of Central Broadcasting Corp. for a new station at Worcester, Mass.)

NEW—Central Broadcasting Corp., Worcester, Mass.—Granted motion with leave to amend application in the particulars set forth in the petition for rehearing and that upon such amendment *further* hearing be held upon those particulars.

NEW—Central Broadcasting Corp., Worcester, Mass.—Dismissed petition for continuance of action on motion to strike "Applicant's proposed findings of fact and conclusions."

WATR—The WATR Company, Inc., Waterbury, Conn.—Granted license to cover C. P. authorizing change in transmitter and studio sites locally; changes in equipment; installation of directional antenna system for day and night operation; and change in frequency from 1190 kc. to 1290 kc., and 100 watts unlimited to 250 watts unlimited, employing DA for both day and nighttime operation.

WSJS—Piedmont Publishing Co., Winston Salem, N. C.—Granted license to cover C. P. authorizing change in transmitter site locally, installation of new equipment and vertical radiator.

KBOL—Woodmen of the World Life Ins. Society, Omaha, Neb., Portable-Mobile.—Granted license to cover C. P. for new relay broadcast station, frequencies 1622, 2058, 2150 and 2790 kc., 20 watts.

W4XA—The National Life and Accident Ins. Co., Inc., Nashville, Tenn.—Granted license to cover C. P. for high frequency broadcast station, frequencies 26150 kc., 1 KW. The license is granted on an experimental basis conditionally.

KAOF—KFNF, Inc., Shenandoah, Ia., Portable-Mobile.—Granted license to cover C. P. for new relay broadcast station; frequencies 1622, 2058, 2150 and 2790 kc., 50 watts.

NEW—Memphis Commercial Appeal Co. (Memphis, Tenn.), Portable-Mobile.—Granted C. P. for new relay broadcast station; frequencies 1606, 2020, 2102 and 2758 kc., 40 watts.

NEW—The Louisville Times Co., Louisville, Ky., Portable-Mobile.—Granted C. P. for new relay broadcast station; frequencies 1646, 2090, 2190 and 2830 kc., 50 watts.

NEW—City of New York, Municipal Broadcasting System, New York City, Portable-Mobile.—Granted C. P. for new relay broadcast station; frequencies 1622, 2058, 2150 and 2790 kc., 3 watts.

NEW—City of New York, Municipal Broadcasting System, New York City, Portable-Mobile.—Granted C. P. for new relay broadcast station; frequencies 1622, 2058, 2150 and 2790 kc., 3 watts.

NEW—The Associated Broadcasters, Inc., San Francisco, Cal., Portable-Mobile.—Granted C. P. for new experimental relay broadcast station; frequencies 38900, 39100, 39300 and 39500 kc., experimental conditionally, 2 watts.

W6XAC—Salt River Valley Broadcasting Co., Phoenix, Ariz.—Portable-Mobile.—Granted license to cover C. P. for new experimental relay broadcast station; frequencies 31100, 4600, 37600 and 40600 kc., 2 watts; the license is granted on an experimental basis only, conditionally.

KAST—Astoria Broadcasting Co., Astoria, Ore.—Granted license to cover C. P. authorizing installation of new equipment and vertical radiator, approval of transmitter site, change in frequency from 1370 to 1200 kc., and increase in power and time of operation from 100 watts daytime only, to 100 watts night, 250 watts day, unlimited.

WBTH—Williamson Broadcasting Corp., Williamson, W. Va.—Granted special temporary authority to operate until midnight EST, on April 19, in order to celebrate the opening of Station WBTH.

NEW—WLBG, Inc., Richmond, Va., Portable-Mobile.—Granted C. P. for new relay broadcast station, frequencies 1606, 2022 and 2758 kc., 50 watts.

W8XTY—The Evening News Assn., Detroit, Mich.—Granted license to cover C. P. for new facsimile station; frequencies 31600, 35600, 38600 and 41000 kc., 150 watts.

WAOE—Martin R. O'Brien, Aurora, Ill.—Granted license to cover C. P. for new relay broadcast station; frequencies 1606, 2022, 2102 and 2758 kc., 50 watts.

WMFR—Radio Station WMFR, Inc., High Point, N. C.—Granted C. P. to make changes in transmitting equipment.

W4XD—WPTF Radio Co., Raleigh, N. C.—Granted C. P. to make changes in equipment and reduce power in experimental relay broadcast station from 15 to 2 watts. Also granted license to cover same.

KMMJ—KMMJ, Inc., Grand Island, Neb.—Granted license to cover C. P. authorizing move of station from Clay Center to Grand Island, with transmitter location 1-1/3 East of Phillips, Neb., and installation of vertical radiator.

WIBW—Topeka Broadcasting Assn., Inc., Topeka, Kans.—Granted license to cover C. P. authorizing move of transmitter site locally, changes in vertical radiator and installation of new equipment.

WJBW—Charles C. Carlson, New Orleans, La.—Granted modification of C. P. for approval of transmitter and studio sites and installation of new equipment and vertical radiator, upon the express condition it shall not be construed as a finding by the Commission upon the application for renewal of license now in the hearing docket, nor upon any of the issues involved therein, nor that the Commission has found that the operation of this station is or will be in the public interest beyond the express terms hereof.

WAGM—Aroostock Broadcasting Corp., Presque Isle, Maine.—Granted special temporary authority to operate from 10 to 11 a. m., EST, on April 19, in order to broadcast a special American Legion program.

WCAD—St. Lawrence University, Canton, N. Y.—Granted special temporary authority to operate from 1:30 to 3 p. m., and from 4 p. m. to local sunset (April 6:45 p. m., May, 7:15 p. m., EST), on April 29, May 6, 12, 16 and 20, in order to broadcast baseball games as described in letter of April 11; to operate from 9 to 11:30 a. m., EST, on May 20, in order to broadcast Moving-Up Day Exercises; to operate from 2 p. m. to local sunset on May 7, in order to broadcast Annual Charter Day Observance of the University.

KFRO—Voice of Longview, Longview, Tex.—Denied special temporary authority to operate from local sunset (May, 7:15 p. m., CST), to 11:05 in order to broadcast church services all Sundays in May; Legion Programs, Community Jamboree, and other programs, using 100 watts.

WPRP—Julio M. Conesa, Ponce, P. R.—Denied special temporary authority to rebroadcast sustaining cultural, educational, and news programs to be received from experimental stations W1XAR and W1XAL for a period not to exceed 30 days.

APPLICATIONS FILED AT FCC

600 Kilocycles

WREC—Hoyt B. Wooten, tr/as WREC Broadcasting Service, Memphis, Tenn.—Construction permit to install auxiliary transmitter at present location using 1 KW day and night power, directional antenna as used at present.

810 Kilocycles

WNYC—City of New York, Municipal Broadcasting System, New York, N. Y.—License to cover construction permit B1-P-2185, for new antenna and new 1 KW transmitter, for emergency use only.

850 Kilocycles

WWL—Loyola University, New Orleans, La.—Modification of construction permit B3-P-228, as modified, for equipment changes, antenna changes, move of transmitter, increase in power, requesting extension of completion date from 4-26-39 to 5-26-39.

1200 Kilocycles

NEW—Nebraska Broadcasting Co., Hastings, Nebr.—Construction permit for a new broadcast station on 1200 kc., 100 watts night, 250 watts day, unlimited time.

1210 Kilocycles

WBAX—John H. Stenger, Jr., Wilkes-Barre, Penna.—Involuntary assignment of license from John H. Stenger, Jr., to Stenger Broadcasting Corporation.

WJMC—Walter H. McGenty, Rice Lake, Wisc.—License to cover C. P. B4-P-1231, for a new station.

1370 Kilocycles

NEW—Union Broadcasting Co., Scranton, Penna.—Construction permit to erect a new broadcast station on 1370 kc., 100

watts night, 250 watts day time, unlimited hours of operation.

1380 Kilocycles

WSMK—WSMK, Inc., Dayton, Ohio.—Modification of construction permit B2-P-1575, as modified, for new equipment, directional antenna night, increase in power, change in hours of operation, and move of transmitter, further requesting extension of completion date from 5-1-39 to 7-1-39.

1420 Kilocycles

WILM—Delaware Broadcasting Co., Wilmington, Dela.—License to cover construction permit B1-P-2104, for new antenna and move of transmitter, and change in time.

KEUB—Eastern Utah Broadcasting Co., Price, Utah.—Authority to transfer control of corporation from Sam G. Weiss, to A. W. McKinnon, and Jack Richards, 5,542 shares common stock.

MISCELLANEOUS

W1XAR—World Wide Broadcasting Corp., Boston, Mass.—Modification of construction permit B1-PIB-15, to change transmitter site from 1218 State Highway Norwood to 70 Brookline Ave., Boston, Mass.

WCNY—Board of Education, City of New York, New York, N. Y.—License to cover construction permit B1-PED-7, for new Non-Commercial Educational Broadcast station.

W1XKB—Westinghouse Electric & Mfg. Co., E. Springfield, Mass.—Construction permit to install new transmitter, change operating frequencies to 42380 kc., increase power output to 1 KW.

W8XUM—WBNS, Inc., Columbus, Ohio.—License to cover construction permit B2-PFB-10, for a new facsimile station.

NEW—Radio Station WMFR, Inc., High Point, N. C.—Construction permit for new relay broadcast station on 1622, 2058, 2150, 2790 kc., 50 watts power, A-3 emission.

W1XAR—World Wide Broadcasting Corp., Boston, Mass.—License to cover construction permit, B1-PIB-15, as modified, for a new International Broadcast station.

WAHE—WTAR Radio Corp., Norfolk, Va.—License to cover construction permit B2-PRY-136, for new Low Frequency Relay Station.

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.

Aldine Dental Stationers—Paul S. Hervey, trading as Aldine Dental Stationers, Des Moines, Iowa, is charged in a complaint with advertising as "embossed," stationery printed by ordinary type process and treated by chemicals and baking to produce a raised letter effect simulating genuine embossing. (3758)

Associated Denver Tailors—See Woodley-Elliott & Company.

Automatic Radio Manufacturing Co., Inc.—Two complaints alleging unauthorized use or suggestion of well known trade names have been issued against companies dealing in radios and electric shavers.

Automatic Radio Manufacturing Company, Inc., Boston, Galvin Manufacturing Corporation, Chicago, and Ferguson Radio and Television Company, Inc., New York, all manufacturers, are alleged to have cooperated with The Pep Boys-Manny, Moe and Jack, Inc., Philadelphia, chain store operators, in the sale of radio sets advertised and branded "Remington," a well and favorably

known trade name whose legal owners had not given the respondents permission to so use it.

Trading as Premium Sales Service, Charles E. Herchenroeder, Chicago, in the sale of electric dry shavers, is alleged to have composed his advertising matter so that the word "General" was placed above the words "Electric Dry Shaver" in a manner misleading buyers into believing they were purchasing General Electric Company products.

Herchenroeder was also charged with misleading buyers into believing they were purchasing a \$15 Packard Lectro Shaver by use in his advertisements of a picture of an electric dry shaver and the word "Packard" in bold type. The complaint points out that the respondent's shavers were of inferior quality and had only a fraction of the value of a genuine Packard Lectro Shaver.

The complaint against Herchenroeder also alleges use of a lottery plan in selling novelty articles to ultimate consumers by use of a push card system under which a participant selecting a feminine name corresponding with a name concealed under a master seal received a premium wholly by chance. (3762-3763)

Barrett Company—See Chilean Nitrate Sales Corporation.

M. E. Carter & Company—See Fruit & Produce Exchange.

Chilean Nitrate Sales Corporation and The Barrett Company, both of New York, are charged with restraint of trade in violation of the Federal Trade Commission Act and price discrimination in violation of the Robinson-Patman Act in a complaint.

These companies together are alleged to monopolize the supply and distribution of raw or basic nitrate of soda sold in the United States. Chilean Nitrate imports its product from Chile while The Barrett Company's product is manufactured at Hopewell, Va., by a corporation of which it is a subsidiary or affiliate.

They sell basic nitrate of soda in bags for distribution to farmers as a raw, unmixed soil fertilizer and in bulk to manufacturers as an ingredient for use in compounding mixed fertilizers.

The complaint charges them with entering into agreements, the effect of which is to monopolize the sale and distribution of their products by establishing, fixing and maintaining the prices at and the conditions under which both bulk and bagged nitrate of soda shall be sold to distributors and fertilizer manufacturers and resold to dealers and consumers.

Their practices are alleged to have the further effects of restraining and suppressing competition and of depriving purchasers of advantages in price, service and other considerations which they would normally possess. (3764)

Ever-Keen Dry Shaver Company—Use of lottery schemes and misrepresentation in advertising are charged in a complaint against J. H. Tigerman, trading as Ever-Keen Dry Shaver Company and as Royce Dry Shaver Company. The respondent is engaged in the assembling, sale and distribution of electric razors, with his principal office and place of business at 43 East Ohio St., Chicago.

The complaint alleges that salesmen and representatives are supplied with push cards and printed instructions. One of these reads, in part, "You distribute sales cards to friends, neighbors and others. They in turn present their cards to their friends who 'take selections' paying the small sums of 1¢ to 15¢ for an opportunity to own an Ever-Keen Dry Shaver. The person selecting the name corresponding with the one appearing under the seal on the card receives an Ever-Keen Dry Shaver. Each one of your solicitors collects a total of \$10 from his sales card which he turns over to you. You give him 2 Ever-Keen Dry Shavers, 1 for himself and 1 for the person who selected the name corresponding with the one appearing under the seal. Two Ever-Keen Dry Shavers cost you as little as \$5.50—so you can make as much as \$4.50 on every sales card."

The complaint also alleges that claims are made in advertising in magazines and periodicals by the respondent that his dry shavers are equal in value and performance to \$15 dry shavers, whereas they are of inferior grade and workmanship. (3757)

Ferguson Radio & Television Co.—See Automatic Radio Mfg. Co., Inc.

Fruit and Produce Exchange—Illegal payment and acceptance of brokerage fees in violation of the brokerage section of the

Robinson-Patman Act is alleged in a complaint issued against two Memphis, Tenn., dealers in foodstuffs and allied products and a group of companies selling their products to the two dealers.

The Memphis dealers are Jake Felt, a jobber, trading as The Fruit and Produce Exchange, and M. E. Carter & Co., a wholesaler. Felt is alleged to own 84 per cent of the Carter Company's outstanding stock and to manage its activities.

The complaint describes the seller respondents as being typical of a large class of producers who sell to Felt and to competitors of Felt and M. E. Carter & Co. They are too numerous to be brought into the Commission's proceeding without inconvenience and delay.

In connection with their sales to Felt the respondent selling companies and other sellers are alleged to pay him so-called brokerage fees or commissions amounting to an agreed percentage of the quoted sales prices. The complaint further alleges that Jake Felt, trading as The Fruit and Produce Exchange, resells the commodities so purchased to wholesale dealers and likewise resells through M. E. Carter & Co., to retail dealers. It is alleged that in connection with the purchases made by Jake Felt from the seller respondents no services are rendered to such sellers on such transactions. (3765)

Galvin Manufacturing Co.—See Automatic Radio Mfg. Co., Inc.

Nutrine Candy Company—A complaint has been issued charging Nutrine Candy Company, 419 West Erie St., Chicago, with violation of the Robinson-Patman Act through granting illegal price discriminations and of the Federal Trade Commission Act through conducting a lottery in the sale of candy to ultimate consumers.

It is alleged that the respondent company discriminated in prices charged its retail dealer customers purchasing similar units of candy of like grade and quality by allowing some of the dealers different prices than those granted others.

The complaint contains a table of prices charged by the respondent over a given period showing discriminations on certain items in favor of chain store organizations as against small independent retail dealers, such discriminations ranging from 12½ to 98 per cent above the minimum prices charged for these items. (3756)

Premium Sales Service—See Automatic Radio Mfg. Co., Inc.

Royce Dry Shaver Company—See Ever-Keen Dry Shaver Company.

Rulo Company—A complaint has been issued against Norman D. Loughlin, L. E. Rupe, Bernal H. Dyas, Ruth C. Hemstreet, Volney T. James and Page H. Lamoreaux, individually and trading as Rulo Company and Rulo Corporation, all of Los Angeles. The respondents are engaged in selling and distributing "Rulo Automatic Injector" and "Rulo Energy Fluid."

In truth and in fact, the complaint alleges, use of the device and fluid will not effect economies through lessening gasoline and oil consumption of the motor, and does not save any amount in the cost of gasoline and oil consumed by any car driven any distance for any length of time. The fluid, the complaint alleges, is a lubricating oil to which a small quantity of colloidal graphite is added, and this addition does not enhance the value of lubricating oil for use in automobile engines. (3761)

Woodley-Elliott & Company—Charging misrepresentation in the sale of men's clothing a complaint has been issued against Woodley-Elliott & Co., a corporation, also trading as Associated Denver Tailors and as Associated Tailors, 1745 Champa St., Denver, Colo.

In advertisements the respondent is alleged to have made representations to the effect that all or most of its stock of woollens or fabrics used in making its clothing was purchased as surplus stock of the manufacturers of "Hickey-Freeman," "Society Brand" and "Fashion Park" clothes, and constituted practically all the surplus woollens or fabrics in the hands of these makers at the time of purchase. (3759)

CEASE AND DESIST ORDERS

The Commission has issued the following cease and desist orders:

Coronado Manufacturing Company—Misrepresentations in the sale of cosmetics is prohibited in an order issued against Harold L. Rothschild, trading as Coronado Manufacturing Company, with headquarters in St. Paul, Minn.

Rothschild, it was found, sells his products through distributors employed by means of advertisements placed in classified columns of newspapers in different cities by supervisors who receive commissions for the amount of business placed with the distributors. The distributors place display cases of Rothschild's products in drug stores and other establishments. Proprietors of these stores receive a commission on sales.

Under the order, the respondent is directed to cease and desist misrepresenting possible earnings by prospective agents or actual earnings by his distributors during specific periods. He is also ordered to discontinue representing that he will furnish distributors additional goods on credit on a profit-sharing basis; that exclusive sales territory is assigned to agents, and that he has a long established business or demand for his products, when these are not the facts. (2829)

National Advertisers Company—Prohibiting the use of lottery devices in the sale of merchandise to the ultimate consumer an order to cease and desist has been issued against J. P. Sheehan, trading as National Advertisers Company, 230 East Ohio St., Chicago. The order forbids supplying to agents, distributors or others punchboards, push or pull cards or other lottery devices to aid in the sale of merchandise, or selling articles by use of such devices. Sheehan sells watches, radios, pipe sets, pen and pencil sets and electrical household articles. (3705)

Rightway Institute—Joseph Rosenfeld, operating under the trade name Rightway Institute, with office at 815 South Hill St., Los Angeles, has been ordered to cease and desist from misrepresentations in the sale and distribution of courses of instruction in a system of exercising designated Rightway Method.

The findings allege that the respondent represents that his business is that of an institute or scientific research body conducted by graduate medical doctors and specially trained experts in physical culture, although he has no place of business other than desk space from which his business is transacted, and conducts such business without the aid of employees or assistants.

The respondent is ordered to cease and desist from representing that his system of exercising is a scientific way to relieve indigestion or stomach and intestinal gas, or that it will cure these ailments or can be used with safety by all persons suffering from them. (3158)

Soap Lake Products Corporation, Seattle, Wash., distributors of packaged mineral salts, ingredients of which are taken from Soap Lake in the State of Washington, is ordered to cease and desist from misrepresentation of the efficacy of the products in curing numerous ailments and diseases.

Through newspapers, magazines and radio broadcast, the respondent has advertised "Mother Nature Soap Lake Salts," "Mother Nature Soap Lake Seltzer" and "Mother Nature Soap Lake Spirit" as possessing broad healing qualities. Among advertisements of the respondent quoted in the findings of the Commission are: "ALMOST UNBELIEVABLE—BUT TRUE! The fame of Soap Lake has become nation-wide. More than 30,000 visitors last summer! They came with aches and pains—rheumatism, neuritis, arthritis * * * with skin irritations—eczema, itch, psoriasis, athlete's foot, poison oak, poison ivy, gangrene and lingering infections; with stomach, gall, intestine, kidney, bladder and other functional disorders—and left happy." * * * "No longer need you journey far and expensively to prove the virtue of Soap Lake minerals. They are now easily and inexpensively available to you through your druggist * * * from Nature's own laboratory."

In truth and in fact, the findings state, use of the respondent's products alone, either externally or internally, will not prevent or cure, and are not beneficial in the treatment of, any of the diseases or ailments named or any other disease, affliction or ailment which

may be present in the human body, as represented in the respondent's broadcast and advertising literature. Under certain conditions use of the respondent's products, the findings state, are distinctly harmful. (2823)

STIPULATIONS

The Commission has entered into the following stipulations:

Candler System Company—An Asheville, N. C., distributor of a correspondence course for radio operators, entering into a stipulation, agrees to cease using the name "Association Western Union Employees" in his advertising literature when such literature is neither published nor sponsored by such an association.

Walter H. Candler, distributor of this course, who is in business under the name Candler System Company, publishes "Telegraph World" and circulates it widely, according to the stipulation. It contains advertisements and sales promotion for Candler's instruction system. In the upper right corner of the front cover appeared the caption: "Association Western Union Employees."

In his stipulation, Candler also agrees to cease overstating and misrepresenting the demands and opportunities for employment in the radio communication field, and to discontinue representing that Candler training provides world-wide travel, adventure and good pay, and that an employment service is available to Candler graduates without cost.

Candler agrees to stop using any so-called "money-back" guarantee conditioned on a student's failure to pass a code test, which has a tendency of deceiving students or otherwise involves misrepresentation, bad faith or deceptive concealment of pertinent facts. (2432)

Cardean Knitwear Company—M. W. Carp and J. L. Diener, trading as Cardean Knitwear Company, 311 West Baltimore St., Baltimore, dealing in sweaters and other knitted wear, will desist from selling and distributing products to which are affixed or which are accompanied by tags bearing what purports to be a retail selling price, but which price is exaggerated, fictitious, or much in excess of the price at which the products are sold in the ordinary course of trade. (2445)

Dermetics, Inc.—Under a stipulation entered, Dermetics, Inc., having headquarters in Seattle, Wash., will cease and desist from misleading representations in the sale of cosmetic preparations designated Dermetics.

The respondent will discontinue representing that one of its preparations will awaken vasomotor or sensory nerves, or that such nerves are inactive in most people; that use of the products will make one young or assure natural functions of the nerves, cells, pores or blood stream; that competing cleansing creams cause pores to become clogged or impair the function of the skin; that the respondent's powder is moisture proof and prevents caking or streaking, or that use of any products sold by the respondent will cause the hair to grow thicker, darker, more abundant or assure lustrous, luxuriant hair or hair with a natural sheen. (02363)

Empire Mattress Company—J. M. and M. A. Kanter, trading as Empire Mattress Company, 809-11 East 23rd St., Kansas City, Mo., have entered into a stipulation to discontinue misleading representations in the sale of mattresses.

The respondents will cease representing, or placing on their mattresses labels or tags indicating, that their products retail or were manufactured to retail at a price in excess of the price at which they are regularly and customarily sold by retailers, and will discontinue selling or supplying customers for sale to others, products to which are affixed any false, fictitious or misleading price in excess of the price at which the mattresses are usually sold at retail. (2434)

Food Chemistry Educational Institute—See New Century Foods, Inc.

Hawk and Buck Company, 801 West Vickery St., Fort Worth, Tex., selling work clothes designated Hawk Brand Dubl-Proof Khakis, agrees to cease representing that its products are shrinkproof, will not shrink, or, through the unqualified use of the words "preshrunk" or "shrunk" or other words of similar import, in advertising or on labels, that its wearing apparel is shrinkproof, non-shrinkable, or has been shrunk or preshrunk to the extent that no remaining shrinkage is left in the goods. The respondent will also discontinue use of the term "Dubl-Proof" in connection with a representation that its clothing will not shrink, when in fact the wearing apparel does contain a residual shrinkage. (02361)

Henning-Larson Glue Company, 11 South Desplaines St., Chicago, selling a casin glue, has entered into a stipulation to desist from the use on labels, stationery or printed matter or otherwise of the word "Waterproof" as descriptive of its glue, when in fact the product is not waterproof or impervious to water or its effects. (2437)

Lund's Grape Juice Company—C. Harrison Lund, trading as Lund's Grape Juice Company, and Lund's Health Institute, 332 East 6th St., Erie, Pa., has entered into a stipulation to cease advertising or representing that his products are an adequate treatment for, or will have any curative effects on various diseases such as stomach, liver, kidney or intestinal troubles, and will desist from use of the words "Health Institute" or any words implying that his business is an institution equipped for the restoration of health, and from representing that the so-called "Consulting Dietist" correspondence course offered by him is of such efficiency that all persons who take it will become qualified to be properly designated "Consulting Dietist". (2438)

May, Stern & Co., 914 Penn Ave., Pittsburgh, engaged in the sale of household goods, including rugs, has entered into a stipulation to cease and desist from certain misleading representations.

In the sale and distribution of rugs, the respondent will discontinue use of the words "Persian" or "Chinese", either alone or in connection with any other words as descriptive of its products, so as to import or imply that the rugs are of oriental origin or manufacture, when such is not a fact, and of the words "triple-loomed" as purportedly descriptive of its products in advertising matter or otherwise, when in fact such words are meaningless and not warranted. (2440)

Mystic Stamp Company—Lawrence K. Shaver, trading as Mystic Stamp Company, World Wide Stamp Company and National Credit Bureau, Camden, N. Y., has entered into a stipulation in which he agrees to cease representing that any recipient of approval sets of stamps not ordered or requested by the recipient, is under contract to pay for or return the merchandise, and to refrain from quoting a figure purporting to be the actual value of a stamp, set of stamps or other merchandise which is in excess of the price for which the articles can be obtained in the usual course of business, and to desist from the use of the trade name "National Credit Bureau," purporting to be an independent collection bureau, for the purpose of collecting payments on his contracts. (2435)

National Credit Bureau—See Mystic Stamp Company.

New Century Foods, Inc.—A Burbank, Calif., group distributing health foods, health appliances and cooking devices, has entered into a stipulation to discontinue use of the word "Institute" in a trade name or in a manner suggesting that a private business is either an organization for promotion of learning, philosophy, art or science or an association of food chemists.

They will also cease advertising that their organization is "for educating the laymen in the science of building perfect bodies" or that its purpose is "purely educational."

Respondents are Martin W. Pretorius, trading as Food Chemistry Educational Institute, and New Century Foods, Inc., a corporation of which Pretorius is chief stockholder and general manager.

Other representations to be discontinued under the stipulation are that the respondents manufacture the products they sell or that they are prepared under direction of Nutritional Chemists, New Century Foods, Inc., or of Nutritional Chemists, Food Chemistry Educational Institute, or of New Century Foods, Inc., when these are not the facts.

The respondents agreed to cease representing that "alkalinization," advertised as one of the beneficial results of using their food, will serve to correct bodily ills generally or that the respondents' products or courses constitute competent remedies for some 40 diseases and conditions. (2439)

Progress Manufacturing Company—Arthur Martin and Joe Fitzjarrald, trading as Progress Manufacturing Company, Arthur, Ill., have entered into a stipulation to desist from unfair methods of competition in the sale of metal burial vaults.

The respondents will discontinue representing in advertisements or purported guarantees that their vaults are made of rust-resisting material and are waterproof or impervious to water or air, and will so remain and endure under any and all burial conditions.

The stipulation points out that the vaults, under certain conditions of interment, will rust and eventually admit air and water, and thus are not properly represented as being "rust-resisting," "waterproof" or as insuring "complete air-seal protection," as was advertised by the respondents. (2436)

E. F. Timme & Son—Plush and pile fabrics imitating furs in appearance, will no longer be represented as coming from Labrador or the Klondike or Polar regions, under a stipulation entered into by a New York group operating mills in Pennsylvania and Rhode Island.

The respondents are Albert A. Levy, William E. Rothen, and John Hastedt, executors of the estate of Otto Timme, deceased, who operate as E. F. Timme & Son, and Victoria Plush Mills, New York, operating mills in Swarthmore and Lenni, Pa., and Woonsocket Falls Mill, New York, having a plant in Woonsocket, R. I. All three concerns occupy the same or adjoining offices at 1 Park Avenue, New York.

In their stipulation, the respondents agree to cease using or placing in the hands of others for their use, labels, brands or other trade indicia bearing the words "Labrador Fur" or "Klondike Fur," or representations of similar import as descriptive of products not procured from Labrador or the Klondike region or products which are not composed of fur. (2433)

Transcontinental Sales Company—See U. S. Merchandise & Fireworks Co.

U. S. Merchandise & Fireworks Company—Irwin Siegel, doing business as The U. S. Merchandise and Fireworks Company, Cleveland, and T. J. Leviton, trading as Transcontinental Sales Company, Chicago, have entered into stipulations to cease and desist from supplying punch boards, push and pull cards and other lottery devices for distribution to retail dealers and others to be used in the disposal of merchandise to ultimate consumers. (2442-2443)

Woonsocket Falls Mill—See E. F. Timme & Son.

World Wide Stamp Company—See Mystic Stamp Company.

Victoria Plush Mills—See E. F. Timme & Son.