

THE WEEK IN WASHINGTON

The FCC "monopoly" committee issued its report, sharply critical of many parts of the present broadcasting structure. Current contracts between networks and affiliated stations came in for special condemnation. (p. 4325.)

James C. Petrillo was nominated without opposition for president of the American Federation of Musicians, to succeed Joe Weber, retiring because of ill health. (p. 4329.)

WPRO, Providence, became the 300th member of BMI. Representatives of the radio departments of leading advertising agencies expressed a desire to cooperate with BMI in every way feasible. (p. 4329.)

District meetings were held in St. Louis, Wichita and Salt Lake. Meetings are scheduled next week for Los Angeles (June 17), Memphis (June 20), and Rochester, New York (June 22). (p. 4331.)

Monopoly Report

Contracts between networks and affiliates were strongly criticized in the long awaited "monopoly" report prepared by an FCC committee and made public Wednesday.

The 138-page report, with six volumes of exhibits, is being carefully studied by the NAB, with a view to determining how it might affect the entire industry. Appropriate action will be taken, if any is found advisable.

Here is the FCC description of the report:

"Many arbitrary and inequitable practices" on the part of the radio networks are cited by a special committee of the Federal Communications Commission as the result of a two-year investigation of chain broadcasting methods.

"The heart of the abuses of chain broadcasting is the network-outlet contract," declares the committee in its report, submitted to the Commission today. Accordingly, it recommends "reformation" of these contracts to eliminate such abuses while retaining the advantages of chain service.

The Commission authorized release of the so-called "monopoly" committee's report pending its consideration by the full Commission.

The 1300-page report of the committee, comprising Commissioner Thad H. Brown as chairman, and Commissioners Paul A. Walker and Frederick I. Thompson, "reveals at every turn the dominant position of the network organizations in the field of radiobroadcasting." It is based upon more than 10,000 pages of testimony and nearly 800 exhibits, largely obtained through hearings which continued for 73 days, in an investigation pursuant to a Commission order of March 18, 1938.

The report discusses in detail practices employed in connection with the simultaneous broadcasting of identical programs by two or more stations. It differentiates between stations owned or directly controlled by the networks, and affiliated "outlet" stations which broadcast the same program under contractual arrangement with the networks.

The committee finds that the interests of these outlet stations "have been subordinated in the interests of the network owned and controlled station." It points out that of the 660 standard broadcast stations operated in 1938, more than half—350—were on major networks and included almost all of the country's high-powered stations. The 660 stations were owned by 460 persons. However, 87 of these persons owned more than one station and received approximately 52 per cent of the total business of all commercial broadcast stations.

Apart from the stations affiliated with their networks, the National Broadcasting Company and the Columbia Broadcasting System in 1938 owned or controlled 23 stations, of which 15 were 50-kilowatt, unlimited time, clear channel stations. The record reveals that the chains have developed around these key stations and have been operated largely for their benefit.

"The predominance of network organization is evidenced by their disproportionate share of the income of the radio broadcasting industry," comments the committee in reporting that of the \$18,854,784 net operating income of all the stations and networks for 1938, nearly half—\$9,277,352—went to National and Columbia.

Examples of "arbitrary and inequitable practices" on the part of the networks in their relation with affiliated stations are cited by the report as follows:

"The provision that the outlet station cannot accept programs
(Continued on page 4326)

Neville Miller, *President* C. E. Arney, Jr., *Assistant to President*

Edward M. Kirby, *Director of Public Relations*; Joseph L. Miller, *Director of Labor Relations*; Paul F. Peter, *Director of Research*; Russell P. Place, *Counsel*; Lynne C. Smeby, *Director of Engineering*; Andrew W. Bennett, *Special Copyright Counsel*

MONOPOLY REPORT

(Continued from page 4325)

from any network other than the one to which it is bound by contract deprives the station of profitable business and the listening public of programs for which there is a demand.

"The practice of requiring stations to set aside all or a major portion of their broadcast time for the utilization of the networks, regardless of whether such time is used or not, places an undue burden upon the outlet station and lessens the ability of the station to serve the local needs of the community."

"The provision that non-network rates for national advertising business cannot be less than those of the network prevents the outlet station from entering into a healthy competition for advertising business.

"The provisions of the contract concerning the free use of the first converted hours (a nighttime hour or its equivalent in two daytime hours operation), combined with low initial compensating rates for the next hours, results in an inequitable distribution of proceeds from network broadcasting. Whereas Columbia and National had aggregate network time sales of \$44,313,778 for 1938, they paid to the 253 independently controlled stations on their networks only \$12,267,560, approximately one-half of which was paid to 25 of these stations with a relatively strong competitive position based on the need of the networks for their particular facilities.

"Moreover, the contracts generally cover periods of time far in excess of the period for which the station is licensed and bind the outlet to network policies far beyond the expiration date of the license."

The committee finds these arbitrary contractual arrangements further reflected in the program policies of the networks, mentioning:

"Outlet stations are required by their contracts to accept all commercial programs sent by the network organizations unless they are able to prove to the satisfaction of the networks that a particular program will not serve public interest. Since the outlet stations have only general advance knowledge of the content of the program, they have come to accept whatever the network chooses to forward to them.

"Furthermore, approximately 90 per cent of the commercial programs sent by network organizations are produced by advertising agencies, so that the delegation of program responsibility by the licensee is carried one step further."

The committee cites a number of instances in which chains have gone even farther than the regular network-outlet contract and have "actually taken over the management" of the affiliated station in violation of Section 310(b) of the Communications Act. The Commission has already taken cognizance of this problem and is investigating these contracts.

Pointing out that all but two of the 34 high-power, clear-channel stations and all the high-power regional stations are on the two major networks, the committee reaches "the inescapable conclusion . . . that National and Columbia, directed by a few men, hold a powerful

influence over the public domain of the air and measurably control radio communication to the people of the United States," adding: "If freedom of communication is one of the precious possessions of the American people, such a condition is not thought by the committee to be in the public interest and presents inherent danger to the welfare of a country where democratic processes prevail."

The National Broadcasting Company has two distinct networks with separate service to two stations in each of many cities. The manner in which they are operated is regarded as evidence of the "complete domination" of the affiliated stations and is also "one of the most inequitable by-products of these contracts." The report explains:

"The contracts which stations have with National do not specify to which of its chains the outlet is to be linked. The outlet station is only informed that it is a part of the National network. By virtue of this factor, National has the power to determine the economic fate of many of its outlets by arbitrarily assigning to the prosperous Red network or to the unprofitable Blue network."

The policy of Columbia and National of placing talent under exclusive contract, according to the report, has the effect of limiting the efforts of much of the best talent in the country to network programs and of arbitrarily restricting the programs of independent competing stations, as well as the communities in which these independent stations are located. These two networks between them control about 800 of the best known artists in the broadcast and concert field.

The report reveals the National Broadcasting Company a dominant factor in the field of electrical transcriptions, stating: "It has gained great competitive advantages in this field from its position in radiobroadcasting and its transcription activities have, in turn, buttressed its position in the radiobroadcast industry. The committee feels that such domination reacts to public disadvantage by penalizing independent stations which, not being members of a network, must make frequent use of electrical transcriptions. Approximately one-half of all commercial transcriptions sold by National in 1938 in the United States were broadcast by the stations on its network, while slightly less than one-fifth were broadcast by stations on the networks of Columbia and Mutual.

"During the past ten years," to quote the report, "networks have so developed that today programs are broadcast to the general public, not by the stations whose owners applied for and received licenses for such a privilege, but through the network organizations. The record shows that network organizations today are utilizing about 48 per cent of the broadcast time of more than 50 per cent of the commercial stations in the United States."

As an example of the dominant position occupied by the stations that are owned and directly controlled by networks, as distinguished from affiliated stations, the committee notes:

The 23 stations owned or controlled by Columbia or National had one-sixth of the total time sales for all 660 stations.

The amount paid by Columbia and National from network time sales to their 23 owned stations was nearly one-third the amount received from all three major networks by 327 independently controlled stations on the networks.

Of non-network business sold to national advertisers, the 23 stations had one-seventh of the amount for all 660 stations.

Of purely local business, the 23 stations had one-twelfth of that for all 660 stations.

The net operating income of the 23 stations was nearly one-third of the net operating income of all 660 stations.

The net operating income of the 23 stations was more than one-half of the net operating income of the 327 independently controlled stations.

While 310 stations not on major networks lost \$149,000, the 23 owned or controlled stations had net operating income of \$4,958,289.

The 23 stations broadcast sustaining programs for approximately 50 per cent of their time, while the 327 independently controlled stations broadcast sustaining programs for approximately 70 per cent of their time.

It appears to the committee that stations owned or controlled by Columbia and National are in a favored position compared to the independently controlled stations affiliated with networks. It observes: "The independently controlled stations do not reach the network advertiser directly but only through the networks for network time sales. Therefore, they have no voice in selling their time to network advertisers and must rely absolutely upon the network sales force. As between two stations serving the same area, either with primary or secondary signal, self interest determines the extent to which the network sales force will undertake to influence the choice of the network advertiser in favor of the network owned or controlled station."

The networks (with the exception of Columbia, Mutual, and Yankee) retain the revenues from all sales of network time during the first hours of commercial broadcasting in each 28-day period. Columbia retains the revenues from the first five "converted hours" of commercial broadcast per week and National retains the revenue of from four to five such hours.

The practices of Mutual, it is pointed out, differ somewhat from the general network operations. At the time of the hearings, Mutual took no options on the time of stations and received only a commission, not exceeding 15 per cent, on the proceeds of network commercials. While it has an organization for selling network commercial program time to advertising agencies, the stations which served as Mutual outlets have the privilege of also selling the network time, for which they share commissions with Mutual. Also, Mutual has no program producing facilities.

"The business of broadcasting is the fastest growing source of advertising revenue in America," comments the report in showing that income from this source increased from \$28,000,000 gross in 1928 to \$165,000,000 ten years later. But unlike other big business enterprises, broadcasting is not the chief activity of its owners, but is operated principally as a "side line" to the main business. More and more of the applications filed with the Commission for authority to own stations show the applicants

to be persons of other large business interests, such as manufacturing, banking, publishing, natural resources development, public utility, etc.

Two-thirds of the nation's standard broadcast stations are operated as incidental to other businesses. In many cases, the actual owners of the stations do not personally operate them. In addition to the operation of approximately 300 stations by newspapers, 125 other stations are operated by businesses of various kinds. Two-thirds of all standard broadcast stations are licensed to corporations or are under their control. Examination of the minutes of meetings of directors of these corporations for 1938 indicates the surprising fact that no consideration was given to the operation of the stations in the directors' meetings of some 80 per cent of the corporations.

Many of the largest corporations which control broadcast stations directly or indirectly are themselves controlled through proxy voting by a very small number of persons who, themselves, hold no material ownership interest in the companies. For example: Radio Corporation of America, which owns the National Broadcasting Company, is controlled by three persons who between them own only 5,829 shares of a total of 9,864,502 voted by them.

The report places ownership of commercial stations in four categories:

(a) Forty-one owners controlling stations which have 33 per cent of the revenues of all stations.

(b) Thirty-five owners controlling stations which have 10 per cent of the revenues of all stations.

(c) Eleven owners controlling stations which have 15 per cent of the revenues of all stations.

(d) Three hundred and seventy-seven owners controlling stations which have 42 per cent of the revenue of all stations.

For the privilege of entering rich markets, high prices have been paid by the networks for broadcast stations. National has paid 386 per cent of book value, and Columbia 280 per cent. In 1938 National and Columbia actually had greater profits from their owned or controlled stations than from their entire network operations.

Network organizations are not required to obtain a license or other Federal authority in order to function. The Communications Act fixes responsibility upon individual station licensees for operation in the public interest. In practice, however, the record shows that the responsibility discharged by the licensee of a station engaged in chain broadcasting is reduced to the matter of simply selecting the network with which the station is to be associated. After the station becomes an outlet for a network by undertaking the obligations of the outlet contract now in general use, the matter of selecting programs, accepting advertising material, and, in general, the broadcasting of programs by the station insofar as network programs are concerned is placed in the control of the network.

The networks, in turn, have passed on to advertising agencies the right of selection and production of these

network programs. The responsibilities are shifted still further from the station when, as in many instances, the advertising agencies have passed them on to program producing agencies. The networks have not supervised the selection of the types or the production of these programs, and the record shows they seldom reject programs offered to them either by advertising agencies or their program producing agencies. At least 90 per cent of all network commercial programs broadcast in this country are thus produced. These programs brought the networks approximately \$50,000,000 in revenue for 1938.

As the committee sums it up: "The station licensee has very limited supervision over network programs. The protection of the listening public is thus passed from licensee to network to advertising agency to program producing agency. The responsibility for serving the public interest placed by the statute upon the station licensee evaporates when it is so diffused."

The committee cites the broadcasting of the 1939 World Series baseball games as an illustration of the effect of exclusive outlet contracts upon presentation of particular programs. The report relates:

"Mutual obtained exclusive privileges from the baseball authorities for the broadcasting of the series with the Gillette Company as commercial sponsor. It then attempted to purchase time from stations in various communities, making offers to stations which were then under contract with other networks. Columbia and National immediately called upon their outlet stations to respect the provisions of their contracts under penalty of jeopardizing their rights under the contracts. This prevented certain licensees from accepting a program for which they believed there was public demand and which they thought would be in the public interest. It also deprived the advertiser of network advertising service in some areas, and prevented the licensee from receiving income which could have been obtained from acceptance of the program series. Mutual, on the other hand, refused to allow other stations to broadcast the program in communities where it had exclusive outlets and also refused the program to stations in other communities which it considered were within the area covered by Mutual outlets. As a result, thousands of potential listeners failed to hear the World Series of 1939."

The primary service rendered by the networks is far from nationwide in scope, according to the committee's findings, and "millions of persons receive no adequate network program service under existing conditions." Likewise, it believes that network duplication should be held to a minimum. The report continues:

"The basic theory of the Communications Act is that broadcast stations shall render service to the public. Chain broadcasting is valuable to the furnishing of a complete program service. The two principal networks have compiled a record of profitable business operation, and have established themselves in a dominant position in the radio field. But, perhaps not unnaturally, the desire for profits appears to have been foremost, and unquestionably, the profit motive has operated to restrict the distribution of network service, and to deprive many listeners of the advantages of chain broadcasting service.

"Although the major networks purport to be national in their scope, the record shows that, while they have gone voluntarily into the better markets, they have neglected the less profitable ones and, as a result, some 320 stations, including about 220 which are the only stations in their communities, remain without major network connections.

"From a financial and economic standpoint it seems clear that the network organizations occupy a predominant place in the broadcast industry which has enabled them to profit handsomely

at the expense of the independently owned and controlled stations. . . . It should also be recognized that there is considerable evidence in the record which indicates that from a social viewpoint the profits derived from network operations have not been sufficiently utilized for the betterment and expansion of the industry."

Consequently, the committee feels that consideration should be given to the problem of retaining the advantages of chain service while eliminating the abuses discussed in its report.

"It is clear," says the report, "that the importance from a public standpoint of chain broadcasting operations is far greater than that of any individual broadcast stations. It would appear, therefore, that some means should be developed to insure the operation of chain broadcasting organizations in the public interest."

The committee holds that the Commission has authority to deal with network contractual arrangements under Section 303(i) of the Communications Act which empowers the Commission "to make special regulations applicable to radio stations engaged in chain broadcasting," augmented by Sections 307(d) and 309(a) requiring the Commission to refuse licenses or renewals unless the public interest, convenience or necessity is served thereby. To quote, in part, the committee's letter of transmittal accompanying the report:

"It is our opinion, based upon the extensive investigation which we have just completed, that public interest, convenience or necessity are adversely affected by inclusion in the network-outlet contracts of many of the contractual provisions discussed. . . . The elimination of arbitrary and inequitable contractual arrangements will tend to subject the networks to active competition and will render the independent station more secure within the industry, and better able to cope with the networks in all fields of network activity.

"The committee believes that competition in the radiobroadcast field can be further enhanced by a revision of the so-called clear-channel policy, whereby new stations are refused access to clear channels regardless of the service which the new station would be able to render and regardless of how small the interference to the clear channel would be. The record evidences that all but two of the high-power clear channel stations in the United States are on the Columbia and National networks as well as all the high-power regional stations. The exclusive grant of a clear channel to a station which can only serve limited areas prevents people in other sections of the country from receiving service from stations which could otherwise operate on the clear channel frequency. In our opinion, the Commission should consider the wisdom and practicability of utilizing the clear channels so that people living in all sections of the United States can have the benefit of radio reception at present denied them.

"The committee believes that the Commission should proceed at once to deal with these problems to the extent that Congress has given it authority in the Communications Act of 1934. In our opinion, the Commission possesses ample power under the Communications Act to redefine its licensing policy and require the elimination of inequitable and arbitrary contractual arrangements which affect the duty of the licensee to serve the public interest. The actual administrative experience which the Commission will obtain under its new licensing policy will enable it to suggest to the Congress the enactment of amendatory legislation if such is later found to be necessary.

"It is the opinion of the committee that through the exercise of the powers of the Commission in dealing with the contractual relations between network and outlet, the potential advantages of chain broadcasting in this country can be retained. At the same time, the abuses which have prevented many of its potential advantages from being realized can be corrected. It is the committee's belief that the excision of arbitrary and inequitable provisions from network-outlet contracts will eliminate many of the detrimental practices involved in chain broadcasting without sacrificing any of the benefits."

Labor

PETRILLO HEADS A. F. OF M.

James C. Petrillo was nominated, without opposition, for president of the American Federation of Musicians at the union's annual convention Thursday in Indianapolis, Ind.

Petrillo was slated to succeed Joe Weber, president for 40 years, who was made "technical adviser" for life. Weber announced Monday that the state of his health made retirement necessary.

Petrillo has been president of the Chicago local.

All other national officers were nominated for reelection without opposition.

One of Weber's last big jobs as president was to defeat a resolution calling for all members to refuse to make records and transcriptions. The convention likewise rejected a resolution calling for the Canadian Broadcasting Company to quit using recorded programs.

PAYMENT FOR REST PERIODS

Employees under the Wage and Hour Act must be paid for short rest periods, according to announcement this week by Colonel Philip B. Fleming, Administrator.

A "short" rest period, as construed in instructions sent to all field representatives of the Division by Colonel Fleming, will include periods up to and including 20 minutes. When rest periods customarily taken by employees are longer, final decision on whether or not the employee will be paid for it will rest with the Regional Director.

The following considerations will guide the Regional Director in making his decision: the freedom of the employee to leave the premises and go where he pleases during the intermission; the duration of the intermission—whether sufficient to permit the employee reasonable freedom of action and a real opportunity for relaxation; whether the intermission is clearly not an attempt to evade or circumvent the provisions of the Fair Labor Standards Act. In all cases where the Regional Director decides that an intermission shall not be counted as "hours worked," he has been instructed to report the results of his investigation and the reasons for his action to the Administrator.

For enforcement purposes, computation of hours worked under the new rule generally will apply only since April 1, 1940. Where time spent in rest periods prior to that date has been deducted from hours worked, ordinarily, the deductions will be allowed to stand, Colonel Fleming said.

BMI Developments

WPRO, Providence, R. I., was the 300th station to join BMI. The Rhode Island station sent in its subscription this week.

Sydney M. Kaye, BMI's vice president and general counsel, addressed a group of sixty representatives of the radio departments of leading advertising agencies at a luncheon on Wednesday (June 12) at Stouffer's Restaurant, 540 Fifth Avenue at which M. E. Tompkins, BMI's General Manager was guest of honor.

After outlining the reasons for the current controversy, Mr. Kaye compared the present situation of both broadcaster and advertiser in regard to music to that of the inhabitant of a tropical island who, needing only a breech clout, was forced to pay for a dozen fur coats. Research has revealed, he explained, that in 1938 only 388 tunes accounted for 43 per cent of the playing time on the air and 2121 tunes for 42 per cent, or that a total of 2500 numbers filled 85 per cent of air time. BMI, he promised, will have many times 2500 tunes, both new and public domain, arranged and available for broadcasting before the end of 1940. In this connection he pointed out that both broadcaster and advertiser had been doing a preposterous thing in paying ASCAP for something which was free—i.e., public domain music—and that public domain tunes, not only the classics but the old favorites and the "heart" songs, would be made available in new arrangements.

All users of music, he declared, have been exploited by ASCAP but the broadcaster is "forty times as big a sucker as any other" as the broadcaster has been paying forty times more per dollar of gross revenue than any other ASCAP licensee.

Broadcasters are chiefly interested, he added, in promoting a free competitive situation in music performance via radio, as music on the air is the only material used by either broadcaster or advertiser subject to monopolistic control. The industry is seeking a "per use" basis of payment and believes that the sponsors of commercial programs not using ASCAP music should not be forced to pay for it.

"There isn't a person in this room," he said, "who pays 7½ per cent of his income for the privilege of using a product or service—yet ASCAP is asking the networks to pay 7½ per cent of a program's revenue not only for the privilege of using its music but also for the privilege of not using it."

In outlining what the advertiser could do he mentioned four classifications of music appeal on which BMI could be of material assistance. They are (1) theme songs (2)

"Mood music" or that of background appeal (3) Music of Secondary Appeal and (4) Music of Primary Appeal.

Following his speech Mr. Kaye answered all questions to the satisfaction of everyone. The agency men were enthusiastic over the possibilities of BMI and expressed a desire to cooperate in every way feasible.

BMI FEATURE TUNES

June 17-July 1

- 1. DON'T THE MOON LOOK PRETTY?**
- 2. PRACTICE MAKES PERFECT**
- 3. WE COULD MAKE SUCH BEAUTIFUL MUSIC**
- 4. WHAT GOOD'S THE MOON?**
- 5. HERE IN THE VELVET NIGHT**
- 6. IN THE SILENCE OF THE DAWN**

Carl Haverlin, BMI's Station Relations Director, now making the rounds of the NAB district meetings, has received a wire from Frank King, of WMBR, President of the Florida Broadcasters Association, which says:

FLORIDA ASSOCIATION PASSED RESOLUTION UNANIMOUSLY APPROVING POLICIES PLAN AND ACTIVITY. COMMITMENTS INDICATE AT LEAST AN ADDITIONAL EIGHT BMI SUBSCRIBERS.

Mr. Haverlin reports that the Tenth and Twelfth Districts have also registered unanimous approval for BMI.

Here is the "proof of the pudding". BMI subscribers have now had BMI music for several weeks. They have been putting it on the air, using it to build their programs. They have had experience of BMI service, become acquainted with the work of the organization as it is developing. Their approval means that BMI's is marching along the right road, the road that leads to satisfactory practical results.

The effect of such approval is shown by Mr. King's telegram—more BMI subscribers.

Recently the publicity agent for the Robbin-Feist-Miller group of music publishing houses issued a release in which Jack Robbins suggested ways and means that the publishers might find useful in combatting what he called radio's "Blitzkrieg on American composers and publishers." Aside from the fact that it is a bit of unappetizing smugness for an ASCAP publisher to adopt the pretense of concern over the welfare of the American composer, Mr. Robbins' proposals had at least one other aspect that was ironical.

"Robbins' second channel of exploitation"—so runs the publicity release—"will be the automatic music ma-

chines, whose numbers are estimated to now total over 400,000 around the country."

"Exploitation" is the right word beyond question. It is the old familiar ASCAP technique of trying to make the victim tie himself to the whipping-post.

By a clause in the 1909 Copyright Act, coin-operated phonographs were specifically exempted from paying fees for the performance of copyright music unless admission is charged to the place in which they are played. ASCAP, of course, has always gone green around the gills at mention of this provision in the law, has tried to circumvent it—unsuccessfully, and is now trying to have it repealed.

ASCAP officials, in a statement to the Congressional committee on the proposed revision of the copyright law, said that under the new law they expected to collect a "nominal fee" of \$60.00 a year from the coin machines. Since it is reliably estimated that the net earnings of the machines average between \$10 and \$15 a year, it is easy to understand why the coin-machine industry is heart and soul behind BMI.

Now an ASCAP publisher proposes to use this industry as a "channel of exploitation" through which to combat the effort to free all commercial users of music, coin-machines included, from the grip and the threat of the ASCAP monopoly power.

He proposes to use the machines to enable ASCAP to levy a confiscatory tax on the machines!

Referring to the government's anti-trust moves against ASCAP, an ASCAP official was quoted last week as saying that "he was at a loss to understand why every country in the world excepting the United States did everything in its power to encourage the performing rights societies and foster native musical talent, whereas Federal government here was doing exactly the opposite."

The point is worth answering. The answer lies in the difference between ASCAP and other performing rights societies. It emphasizes anew the basic errors in the whole ASCAP system.

According to the statement of Gene Buck, ASCAP's President, made this past April, ASCAP's composers and authors number 1,083.

According to E. C. Mills, Chairman of ASCAP's Administrative Committee, in his article, *What is ASCAP?* the membership of ASCAP's foreign affiliates brings the total up to about 45,000.

The foreign societies show this much larger membership, not because there are so many more composers in other countries, but because membership in the performing rights societies in those countries is not restricted. *Any writer can become a member on application.* The society then collects his fees for him on the basis of performance.

ASCAP will not even consider an application for mem-

bership until the applicant has already had five numbers published and then will accept or reject the application as its Board may choose. In event that the application is accepted, the new member must spend a year as a Non-Participating Member. Thereafter he will be allowed to share in the division of proceeds on the basis of ASCAP's curiously inequitable classification system.

In other words, *every other performing rights society in the world admits all writers to membership; ASCAP is a small and exclusive club, a little closed shop.*

In other societies distribution of fees for performance of music is based on performance. In ASCAP it is based on performance only in part, based also on seniority, favoritism, and the arbitrary decision of the ASCAP Board.

Other societies are controlled by their members. In many cases the by-laws provide that the society shall be dissolved at stated intervals, usually every seven years. On such dissolution the members can recover the rights to their music, reorganize the society, take any other steps that seem to them desirable.

ASCAP is governed by a Board of Directors which is self-perpetuating. Sigmund Romberg has written:

"The individual member has no voice in the management of ASCAP. Some of our biggest members, those who are not on the Board, complain bitterly against this self-perpetuating system—and justly so. It is un-American and against our traditions of liberty, freedom and equality."

Performing rights societies in other countries are organized and operated to collect fees for the performance of music in behalf of the writers of that music—all writers.

ASCAP is organized to collect fees for some writers to the exclusion and detriment of others, acting in accordance with the wishes and interests of a group of twelve publishers and twelve writers.

Other societies are organized on a democratic basis, operated fairly. ASCAP is organized on the basis of an exclusive club, seeking to dominate the music market for the benefit of its members—and chiefly for the benefit of a small inner circle even among its own members.

The fight against ASCAP, on the part of the government as well as on the part of the broadcasters and other commercial users of music, is not a fight against a selfish monopolistic control in the hands of a few writers and publishers which does as much harm to all other writers as it does to those who play the music.

It is actually a fight for democracy.

District Meetings

District 10

The morning session of the District 10 meeting, held in St. Louis June 8, was taken up with a complete resume

by President Neville Miller of NAB of the various activities of the Association. Labor, Legislation, FM and Television developments, Copyright, FCC Reports and a variety of other matters were covered. C. E. Arney, Jr., Assistant to the President of NAB, reported on the tentative plans for the Annual Convention to be held in San Francisco on August 4th to 7th.

Craig Lawrence, KRNT, Des Moines, who served as chairman of the Tenth District Sales Manager's Conference held Friday at the Chase Hotel reported to the meeting upon the happenings of that conference. He presented a resolution calling upon the Board of Directors of NAB to approve a survey and study of the effect of Daylight Savings Time upon the program and commercial phases of radio. This resolution was unanimously adopted by the membership meeting.

The St. Louis broadcasters were host to the entire delegation at a delightful luncheon in the Chase Club Room at which talented performers from various St. Louis stations put on an entertaining show.

The afternoon session was taken up with a complete report on the progress and accomplishments of Broadcast Music Inc. Carl Haverlin, Stations Relations Director of BMI, presented a most interesting and revealing series of charts depicting in graphic manner the present status of BMI and the support being given it by the industry. He also explained charts which show the music requirements of the industry and of individual operators and the extent to which BMI is now prepared to meet that problem and the plans and programs in the making that will enable the BMI organization to care for the full needs of broadcasters when the ASCAP contracts expire. His presentation made a distinct impression upon his listeners. A motion was unanimously passed expressing the complete confidence of 10th District broadcasters in BMI and Father W. A. Burk, WLW, long a leader of thought and action among midwest broadcasters, took the floor and announced his subscription to BMI, and other broadcasters followed suit.

The biennial election of a Director for the 10th District followed and John J. Gillin, Jr. (WOW-Omaha), was unanimously renamed for the two-year term.

Edgar Bill, WMBD, Peoria, Illinois, Chairman of the NAB Code Compliance Committee, outlined the need for united support on the part of the broadcasters of the Code. He pointed out that the public, including educational, religious, civil liberties and other groups, had been lavish in their endorsement of the Code and that it had raised the industry to a most favorable position. He asked for a better understanding on the part of broadcasters. His remarks were followed by lengthy discussion of a generally favorable character but no action was taken.

Following the afternoon session which lasted until after 5 p. m., the St. Louis broadcasters again played the role

of hosts at a delightful cocktail party and buffet supper.

Twenty-five of the thirty-three member stations of the National Association of Broadcasters were represented at the meeting:

L. A. Benson of WIL, St. Louis; Hale Bondurant, WHO, Des Moines, Iowa; Father W. A. Burk, S. J., of WEW, St. Louis; William B. Quarten, WMT, Cedar Rapids, Iowa; Buryl Lettridge, WOC, Davenport, Iowa; Craig Lawrence, KRNT, Des Moines, Iowa; Mike Carmichael, KWK, St. Louis; Ken Church, KMOX, St. Louis; R. T. Convey, KWK, St. Louis; Bob Drohlich, KDRO, Sedalia, Mo.; Bill Durney, WIL, St. Louis; Ray Dady, KWK, St. Louis; Harold Fair, WHO, Des Moines, Iowa; Dean Fitzer, WDAF, Kansas City, Mo.; L. O. Fitzgibbons, WOC, Davenport, Iowa; Harold Fulton, WHO, Des Moines, Iowa; John J. Gillin, Jr., WHO, Omaha, Neb.; Luther Hill, KSO, Des Moines, Iowa; Oscar Hirsch, KFVS, Cape Girardeau, Mo.; Charles A. Kennedy, KVFD, Fort Dodge, Iowa; J. O. Maland, WHO, Des Moines, Iowa; Cy. Rapp, KMA, Shenandoah, Iowa; William Reuss, WOW, Omaha, Neb.; Claude Rock, WIL, St. Louis, Mo.; R. H. Sawyer, KMA, Shenandoah, Iowa; Vernon H. "Bing" Smith, KOWH, Omaha, Neb.; C. L. Thomas, KFRU, Columbia, Mo.; "Woody" Woods, WHO, Des Moines, Iowa; E. C. Woodward, KFNF, Shenandoah, Iowa; John Bohn, KMOX, St. Louis; Merle S. Jones, KMOX, St. Louis; Arthur Casey, KMOX, St. Louis; J. Soulard Johnson, KMOX, St. Louis; Don Searle, KOIL, Omaha, Neb.; KMMJ, Grand Island, Neb.; and KFAB, Lincoln, Neb. In addition Edgar Bill, Chairman of the NAB Code Compliance Committee and President of WMBD, Peoria, Illinois, and Gerner Bath, Public Relations Director of KMBD; Morris Blink of Standard Radio were in attendance.

The Sales Managers of NAB stations in the 10th District, embracing stations in Iowa, Missouri and Nebraska, held a most interesting session at the Hotel Chase in St. Louis on Friday, June 7. Recommendations respecting some of the subjects discussed were adopted by the Sales Managers for consideration by the members of the Tenth District who convene for a general business session and the election of a Director at the Hotel Chase on Saturday the 8th. Those in attendance at the Sales Managers meeting were:

John W. Bohn, KMOX, St. Louis; L. O. Fitzgibbons, WOC, Davenport, Iowa; Mike Carmichael, KWK, St. Louis; John J. Gillen, WOW, Omaha, Nebraska, Director of the 10th NAB District; Ray Dady, KWK, St. Louis; Chas. A. Kennedy, KVFD, Fort Dodge, Iowa; Bill Durney, WIL, St. Louis; Wm. B. Quarten, WMT, Cedar Rapids, Iowa; Claude C. Rock, WIL, St. Louis; J. "Cy" Rapp, Shenandoah, Iowa; Don Searle, KOIL-KFAB-KMMJ, Omaha, Lincoln and Grand Island, Nebraska; Bob Convey, KWK, St. Louis; Harold Fulton and Hale Bondurant of WHO, Des Moines, Iowa, and Craig Lawrence of KSO-KRNT, Des Moines, who presided over the session. C. E. Arney, Jr., Assistant to President Neville Miller, represented the headquarters staff at the session.

District 12

The broadcasters of Kansas and Oklahoma, comprising the Twelfth District of the National Association of Broadcasters, met in the Farmers and Bankers Life Building—home of Station KFBI in Wichita—on Sunday, June 9.

Neville Miller, President of NAB, reported upon the various activities of the Association and extended discussion, in which most of the delegates joined, was held. The conference went on record as desiring a thorough study made by the National Association of the matter of Daylight Savings and its effect upon the program and commercial phases of radio. The purpose is to se-

cure facts upon which constructive action may be based.

Carl Haverlin, Stations Relations Director of Broadcast Music, Inc., of New York City, presented through a series of charts and graphs the progress made by BMI in building up a supply of music for the use of broadcasters. This study also demonstrated in convincing manner, the limits of broadcaster's music requirements. There was lively interest on the part of all present and following the discussion several stations, not previously allied with BMI, expressed their intent to join. The conference adopted a resolution unreservedly endorsing BMI and urging wider support.

Following a luncheon at the Wichita Club at which talent from Radio Station KFBI presented a most delightful entertainment program, the delegates resumed their business session. Herbert Hollister, General Manager of KFBI, Wichita, was unanimously re-elected as 12th District Director for the ensuing two-year term.

The following were present:

H. K. Lindsley, Farmers and Bankers Life Insurance Co.; Herbert Hollister, KFBI; Jack Todd, KANS; Plez Clark, KFH; Mrs. W. H. Reitz, KVAK; J. C. Denious, KGNO; K. W. Trimble, KTSW; Clem Morgan, KVGB; Ellis Atteberry, KCKN; R. J. Laubengayer, KSAL; Ben Ludy, WIBW; Milton B. Garber, KCRC; M. H. Bonebrake, KOCY; Neal Barrett, KOMA; Owen Balch, KSAL; Vernon Reed, KFH; Don Searle, KOIL; Frank Lynch, WBBZ; Mrs. Adelaide L. Carrell, WBBZ; Phil McKnight, WIBW; Ken Douglass, KTOK; Clark Luther, KFH; K. W. Pyle, KFBI; John Schilling, WHB; Nelson Rupard, WHB; Clarence Rupp, KFBI; Leroy Stokely, KFBI; Vern Minor, KVAK; Neville Miller, NAB; C. E. Arney, Jr., NAB; Carl Haverlin, Broadcast Music, Inc., and Milton Blink, Standard Radio.

District 14

Nineteen of twenty-four NAB member stations were present at the Fourteenth District Meeting in Salt Lake City, June 12. The meeting passed unanimously a resolution endorsing BMI and praising its progress and accomplishments. Four stations—KVOD, Denver; KDYL, Salt Lake; KIDO, Boise, and KEUB, Price, Utah—signed BMI subscriptions in open meeting. Gene O'Fallon, KFEL, Denver, was unanimously reelected director. Earl Glade, KSL, Salt Lake, member of the NAB Code Compliance Committee, made stirring appeal for united support on part of industry of Code provisions, especially those dealing with controversial issues. He pointed out that emergency situation placed heavy responsibility on broadcaster and extreme care was needed to further national interest. The meeting lasted all day and included lunch under auspices of sales managers with Walt Wagstaff, KDYL, in charge.

Sales

RETAILERS TO "TRY" RADIO

The NAB Sales Managers' Division, in cooperation with the Bureau of Radio Advertising, is progressing

rapidly with plans for NAB participation in the forthcoming NRDGA and AFA conventions.

The National Retail Dry Goods Association, which convenes at the Palmer House, Chicago, June 17-20, has asked the Bureau to put on another "Radio for Retailers" session. The meeting, scheduled for Wednesday morning, June 19, will take the form of a "mock trial by jury" on the question "Can Radio Help the Retailer Fortify for the Forties?". A panel of six or more prominent broadcasters and retail executives will serve as combination jury and expert witnesses. NAB members are welcome at the discussion and a printed transcript will later be made available, similar to the "Radio Transcript" recently published by the NRDGA.

NAB Plans "Radio Night" at AFA Convention

Plans for NAB participation in the Advertising Federation of America convention, which meets at the Hotel Sherman, Chicago, June 23-27, include the usual Sales Managers' departmentals the mornings of June 24 and 25, and an elaborate Radio Cabaret entertainment the evening of June 25. All Chicago member stations and the networks are contributing talent and special acts, and the networks will also provide an orchestra for dancing in compliment to the AFA and its members.

William R. Cline, commercial manager of WLS, Chicago, and chairman of the NAB Sales Managers' Division, is in charge of general arrangements with Jules Herbuviaux, NBC, as chairman of the Program Committee, and Oren Weaver, CBS, heading the Program Promotion Committee.

Stations to Salute AFA Members

The Bureau of Radio Advertising has suggested to all member stations that they arrange local "salute" broadcasts tying in with the AFA's 36th Annual Convention. The AFA is composed largely of local advertising clubs throughout the country and the theme of this year's meeting is "Advertising's Contribution to the American Way of Living".

The broadcasters will present one or more programs to honor advertising and advertising men and what they have done to reduce cost of goods, step up distribution, raise living standards and promote prosperity. Local AFA delegates and advertising club officials will be heard on the broadcasts, which will be scheduled the week immediately following the AFA convention.

The Bureau's letter points out the advantages of capitalizing on the national promotion, doing a double-barrel job of building good will among advertisers and listeners and providing an effective answer to the consumer movement as it affects the radio medium. Chicago stations and networks are already planning similar salute broadcasts to the AFA and its affiliated Chicago Federation of Advertising Clubs.

Promotion

RMA CONVENTION

A new horizon for listening (circulation) was opened to broadcasters this week, in Chicago, at the 16th annual convention of the Radio Manufacturers Association and the Radio Parts National Trade Show. The horizon is to be extended with a new pocket size radio set weighing only twenty-six (26) ounces.

It is the brain child of Arthur T. Haugh, Glendale, Cal., a former president of the RMA and one of its founders. General use of the set which is expected to sell at ten dollars, retail, would add millions of hours of program listening per day.

On a broadcast over WENR and NBC-Blue Wednesday (June 12) night, Dr. O. H. Caldwell, former radio commissioner, and editor of "Radio Today," praised the radio industry campaign to increase listeners and listening. He concurred in NAB's contention that there are so many good things on the air that the listening level, both daytime and nighttime, will attain a new plateau if extra effort is made to induce the purchase of additional sets.

James S. Knowlson, president, Stewart-Warner Corporation, Chicago, was elected new president of RMA on Wednesday. Retiring president was A. S. Wells, president, Wells-Gardner & Company, Chicago.

Four vice presidents elected to office were: Paul V. Galvin, president, Galvin Manufacturing Corporation, (Motorola), Chicago; Roy Burlew, president, Ken-Rad Tube and Lamp Corporation, Owensboro, Ky.; H. E. Osmun, vice-president, Centralab, Milwaukee; and Donald MacGregor, general manager, The Webster Company, Chicago.

Leslie F. Muter, president, The Muter Company, Chicago, was re-elected treasurer.

PICNIC CLIMAX TO WWVA FESTIVAL

By proclamation of Mayor John J. Mathison, the City of Wheeling is celebrating Radio Festival, June 10-16.

Always on the alert to sell radio to the good townfolk, WWVA is exerting greater effort in that direction during the special week set aside to honor radio in general and WWVA in particular.

In Wheeling store windows, special Board of Trade window cards are saluting the city's voice of the air. Open house is being observed at the WWVA studios and listeners may sit in on their favorite broadcasts.

To climax the big week a Jamboree picnic is to be held at Wheeling Park, the playground of the Ohio Valley with a ball game between the WWVA staff and entertainers as the big feature. The game will be broadcast as a demonstration of "Little WWVA," popular station mobile unit which will also pick up the various regular shows presented throughout the day at the park.

For Saturday night, June 15, Texas Bill Thomas, known the country over as master of ceremonies of the famous WWVA Jamboree, has arranged two bangup performances for the Wheeling Municipal Auditorium. Sunday, June 16, there will be a special broadcast of the 200-voice Industrial Chorus from the amphitheater at Oglebay Park and the week will be brought to a grand

climax with the Sunday afternoon coast-to-coast broadcast of Wheeling's own network show "It's Wheeling Steel," direct from the auditorium of Wheeling's Capitol Theater through WWVA.

WIBW AWARDS FESTIVAL CASH

Sixteen-year-old Lynn Pittaway, a junior in the Hodgeman County High School, Jetmore, Kansas, won the WIBW, Topeka, essay contest.

Ben Ludy, station manager, awarded twenty-five dollars to the winner and the same amount to his school. The next fifty runners-up received one dollar each.

Lynn's essay will now compete for the NAB hundred dollar award.

2,500 PARTICIPATE IN FESTIVAL AT KQW

Over 50 quarter hour programs, featuring school orchestras and bands, glee clubs, choruses, discussion and forum groups and dramatic classes and more than 2,500 of San Jose's 10,000 school students took part in the National Radio Festival.

KQW's manager, C. L. McCarthy, said that the educational project was one of the most ambitious ever undertaken in radio. For five consecutive Saturdays, May 4-June 1, the station turned its entire operation over to the San Jose school students from nine until noon.

WHBF PROMOTES CIRCULATION

WHBF, Rock Island, Ill., through Ivan Streed, production manager, reports: "We have been using auto radio and Radio Servicemen of America announcements for quite some time and will continue to do so."

Miscellaneous

INSURANCE COMMITTEE

Roger W. Clipp, WFIL, chairman of the NAB Insurance Committee, sends the following report on a June 5 meeting in New York:

Committee members present were: William I. Moore, WBNX; C. A. Wall, National Broadcasting Company; J. R. Poppele, WOR; C. R. Dean, Columbia Broadcasting System; and R. W. Clipp, WFIL, chairman. Also present were Benjamin W. Blakey, of Benedict and Benedict, Insurance, New York; and Brian B. Kane, Insurance Company of North America.

The Committee adopted the following plan for handling the insurance problems of broadcasters:

1. Determine the various types of insurance carried by the majority of broadcasters.
2. Outline the types of risks covered by insurance which is now available to broadcasters.
3. Get the insurance companies to standardize the insurance policies for broadcasters.

It will be necessary to prepare a detailed but simple questionnaire to send to the membership to gather information which will be used as a starting point. Having secured this, we will proceed on the other points outlined

above. Regarding detailed data, the committee will work with the Edison Institute—the organization which functions for all of the public utilities on insurance matters.

This report which you will publish I think should serve the purpose of notifying the membership that the committee is in action and working on the insurance and that we will continue to pursue it as quickly as time will permit.

There is a great deal of information which we must collect before we can accomplish the most important point which is standardization of risks as it applies to broadcasting stations. We find that many broadcasters are almost totally unfamiliar with the fact that in the first place they are subject to many risks that they know nothing about, and that there exists types of insurance to cover most—if not all—of these risks. We also discovered that insurance companies on the other hand are not too familiar with the problems of broadcasters so there exists a good opportunity to do an educational job in all directions.

PORTER TO NATIONAL DEFENSE

Paul Porter was today appointed Executive Assistant to Mr. Chester C. Davis, member of the National Defense Advisory Commission responsible for accommodating national agricultural problems and policies to the defense program, particularly with respect to maintenance of the parity system of agricultural and industrial prices.

Mr. Porter, Washington Attorney for the Columbia Broadcasting System, has been granted a leave of absence to join Mr. Davis' staff. He was Executive Assistant to Mr. Davis when the latter was Administrator of the Agricultural Adjustment Administration.

Mr. Porter's responsibilities will involve close contact with various Government agencies such as—Office of the Secretary of Agriculture, the Surplus Commodities Corp., the Bureau of Agricultural Economics, the Agricultural Adjustment Administration, Reconstruction Finance Corp., and the Red Cross.

EDDIE CARTER, RUTH HILL

Station KVOS, Bellingham, Washington, would like to know the whereabouts of Eddie Carter and Ruth Hill.

STATE LEGISLATION

LOUISIANA:

H. 778 (Barranger) RACE TRACK INFORMATION—To repeal act 28 of the 1st Special Session of 1934 as amended by act 13 of the 2nd Special Session of 1934 relating to information pertaining to any race track.

836 STATIONS

During the month of May, 1940, the Federal Communications Commission issued operating licenses to four stations, and granted twelve permits for the construction

of new stations. Two stations were deleted. A comparative table by months follows:

	June 1	July 1	Aug. 1	Sept. 1	Oct. 1	Nov. 1	Dec. 1	Jan. 1	Feb. 1	Mar. 1	April 1	May 1	June 1
Operating	735	735	738	739	743	751	755	765	769	771	775	779	783
Construction	38	43	56	59	57	58	57	49	48	51	48	47	53
	773	778	794	798	800	809	812	814	817	822	823	826	836

The Commission

FLY DISCUSSES AMATEURS AND TELEVISION PROGRESS

Questioned at a press conference early this week, FCC Chairman James Lawrence Fly said that it is possible that something further may have to be done in connection with the amateurs and the present war situation.

He pointed out that he was pretty sure, for example, that the Commission would give serious attention to the question of the citizenship of applicants. While he was speaking particularly of amateurs, he inferred that this might be carried further. In an application the Commission simply asks "Are you a citizen?", and heretofore the Commission has simply taken the applicant's word for it. Now, however, he said the Commission wants proof of citizenship, not only for amateurs but for others as well. He said, for instance, that the Commission wants enough information to establish citizenship beyond any doubt and also as a means of quick reference.

Chairman Fly told the newsmen that he has recently conferred with a limited number of television companies and applicants with a view to assisting in research and programs. He said that he hasn't had conferences with any of the television manufacturers with a view to reaching an agreement. In the first place, Mr. Fly said, the Commission is anxious to see stations get going and for the Commission to get those grants out and programs started. That is the Commission's first order of business as regards television. He said that he will continue to confer on programs of experimental and coordinating nature. As this narrows down, he will get to the question of standards.

STATION LICENSES EXTENDED FOR TREATY REALLOCATIONS

In order to permit further studies of the frequency assignments to stations under the North American Regional Broadcast Agreement, the FCC today extended standard broadcast station licenses expiring August 1 for an additional two months, to October 1. The Commission will announce at a later date the procedure with respect to the licensing of facilities which will be available under the provisions of this agreement.

Today's order applies to all standard broadcast stations, and automatically extends the expiration date of all licenses for which applications for renewals have been filed. Modified licenses to cover the new expiration date will not be issued.

Licensees who have not as yet submitted renewal applications are notified that in order to permit operation after August 1 applications for renewal, based on the present authorized facilities, must be filed. However, if an application for renewal covering the period beyond August 1 has been filed, it will not be necessary to re-file such application under the provisions of today's order.

Licensees are required to post the Commission's order attached to their licenses in accordance with the rules governing posting of licenses.

MINIMUM OPERATING SCHEDULES

The recent amendment to Section 3.71 of the FCC's Rules covering minimum operating schedule (NAB REPORTS, June 7, 1940, p. 4315) is intended merely to clarify the meaning of that section. Some stations have been operating under a mistaken interpretation of the rule and find it burdensome to make the required change in operating schedule at once. NAB suggests that such stations request of the Commission an extension of time within which to comply.

EARLY MORNING BROADCAST SERVICE FOR RURAL AREAS

Early morning broadcast service to many rural sections now denied such service is invited by Federal Communications Commission action in authorizing daytime and limited-time standard broadcast stations to begin operation at 4 a. m., local standard time.

Many farmers and other dwellers in rural areas arise before sunrise and in the past have had to rely upon distant broadcast stations for program service. The new ruling, announced today, will permit local stations generally to start broadcasting earlier, thus furnishing farm communities with general news and vital information concerning local weather conditions and agricultural market reports at the beginning of the work day.

Although some interference may result from this new opportunity to broadcast between the hours of 4 a. m. and sunrise, the Commission believes that the overall effect of its order will be to benefit particularly those residents of farming areas who have heretofore not had such early local program service.

The new order of the Commission does not change any of the rules and regulations regarding standard broadcast operations which apply to the regular broadcast day, which is defined as that period of time between local sunrise and 12 midnight local standard time. Additional hours are granted during the experimental period which is defined in Section 3.10 of the Commission's rules as

that time between midnight and local sunrise; consequently, any interference which may result to standard broadcasting will be experienced chiefly during the "experimental period."

ORDER NO. 74

At a meeting of the Federal Communications Commission held in its offices at Washington, D. C., on the 7th day of June, 1940:

Pursuant to authority contained in Section 303 of the Communications Act of 1934, as amended,

It is ORDERED, That pending further Order of the Commission or amendment of the Rules and Regulations:

(a) the provisions of Sections 3.6, 3.8, 3.9, 3.23, 3.79 and 3.84 shall not prohibit the operation between four o'clock a. m., local standard time, and local sunrise, of standard broadcast stations licensed to operate during day time hours or limited time hours;

(b) nothing contained in outstanding instruments of authorization for such stations shall prohibit such operation;

(c) the period 4:00 a. m. to 6:00 a. m., local standard time, shall not be included in determining compliance with Sec. 3.71 (as amended June 4, 1940) of the Commission's Rules and Regulations.

This Order shall become effective immediately.

FEDERAL COMMUNICATIONS COMMISSION,

T. J. SLOWIE,
Secretary.

FROM THE FCC MAIL BAG

Recent events prompt the Federal Communications Commission to reiterate that, having no authority to censor radio programs, it can neither put anybody off the air nor on the air.

In the matter of broadcast time for candidates for public office, the Communications Act specifies: "If any licensee (station) shall permit any person who is a *legally qualified* candidate for public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting stations. . . ." and shall have "no power of censorship" over the material so broadcast. However, there is no requirement that the station must give such time in the first place, for Section 315 of the Act stipulates: "*No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate.*" (This subject was covered in detail in a general information release, "Campaign Use of Radio," issued March 11th last, copies of which are available for the asking.)

Under the statute injunction against interference with individual radio programs, the Commission has had to advise inquirers that it is equally without authority to—

Censor statements of radio commentators, as requested by a New York man.

Require a national network to grant time to a Florida man to discuss national defense.

Deny the radio to "pressure groups interested in involving the United States in the present European conflict," as demanded by a New York woman.

Accede to request by a California woman that "pressure be put on radio stations to allow only 'sane' and 'un-biased' programs, which cut out all propaganda for war."

Pass on the type of wording of advertising announcements, as suggested by many listeners.

Likewise, the Commission has no authority to handle a New Orleans request that a radio station be made to employ six musicians instead of a trio.

Take action on complaint of a Peoria, Illinois, property owner relating to the height of his neighbor's aerial.

Help a New York woman develop a radio device for detecting and destroying enemy planes—or perfect a District of Columbia inventor's radio horn.

Radio station WSUI, Iowa State University, requested, and was given permission, to reproduce FCC's general information release of May 14th, "Radio Broadcasting Explained," for public distribution.

Incidentally, FCC's first printed general information booklet, "An ABC of the FCC," 13 pages in pocket size, is now being distributed on request.

TIME SIGNAL BROADCASTING

Notice to All Broadcast Station Licensees:

Subject: *Rebroadcast of Naval Observatory Time Signals.*

(This supersedes Notice on same subject under date of February 9, 1940.)

Under date of February 9, 1940, the Commission announced that upon request any broadcast station showing compliance with the following conditions would be authorized to rebroadcast Naval Observatory Time Signals:

(1) Announcement of the time signal must be made without reference to any commercial activity;

(2) The time signal to be rebroadcast must be obtained by direct reception from a Naval radio transmitter which is broadcasting the time signal;

(3) The Naval Observatory time signals are intended to be sufficiently accurate for astronomical and other scientific purposes. No time may, therefore, be announced as a Naval Observatory time signal if any time lag has been introduced.

In order to meet requirements (2) and (3), it is necessary that the Naval Observatory time signals be obtained by direct reception from a Naval radio station which is transmitting the time signal with relatively short circuits between the receiver and the broadcast transmitter. This required that stations which formerly obtained the time signals from the networks either discontinue the practice or make provisions for direct reception. A number of stations made such provisions; however, still others did not and, as a consequence, a large number of complaints have been received by both the Navy Department and the Commission in regard to the discontinuance of the rebroadcast of these time signals.

The original requirements were made in order that the accuracy of the time signals might be improved so as to be acceptable for normal scientific purposes. However, upon receipt of the complaints mentioned above, this question was restudied and it appears that the time signals as transmitted by the various broadcast stations whether obtained by direct reception or by means of telephone lines, either local or national networks, are

entirely satisfactory for the purposes of the average user provided no mechanical relays are used. Therefore, effective this date any broadcast station so desiring is hereby authorized to rebroadcast the Naval Observatory time signals or transmit the signals received from other sources provided no mechanical relays are used and that announcement of the time signal is made without reference to any commercial activity. Each licensee receiving the signals from wire lines should obtain and be prepared to inform any inquirers as to the actual time delay in transmission.

Persons requiring more accurate time signals should make provision for direct reception from Naval radio stations as shown in the following tabulation. Corrections, additions, and other information in this regard are published weekly in the Hydrographic Bulletin which may be obtained upon request from the Hydrographic Office, Navy Department, Washington, D. C.

T. J. SLOWIE, *Secretary.*

SCHEDULE OF NAVY STATIONS TRANSMITTING NAVAL OBSERVATORY TIME SIGNALS

Time (Eastern Standard)	Station	Call Sign	Frequency in kilocycles and type of emission. A1 unless otherwise noted	Remarks
P.M. P.M.				
7:55 to 8:00	Washington, D. C.	NAA	113	*
8:55 to 9:00	Washington, D. C.	NAA/NSS	113; 4390; 9425; 12630	*
9:55 to 10:00	Washington, D. C.	NAA/NSS	113; 4390; 9425; 12630	*
	San Francisco, Cal.	NPG	42.8; 113; 9090; 12540	*
				(NPG broadcasts from crystal clock corrected from Naval Observatory.)
10:55 to 11:00	Washington, D. C.	NAA/NSS	9425	*
	Oahu (Honolulu)	NPM	113; 9090; 12540	*
11:25 to 11:30	Cavite, P. I.	NPO	113; 9250; 12630	*
11:55 to 12:00	Washington, D. C.	NAA	113; 9425	*
	Balboa, C. Z.	NBA	113; 4390; 9250	*
A.M. A.M.				
12:55 to 1:00	Washington, D. C.	NAA	113; 9425	*
1:55 to 2:00	Washington, D. C.	NAA	113; 9425	*
2:55 to 3:00	Washington, D. C.	NAA	113; 4390; 9425; 12630	*
	San Francisco, Cal.	NPG	42.8	**
3:55 to 4:00	Washington, D. C.	NAA	113; 4390; 9425; 12630	*
4:55 to 5:00	Washington, D. C.	NAA	113; 4390; 9425; 12630	*
5:55 to 6:00	Washington, D. C.	NAA	113	*
6:55 to 7:00	Cavite, P. I.	NPO	113; 9250; 12630	*
	Washington, D. C.	NAA	113	*
7:55 to 8:00	Washington, D. C.	NAA	113; 9425	*
8:55 to 9:00	Washington, D. C.	NAA/NSS	113; 9425; 12630; 17370	*
9:55 to 10:00	Washington, D. C.	NAA/NSS	113; 9425; 12630; 17370	*
	San Francisco, Cal.	NPG	42.8; 113; 9090; 12540	*
				(NPG broadcasts from crystal clock corrected from Naval Observatory.)
10:55 to 11:00	Washington, D. C.	NAA/NSS	9425	*
	Oahu (Honolulu)	NPM	113; 9090; 12540	*
11:55 to 12:00	Washington, D. C.	NAA	17.8; 113; 9425	*
	Balboa, C. Z.	NBA	113; 4390; 9250	*
	San Francisco, Cal.	NPG	42.8	**
P.M. P.M.				
12:55 to 1:00	Washington, D. C.	NAA	113	*
1:55 to 2:00	Washington, D. C.	NAA	113; 9425	*
2:55 to 3:00	Washington, D. C.	NAA	113; 9425; 12630; 17370	*
	Oahu (Honolulu)	NPM	113; 9090	*
	T. H.	NPM	42.8; 113	**
	San Francisco, Cal.	NPG	42.8; 113	**
3:55 to 4:00	Washington, D. C.	NAA	113; 9425; 12630; 17370	*
4:55 to 5:00	Washington, D. C.	NAA	113; 9425; 12630; 17370	*
5:55 to 6:00	Washington, D. C.	NAA	113; 9425	*
6:55 to 7:00	Washington, D. C.	NAA	113; 9425	*
	San Francisco, Cal.	NPG	42.8	**

* First-order time signals.—These are precision time signals for chronometer rating and scientific use, normally correct as broadcast to less than one-tenth of a second. The average error of the Washington time signals has been reduced to less than .02 of a second.

** Second-order time signals.—These are time signals for chronometer rating and ordinary use, normally correct as broadcast to less than five-tenth of a second, having a generally constant lag.

In the event of a failure or an error occurring in any of the time signals, except the rebroadcast of Washington time signals at San Francisco and Pearl Harbor, T. H., another time signal will be transmitted 1 hour later on the same frequency. San Francisco in the event of a failure or error occurring in the Washington time signal, will transmit a time signal from the clock at that point.

FCC WARNING

The FCC on June 8 issued a sharp warning to all United States ship radio operators and to station licensees, that superfluous, unnecessary, or unidentified communications from ship stations to other ships or to shore stations will not be tolerated and that violation in this respect will be vigorously prosecuted.

FEDERAL COMMUNICATIONS COMMISSION

FINAL ORDERS

FCC has announced adoption as final its Proposed Findings of Fact and Conclusions, as modified, granting the applications of Ben S. McGlashan, **Los Angeles, Calif.**, for renewal of license of High Frequency Broadcast Station W6XKG, and granting renewal of license of High Frequency Broadcast Station W6XRE, in part, in so far as it requests authority to use the frequency **350,000 kilocycles**, with power of 500 watts, and denied in so far as it requests authority to use the frequencies **42,300 kilocycles** and **116,950 kilocycles**. The authority granted for the operation of these stations is subject to the conditions that the applicant will supply satisfactory proof that he has a program of research and experimentation which is within the purview of Section 4.112 of the Commission's Rules and Regulations, and that the authorizations issued are upon an experimental basis only and subject to change or cancellation by the Commission at any time, without advance notice or hearing.

FINDING OF FACT

Denial of the application for renewal of license for Station KRKO, located at **Everett, Washington**, operated by Lee E. Mudgett on **1370 kilocycles**, with 50 watts power, sharing time with KEEN at Seattle, has been announced by the FCC.

The Commission in its Proposed Findings of Fact and Conclusions, held that "the licensee, in the conduct of business and the exercise of rights associated with the operation of Station KRKO, has been dominated and directed by various persons who have provided funds in substantial amounts for the original acquisition of the station in 1934 and for its subsequent maintenance and operation . . . and the granting of the application for renewal of license for KRKO will not serve public interest, convenience or necessity."

Action of the Commission with reference to the granting of applications for renewal of licenses of stations in

the radio broadcast service is by the express provisions of the Communications Act limited to and governed by the same considerations and practice which affect the granting of original applications.

"Neither the letter nor the spirit of the licenses heretofore granted to Lee E. Mudgett for the operation of station KRKO has been observed," the Commission explained, and "inasmuch as he has not been free to exercise the rights conferred therein, or to accept the responsibility thereby delegated to him, without intervention of outside influences, the granting of the application for renewal of license will not serve public interest, convenience or necessity."

In addition to the application for renewal of license, the licensee applied for construction permit to move antenna site locally, install new equipment and vertical radiators, change operating assignment from 50 watts sharing equally with KEEN, Seattle, to 100 watts night, 250 watts until local sunset, with unlimited hours of operation, and to voluntarily assign the KRKO license to The Everett Broadcasting Company, Inc.

In view of the foregoing conclusions the applications for assignment of license and construction permit will be dismissed.

FEDERAL COMMUNICATIONS COMMISSION DOCKET

No hearings or oral arguments are scheduled to be heard before the Commission in broadcast cases during the week beginning Monday, June 17.

FEDERAL COMMUNICATIONS COMMISSION ACTION

APPLICATIONS GRANTED

- KGY—Louis Wasmer, Olympia, Wash.—Granted consent to control of corporation KGY, Inc., from Louis Wasmer to Tom Olsen, involving 52½ shares of outstanding capital stock of licensee corporation, for a consideration of \$9,291. (Station operates on 1210 ke., 100 watts, unlimited except when station KTW is operating.) B5-TC-213.
- KWJB—Sims Broadcasting Company, Globe, Ariz.—Granted consent to voluntary assignment of license from Sims Broadcasting Company (Bartley T. Sims, Manager) to Bartley T. Sims, d/b as Sims Broadcasting Company. Station operates on 1210 ke., 250 watts, unlimited time (B5-AL-269).
- KWJB—Sims Broadcasting Company, Globe, Ariz.—Granted renewal of license for the period ending August 1, 1940 (B5-R-840).
- KTBG—State Capital Broadcasting Assn., Inc., Austin, Tex.—Granted extension of present license upon a temporary basis only for the period ending August 1, 1940, subject to all of the terms and conditions of the order of revocation entered February 7, 1940, and subject further to final determination of the Commission on said order (B3-R-1007).

DESIGNATED FOR HEARING

- North Jersey Broadcasting Co., Inc., Paterson, N. J.—Application for construction permit for new station to operate on 900 ke., 1 KW, daytime hours (B1-P-2624).
- KRLC—H. E. Studebaker, Lewiston, Idaho.—Application for modification of license to change frequency from 1390 to 1370 ke., contingent upon application of KUJ.* (B5-ML-902).
- KUJ—KUJ, Inc., Walla Walla, Wash.—Application for construction permit to move transmitter, exact site to be determined subject to Commission's approval; install new transmitting equipment and antenna; change frequency from 1370 to 1390 ke.; and increase power from 100 watts to 1 KW, contingent upon application of KRLC for modification of license (B5-P-2610).*
- KYOS—Merced Broadcasting Co., Merced, Calif.—Application for construction permit to install new transmitting equipment; make changes in ground system; change frequency from 1040 to 1390 ke.; increase power from 250 watts to 500 watts night, 1 KW LS, and operating time from day only to unlimited (contingent upon the granting of KOY's application for change of frequency from 1390 ke. to 550 ke.)* (B5-P-2545).

*Hearing to be combined with two applications from Riverside, Calif., already designated.

MISCELLANEOUS

- WLOF—Hazlewood, Inc., Orlando, Fla.—Granted modification of construction permit which authorized new station, for approval of antenna and transmitter site, change location of studio, and install new transmitter; tower to be painted and lighted in accordance with Sec. 3.45(d); upon the express condition that this grant shall not be construed as a finding by the Commission upon the application of Radio Corp. of Orlando requesting the same facilities, nor upon the application for license to operate Station WLOF when the construction of same has been completed, nor upon any of the issues involved therein, nor that the Commission has found that operation of this station is, or will be, in the public interest beyond the express terms hereof (B3-MP-971).
- KTMS—News-Press Publishing Co., Santa Barbara, Calif.—Granted authority to determine operating power by direct measurement of antenna input (B5-Z-403).
- WKBN—WKBN Broadcasting Corp., Youngstown, Ohio.—Granted special temporary authority to operate from 9 a. m. to 11 a. m. and from 1 p. m. to 3 p. m., EST, on July 4, 1940, in order to broadcast holiday program (provided WOSU remains silent).
- KFRU—KFRU, Inc., Columbus, Mo.—Granted special temporary authority to operate simultaneously with Station WGBF with power reduced to 250 watts from local sunset (June 7:30 p. m., CST) to the conclusion of special baseball games on June 14 and 21, 1940, in order to broadcast baseball games only.
- WGBF—Evansville on the Air, Inc., Evansville, Ind.—Granted special temporary authority to operate as above except simultaneously with KFRU, in order to permit KFRU to broadcast baseball games.
- KOAC—Oregon State Agricultural College, Corvallis, Ore.—Granted special temporary authority to operate from 9 a. m. to 1 p. m. and from 6 p. m. to 10 p. m., PST, for the period July 1, 1940, to not later than July 30, 1940 (instead of unlimited time as licensed) in order to observe the regular vacation period.
- WFDF—Flint Broadcasting Co., Flint, Mich.—Granted petition to amend application for construction permit requesting change in frequency from 1310 to 880 ke., and power from 100 watts to 1 KW, unlimited time, to modify proposed directional antenna.
- Oscar Kronenberg, Steubenville, Ohio.—Granted petition to dismiss without prejudice application for new station to operate on 1310 ke., 250 watts, unlimited time.
- WQXR—Interstate Broadcasting Co., Inc., New York, N. Y.—Granted modification of construction permit for new equipment, move of transmitter, and increase in power, for approval of antenna and transmitter site, provided tower is marked in accordance with Sec. 3.45(d).
- WARM—Union Broadcasting Co., Scranton, Pa.—Granted modification of construction permit authorizing new station, to install new type of transmitter (B2-MP-985).

Arlington Broadcasting Corp., Arlington, Va.—Denied as in case of default the application for construction permit for new broadcast station at Arlington, Va., to operate on **1430 kc.**, 250 watts, 250 watts LS, unlimited time.

WGAR—WGAR Broadcasting Co., Cleveland, Ohio.—Granted special temporary authority to operate from 9:30 p. m. to 3 a. m., EST, the night of June 8, 1940, with power of 5 KW, non-directional, for the purpose of broadcasting the Greater Cleveland Red Cross Program, designed to raise funds for European relief.

KFRU—KFRU, Inc., Columbia, Mo.—Granted special temporary authority to operate simultaneously with Station WGBF with power reduced to 250 watts, from 9:30 p. m. to 10 p. m., CST, on June 27, 1940, in order to broadcast a special baseball game.

WGBF—Evansville on the Air, Inc., Evansville, Ind.—Granted special temporary authority to operate as above except simultaneously with KFRU in order to permit KFRU to broadcast a special baseball game only.

W2XOY—General Electric Co., Schenectady, N. Y.—Granted special temporary authority to relay through high frequency broadcast station W2XOY the frequency modulated programs of high frequency station W2XMN, for the period ending in no event later than July 1, 1940.

WHKC—United Broadcasting Co., Columbus, Ohio.—Denied special temporary authority to operate unlimited time for the period beginning June 24, 1940, to the conclusion of the Republican National Convention and for the period beginning July 15, 1940, to the conclusion of the Democratic National Convention, in order to broadcast the Mutual Broadcasting System's programs covering said conventions.

W10XKT—Allen B. Du Mont Laboratories, Inc., New York, N. Y.—Granted special temporary authority to operate portable-mobile television transmitter described in application (File No. B1-PVB-28) on channels **156 to 168 mc.**, for the period ending in no event later than January 1, 1941.

WSAJ—Grove City College, Grove City, Pa.—Granted special temporary authority to remain silent for the period beginning June 12, 1940, and ending not later than August 1, 1940, in order to observe college vacation.

WKEU—Radio Station WKEU, Griffin, Ga.—Granted special temporary authority to operate from 6:45 p. m. to 12 p. m., CST, on June 16, 17, 18, and 19, 1940, in order to broadcast programs celebrating Griffin's Centennial, sponsored by the Chamber of Commerce.

WINS—Hearst Radio, Inc., New York, N. Y.—Granted special temporary authority to operate from 9:15 p. m. to midnight, EST, on July 11, 1940, in order to broadcast the All-Star Boxing Show for the benefit of the New York City Milk Fund.

WNBI—National Broadcasting Co., Bound Brook, N. J.—Granted authority to add frequency **11820 kc.** to present licensed frequencies (which are **6100** and **17780 kc.**, 35 KW, unlimited time on **6100 kc.**, and shares with WPIT on **17780 kc.**). This special authorization is granted for the period ending Nov. 1, 1940, upon a temporary basis only upon the express condition that it is subject to change or cancellation by the Commission at any time without advance notice or hearing, and that no interference is caused to stations of the British Administration. Nothing herein shall be construed as finding that the operation of station upon frequency **11820 kc.** is or will be in the public interest beyond the express terms hereof.

WFMD—The Monocacy Broadcasting Co., Frederick, Md.—Granted special temporary authority to operate from 7:45 p. m. to midnight, EST, on June 11, 1940, in order to broadcast election returns only, using 100 watts power.

KFRO—Voice of Longview, Longview, Tex.—Granted special temporary authority to operate with power of 250 watts from 7:30 p. m., CST, to the conclusion of political rallies on June 20, 21, 22, 24, 25, 26, and 27, 1940.

KFRU—KFRU, Inc., Columbia, Mo.—Granted special temporary authority to operate simultaneously with station WGBF with power reduced to 250 watts from 8 p. m. to 9:30 p. m., CST, on June 20, 1940, in order to permit WGBF to broadcast the Louis-Godoy fight.

WGBF—Evansville on the Air, Inc., Evansville, Ind.—Granted special temporary authority to operate as above except simultaneously with KFRU, in order to broadcast the Louis-Godoy fight.

WMRO—Martin R. O'Brien, Aurora, Ill.—Granted special temporary authority to operate with power of 100 watts from

local sunset (June 7:30 p. m., CST) to 9 p. m., CST, on June 16, 1940, in order to broadcast the Civic Patriotic anniversary program of the Luxemburger Hall in Aurora.

WEAU—Central Broadcasting Co., Eau Claire, Wis.—Granted special temporary authority to operate from 8 p. m. to midnight, CST, on June 14, 1940, in order to broadcast the National Flag Day celebration being sponsored by the Elks Clubs of Eau Claire and Chippewa Falls.

APPLICATIONS FILED AT FCC

590 Kilocycles

NEW—West Publishers, Inc., Corpus Christi, Tex.—Construction permit for new broadcast station to be operated on **590 kc.**, 500 watts night, 1 KW daytime, unlimited time. Class III-B.

770 Kilocycles

WBBM—Columbia Broadcasting System, Inc., Chicago, Ill.—Extension of special experimental authorization to operate synchronously with KFAB from sunset at Lincoln, Nebr., to 12 midnight, period 8-1-40 to 2-1-41.

KFAB—KFAB Broadcasting Co., Lincoln, Nebr.—Extension of special experimental authorization to operate synchronously with WBBM from local sunset at Lincoln, Nebr., to midnight, CST, period beginning 8-1-40.

850 Kilocycles

WWL—Loyola University, New Orleans, La.—Extension of special experimental authorization for unlimited time, period beginning 8-1-40.

880 Kilocycles

KVAN—Vancouver Radio Corp., Vancouver, Wash.—Modification of license to increase power from 250 watts to 500 watts.

900 Kilocycles

WKY—WKY Radiophone Co., Oklahoma City, Okla.—Modification of license to increase power from 1 KW night, 5 KW daytime, to 5 KW day and night.

940 Kilocycles

NEW—The Tribune Co., Tampa, Fla.—Construction permit for a new broadcast station to be operated on **940 kc.**, 1 KW night, 5 KW day, unlimited time, directional antenna for night use. Class III-B station. Amended to give location of transmitter as East End Davis Causeway, near Tampa, Fla.

1040 Kilocycles

KRLD—KRLD Radio Corp., Dallas, Tex.—Modification of license to use directional antenna system at night only.

1050 Kilocycles

WIBC—Indiana Broadcasting Corp., Indianapolis, Ind.—Construction permit to change hours from daytime to unlimited, using 1 KW day and night, install directional antenna for day and night use, move transmitter. Class II station.

1060 Kilocycles

WTIC—The Travelers Broadcasting Service Corp., Hartford, Conn.—Extension of special experimental authorization to operate simultaneously with KRLD, unlimited time, using directional antenna night, period 8-1-40 (on **1040 kc.**).

WBAL—The WBAL Broadcasting Co., Baltimore, Md.—Extension of special experimental authorization to operate simultaneously with KTHS on **1060 kc.**, from sunrise at Baltimore to local sunset at Hot Springs, Ark., to operate from local sunset at Hot Springs to 9 p. m., EST, on **1060 kc.**, and operate synchronously with WJZ on **760 kc.**, $2\frac{1}{2}$ KW, directional antenna, from 9 p. m., EST, period beginning 8-1-40.

1100 Kilocycles

KWKH—International Broadcasting Corp., Shreveport, La.—Authority to determine operating power by direct measurement of antenna power.

1210 Kilocycles

NEW—The Twin States Broadcasting Co., Augusta, Ga.—Construction permit for a new radio broadcast station to be operated on **1210 kc.**, 250 watts, unlimited time. Class IV.

1260 Kilocycles

WHIO—Miami Valley Broadcasting Corp., Dayton, Ohio.—Construction permit for changes in antenna and transmitter; increase in power from 1 KW night, 5 KW daytime, to 5 KW day and night; and move transmitter locally. Amended re antenna.

1270 Kilocycles

WOOD—King-Trendle Broadcasting Corp., Grand Rapids, Mich.—Construction permit to increase power from 500 watts to 5 KW; change hours from share WASH to unlimited time; install new transmitting equipment and directional antenna for night use; move studio and transmitter. Requests Class III-A station. Amended to omit request for change in hours of operation.

NEW—The Brockway Co., Watertown, N. Y.—Construction permit for new broadcast station to be operated on **1270 kc.**, 500 watts, daytime. Amended re equipment.

1370 Kilocycles

WCOS—Carolina Advertising Corp., Columbia, S. C.—Modification of license to change frequency from **1370 kc.** to **1400 kc.**, in accordance with reallocation.

1420 Kilocycles

NEW—KNOE, Inc., Monroe, La.—Construction permit for new broadcast station to be operated on **1420 kc.**, 250 watts, unlimited time. Class IV.

NEW—Blanfox Radio Co., Harlan, Ky.—Construction permit for a new broadcast station to be operated on **1420 kc.**, 250 watts, unlimited time. Class IV station.

1460 Kilocycles

WJSV—Columbia Broadcasting System, Inc., Washington, D. C.—Modification of license to change daytime directional antenna pattern.

1500 Kilocycles

WKEU—Radio Station WKEU, Griffin, Ga.—Modification of construction permit (B3-P-2693) for changes in antenna and hours of operation, requesting extension of commencement date from 6-4-40 to 10-4-40 and completion date from 12-4-40 to 5-4-41.

WMOG—Coastal Broadcasting Co., Brunswick, Ga.—License to cover construction permit (B3-P-2306) for new broadcast station.

NEW—Findlay Radio Co., Findlay, Ohio.—Construction permit for a new broadcast station to be operated on **1500 kc.**, 250 watts, daytime. Class IV station.

KROD—Dorrence D. Roderick, El Paso, Tex.—License to cover construction permit (B3-P-947) as modified for new broadcast station.

KROD—Dorrence D. Roderick, El Paso, Tex.—Authority to determine operating power by direct measurement of antenna power.

MISCELLANEOUS

W10XKT—Allen B. DuMont Laboratories, Inc., Portable-Mobile, area of New York, N. Y.—Construction permit to reinstate the construction permit B1-PVB-28, which expired 5-6-40, changing frequencies, emission and transmitter to: **258000-270000 kc.**, 50 watts power, A5 emission.

WLWO—The Crosley Corp., Mason, Ohio.—Special experimental authorization for international broadcast station to operate a 1-KW transmitter on **6080 kc.**, with 1 KW power and A0 and A1 emission, for identification purposes only.

NEW—Balaban & Katz Corp., Chicago, Ill.—Construction permit for a new television broadcast station to be operated on **66000-72000 kc.**, 1000 watts, A3 and A5 emission, unlimited time. Form 318, requests Class II television station.

W9XZV—Zenith Radio Corp., Chicago, Ill.—Modification of license for changes in authorized frequencies from **42000-50000, 60000-86000 kc.** to **44000-50000 kc.**, in accordance

with revised rules. Amended: Requests Class II television station and **50000-56000 kc.**

W9XUI—University of Iowa, Iowa City, Iowa.—Modification of license to request change in frequencies from **42000-56000, 60000-86000 kc.** to **50000-56000 kc.** Amended: Form 318, requesting Class I station and change frequencies to **60000-66000 kc.**

KAIZ—Woodmen of the World Life Insurance Society, Portable-Mobile.—License to cover construction permit (B4-PRY-201) for a new relay broadcast station.

KQCB—Queen City Broadcasting Co., Inc., Portable-Mobile.—Construction permit to increase power from 12 to 40 watts and install new transmitter.

NEW—B. B. Shapiro, F. P. Shapiro and H. Shapiro, d/b as Leroy's Jewelers, Los Angeles, Calif.—Construction permit for a new television broadcast station to be operated on **66000-72000 kc.**, power 1 KW, emission A3 and A5 for both visual and aural. Form 318, requests Class II television station.

NEW—Television Productions, Inc., Los Angeles, Calif.—Construction permit for a new television broadcast station to be operated on **66000-72000 kc.**, power 1000 watts for both visual and aural, emission A3 and A5 and special. Form 318, requests Class II television station.

KFAS—Midnight Sun Broadcasting Company, Portable-Mobile, area of Fairbanks, Alaska.—License to cover construction permit (B-PRE-344) for a new relay broadcast station.

NEW—Atlantic Coast Broadcasting Co., Portable-Mobile, area of Charleston, S. C.—Construction permit for new relay broadcast station to be operated on **31220, 35620, 37020, 39260 kc.**, 2 watts, A3 emission.

NEW—Don Lee Broadcasting System, San Francisco, Calif.—Construction permit for a new television broadcast station to be operated on **44000-50000 kc.**, 1000 watts for both visual and aural transmitters, emission A3, A5 and special. Amended to request frequencies **50000-56000 kc.**

NEW—R. B. Eaton, Des Moines, Iowa.—Construction permit for a new television broadcast station to be operated on **44000-50000 kc.**, 100 watts for both visual and aural, emission A3 and A5. Form 318, requests Class II television station.

NEW—The Crosley Corp., Cincinnati, Ohio.—Construction permit for a new television station to be operated on **50000-56000 kc.**, power visual and aural 1000 watts, emission A3 and A5. Form 318, requests Class II television station.

W2XBT—National Broadcasting Co., Inc., Portable.—Modification of license to change frequency from **156000-162000** to **162000-168000 kc.**

W1XG—General Television Corp., Boston, Mass.—Construction permit to install audio transmitter to use with video transmitter, 500 watts power, A3 emission. Amended re location of audio transmitter.

FEDERAL TRADE COMMISSION ACTION

COMPLAINTS

Federal Trade Commission has alleged unfair competition 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.

W. C. Allen Candy Company, Inc., 1028 East Burnside St., Portland, Ore., is alleged to distribute to dealers assortments of merchandise so arranged as to involve use of a lottery. One of them allegedly consists of various containers, candy and a suitcase, together with a punch board from which customers buy numbers at different prices. Recipients of certain specified numbers are entitled to receive boats of candy and the buyer of the last punch on the board draws a suitcase, according to the complaint. It is alleged that a purchaser failing to punch one of the specified numbers receives nothing but the privilege of punching the board and that the prizes thus are distributed wholly by lot or chance. (4156)

Continental Blade Corporation—See Lightfoot Schultz Co.

Economy Sales Company, Inc., 910 Bergen Ave., Jersey City, N. J., and Samuel Knight, alias Samuel Nitke, individually and as an officer of the corporate respondent, distributors of luggage, jewelry and other merchandise, allegedly distribute various lottery plans including a push card plan for use in connection with clubs and fraternal organizations in promoting the sale of the respondents' merchandise wholly by lot or chance. It is alleged that the respondents also offer to conduct carnivals and dances for such organizations, awarding prizes to purchasers of tickets for these events who hold tickets containing certain specified numbers or to the purchaser of the last ticket in a book. (4150)

G & F Sales Company—Lillian M. Granger, L. H. Murray, and Clara and Adolf Feitler, trading as G. & F. Sales Company, 35 South Franklin St., Chicago, are dealers in radios, watches and other merchandise. They are alleged to sell certain assortments, one of which contains several tins of peanuts and a radio, together with a punch board the numbers on which are effectively concealed and sell for 5 cents each. The person punching the number corresponding to that concealed under a seal on the board receives the radio, and persons punching certain other numbers receive for five cents a tin of peanuts worth more than that amount, wholly by lot or chance, according to the complaint. (4155)

Lightfoot Schultz Company, Continental Blade Corporation, and Lawrence Distributing Corporation, are charged, in a complaint, with unfair and deceptive acts and practices in commerce.

Lightfoot Schultz Company has its principal office at 663 Fifth Ave., New York, and a factory in Hoboken, N. J. The offices of Continental Blade Corporation are at 66 Court St., Brooklyn, and it has a factory at 315 Jay St., Brooklyn. Lawrence Distributing Corporation has its principal office and place of business at 315 Jay St., Brooklyn. All the respondents are wholly owned subsidiaries of the American Safety Razor Corporation.

The complaint points out that Lightfoot Schultz Company is engaged in the manufacture and sale of soaps and toilet preparations, Continental Blade Corporation in the manufacture and sale of safety blades and also in the sale and distribution of soaps manufactured by Lightfoot Schultz Company. Lawrence Distributing Corporation is also engaged in the sale and distribution of soaps manufactured by Lightfoot Schultz Company.

For the purpose of inducing the purchase of the various products sold and distributed by them, the complaint charges, the respondents have been engaged in the practice of falsely representing the retail price at which their products are customarily sold. Typical of such are representations made by the respondents with reference to resale prices of various soaps manufactured by Lightfoot Schultz Company. These products are customarily sold by the respondents to wholesalers and jobbers for resale to peddlers packed in cartons of three cakes of soap each. On each of these cartons is imprinted the legend "Combination Price 75¢." By use of these words and figures, the complaint continues, the respondents represent that the cartons of soap have an actual retail value or selling price of 75 cents each, and the price marks serve as representations on the part of the respondents to purchasers that the soaps are fine toilet soaps of high quality.

In truth, the complaint alleges, the prices placed by the respondents on the cartons in no sense represent the actual value or retail selling price of the products but are fictitious and greatly in excess of the actual values or the actual retail selling prices, and the soaps are sold by the respondents at from \$2.60 to \$3 per gross cakes, or at a price of from 5 to 6 cents per carton of three cakes of soap.

As a result of the respondents' representations, the complaint alleges, the purchasing public is led to believe that the actual retail values or usual retail selling prices of the soaps are the prices stamped or marked on the cartons, when in fact those prices are fictitious and in no sense represent the usual retail selling prices or actual retail values of the soap. By this means, the complaint alleges, the respondents have placed in the hands of unscrupulous peddlers and canvassers a means and instrumentality whereby such peddlers and canvassers are enabled to mislead and deceive the purchasing public. (4148)

May's Cut Rate Drug Company—Complaints have been issued against drug companies in Clarksburg and Charleston, W. Va. and

McKeesport, Pa., alleging false advertisement of a drug preparation the use of which under usual conditions or under conditions as prescribed in advertisements may be injurious to health. The respondents are May's Cut Rate Drug Company, 109 South Fourth St., Clarksburg, W. Va., May's Cut Rate Drug Company of Charleston, 911 Quarrier St., Charleston, W. Va., and Pittsburgh Cut Rate Drug Company, 329 Fifth Ave., McKeesport, Pa.

According to the complaints, these respondents advertised as a competent, effective, safe and harmless treatment for delayed menstruation, a preparation designated as "Genuine Mayco English Crown Female Capsules for Delayed Periods" and also as "Genuine Mayco English Crown Female Capsules," described further as either "Double Strength" or as "Triple Strength."

It is alleged that this preparation is not competent and effective as a treatment for delayed menstruation and that it is not safe or harmless in that it contains the drugs apiole green, ergotin, oil of savin and aloin in quantities sufficient to cause serious and irreparable injury to health if used under the conditions prescribed in the advertisements or under customary or usual conditions. The complaints further allege that the respondents' advertisements are false in that they fail to reveal that use of the preparation under such conditions may result in serious and irreparable injury to health.

Upon petition of the Federal Trade Commission, each of the respondent companies recently was restrained by a United States District Court from further advertisement of this preparation pending issuance and final disposition of the complaints now issued by the Commission. (4152-4153-4154)

Omega Electrolysis Institute—See Omega Manufacturing Co., Inc.

Omega Manufacturing Company, Inc., a corporation, trading as Omega Electrolysis Institute, and Milton L. Brownshield, individually and as an officer of the corporation, 516 Fifth Ave., New York, are charged, in a complaint with misrepresentation.

The complaint charges that the respondents are engaged in the sale and distribution of a device designated the "Omega Home Use Portable Machine," recommended for use in the electrolytic removal of superfluous hair from the human body by individual self-application in the home. The complaint alleges that in advertisements distributed throughout the various States, the respondents represented the device as an effective, safe and scientific apparatus for the removal of superfluous hair, and that it is foolproof, painless, pleasant, quick, simple and easy to use and will have no ill effects upon the human body.

The complaint alleges that operation of the respondents' device involves insertion of a needle into the hair follicle for destroying the root of the hair by electrolysis, which process may cause serious injury to health. The complaint further alleges that the device will not accomplish the results claimed and is not safe, foolproof and painless when used by the unskilled lay public.

The respondents are further charged with disseminating false advertisements through their failure therein to reveal that use of the device under conditions prescribed in the advertisements, or under customary or usual conditions, may result in serious and irreparable injury to health.

Upon petition of the Commission, the United States District Court for the Southern District of New York recently issued an order restraining the respondents from further dissemination of false advertisements of their product pending issuance and final disposition of the Commission's complaint now issued. (4146)

Pittsburgh Cut Rate Drug Co.—See May's Cut Rate Drug Co.

Thomas Brothers—Chester E. Thomas, trading as Thomas Brothers, 20 N. E. Weidler St., Portland, Oreg., is alleged to distribute candy and salted peanut assortments so arranged as to involve use of a lottery. One assortment allegedly is composed of a plaster of paris toy and 30 bags of salted peanuts of uniform size, shape and quality, each bag containing a number tab. It is alleged that purchasers pay 1 to 5 cents a bag, according to the number drawn; that the buyer of the last package of peanuts receives the toy, and that the price of each bag is determined, and the toy is distributed, wholly by lot or chance. Another assortment, it is alleged, consists of a box of chocolates and several bars of candy of uniform size and shape, together with a push

card. Each purchaser, it is alleged, receives a bar of candy. Holders of certain designated numbers, however, receive additional bars and the purchaser making the last punch receives the box of chocolates, all without extra cost and entirely by lot or chance, according to the complaint. (4151)

CEASE AND DESIST ORDERS

Commission has issued the following cease and desist orders:

Herb Juice-Penol Company, Inc., a corporation, trading as Pow-O-Lin Laboratories, Danville, Va., has been ordered to discontinue misrepresentations in the sale of "Pow-O-Lin," a medicine.

Commission findings are that in newspaper, circular and radio advertising, the respondent represented that "Pow-O-Lin" possesses beneficial therapeutic properties with respect to curing, remedying and competently treating constipation and "faulty elimination" characterized by and associated with symptoms such as biliousness, indigestion, gas pains, headaches, dizziness, pains in the back or chest, stiffness of the joints, swollen feet or ankles, nervousness, insomnia, loss of appetite, or lack of energy.

However, the findings continue, the respondent's preparation has no therapeutic properties in excess of those of a cathartic or laxative and serves no purpose other than to assist in the temporary evacuation of the intestinal tract; the use of the respondent's preparation will not serve as a remedy or cure for or affect any tendency to constipation; the symptoms mentioned are not usually typical of any particular group of disorders and are not necessarily due to constipation, and the preparation has no beneficial value other than temporary in overcoming the specific symptoms when they are due to constipation, and no value in treating them when they are due to causes other than constipation.

The Commission order directs the respondent to cease disseminating advertisements which represent that its preparation is a cure or remedy for the symptoms mentioned, or that it is a competent or effective treatment for these symptoms in excess of temporarily relieving them when they are due to, or persist because of, constipation.

The further representations that the respondent's preparation is a cure or remedy for constipation or that its use will serve to eliminate or affect the tendency to constipation; that the preparation constitutes a competent or effective treatment for constipation in excess of assisting in temporary evacuation of the intestinal tract, and that it possesses any therapeutic properties beyond those of a cathartic or laxative, are also ordered discontinued. (4067)

Hygienic Corporation of America and its subsidiaries, Hygienic Company of America and Merrill-Saunders Company, Ltd., all of 5256-58 South Hoover St., Los Angeles, have been ordered to discontinue misrepresentations in the sale of so-called feminine hygiene preparations and appliances.

Also named in the order as a respondent is Harold L. DeBar, of the same Los Angeles address, principal stockholder and director of activities of the corporate respondents, who also is in business under the names American Health Association of Washington, D. C. Women's Advisory Bureau, Women's Co-operative Service, Protex-U-Hygienic Service, American Bureau of Hygiene, and Surete Laboratories.

Commission findings are that the respondents misrepresented the efficacy of their products designated generally as "Protex-U" and "Surete," which consisted substantially of douche powder, ointment, jelly, syringe, applicator, and vaginal diaphragm, sold in sets and separately. It was also found that by misleading use of the fictitious name "American Health Association" and other false representations, the respondents sought to promote sales through women agents, who were designated as "Visiting Nurses" pledged to cooperate in the association's "cause" and in its "aims of more healthful living through public education."

Commission findings are further that the respondents' representations regarding their alleged public health activities were entirely false; that their business was solely commercial, neither their activities nor products having been sponsored or approved by any public health service, as had been implied in their advertising; that their saleswomen were not nurses qualified to advise

women customers, and that, contrary to the respondents' representations, their products constituted neither competent preventives of conception nor remedies for women's ailments, nor were they effective prophylactics.

The Commission order directs the respondents to cease and desist from representing that any of their preparations or appliances, used alone or with any other of such articles, will prevent conception or possess therapeutic value in treating women's ailments; that any of these articles destroy bacteria or are effective prophylactics, or (through failure to reveal that its use is not wholly safe), that the respondents' appliance known as "Health Shield" (vaginal syringe) may be used without injurious effects.

The order also prohibits representations that the respondents are connected with a public health service; employment of the name "American Health Association" or "American Health Association of Washington, D. C." or other name of similar import to describe the respondents or their business; use of the words "Nurse" or "Visiting Nurse" or "Nurse Membership" or terms of similar import to designate the respondents' solicitors or saleswomen, or other representation that they are nurses. (3303)

Lady Esther, Ltd., Chicago, cosmetics distributor, has been ordered to discontinue certain misleading representations in advertising "Lady Esther Face Cream."

Commission findings are that the respondent corporation represented this preparation as being capable of penetrating into and below the skin, and of dissolving dirt and waste matter in the pores of the skin, when such were not the facts, and that the respondent made other representations of similar import. The principal effect of the respondent's cream, according to findings, is to cleanse the outer surface of the skin and the exterior openings of the pores. The respondent's cream, the findings continue, does not penetrate the skin, but may, to a limited extent, be temporarily absorbed by the skin and in this way may have a temporary lubricating effect.

The Commission order directs the respondent corporation to cease and desist from such representations concerning penetration of the skin by its preparation, and also to discontinue advertising that its cream will overcome, correct or cure a dry skin or do more in affecting a dry skin than furnish a temporary supply of lubrication; that this cream is as efficacious on an oily skin as on a dry skin, except that it will clean an oily skin at least to the same extent as a dry skin; that use of the cream will prevent or remove wrinkles or facial lines other than those caused by skin dryness, or will remove blackheads or any portion of blackheads except the superficial dirt on the outside surface thereof; that the cream is a solvent of or dissolves dust, soot, dirt, dead skin cells or the various forms of dirt and waste matter that soil the skin, and that the respondent guarantees its cream or the results represented as attainable by its use, unless the true nature and extent of such guarantee are clearly and adequately disclosed. (3917)

Merrill-Saunders Co., Ltd.—See Hygienic Corp. of America.

New York Diesel Institution, Inc., 47 Rector St., Newark, N. J., has been ordered to discontinue certain misleading representations in the sale of courses of study concerning Diesel engines and other trade subjects, conducted wholly or partly by correspondence.

Commission findings are that, contrary to actual accomplishment, the respondent represented that it would make employment available with good pay to students completing its courses, and that it advertised its offer of training as being made only to a limited number of students in any territory, and to persons having special qualifications or training, when in fact all students who could pay the price were accepted.

The respondent, according to findings, also represented that classes including shop training on Diesel engines and machinery to be installed in its buildings would be held in various cities other than Newark, N. J., under competent instructors, when in fact no such training was offered except at Newark.

The Commission further found that students of average ability who intelligently pursued the respondent's courses would need other training to qualify as Diesel engineers, expert operators or skilled workmen on Diesel engines.

Under the Commission order, the respondent is directed to cease and desist from its misleading representations.

The Commission dismissed its complaint in this proceeding as to Henry M. Kramrath, John L. Snider, Everett K. Pangburn,

Richard B. Cornell and Frank F. Hayward, formerly in active control of the corporate respondent's management, for the reason that the complaint and notice of hearings were not served upon them, their whereabouts having been unknown. (3785)

Pow-O-Lin Laboratories—See Herb Juice-Penol Co., Inc.

STIPULATIONS

During the week the Commission has entered into the following stipulations:

Raye Burns School of Cartooning—Trading as Raye Burns School of Cartooning, Bernard Singerman, Cleveland, has entered into a stipulation to discontinue certain representations in the sale of his correspondence courses.

The respondent Singerman agrees to discontinue the use in his advertising matter of statements or representations, letters or reproductions of letters purportedly written by the editor or others associated with magazines or publications, the effect of which tends to convey the impression that such publications now buy thousands or any number of cartoons yearly from the Raye Burns School of Cartooning, when in fact such publications have not been in print for some time. The respondent also agrees to discontinue use of letters or reproductions of letters purportedly received by the respondent without solicitation on his part from persons associated with magazines, syndicates, schools, and the like, so as to imply that such publications or concerns habitually call upon the Raye Burns School of Cartooning for the cartoonists they need, or that the school enjoys a prestige in the matter of placing its students with such publications or concerns which it does not have.

Among other representations which the respondent agrees to discontinue are statements tending to convey the idea that anyone, whether talented or not, can achieve success as a cartoonist or readily find lucrative employment, or that students of the respondent's school are widely sought after by editors, publishers or others desiring to purchase cartoons. (2826)

Enterprise Aluminum Company, Massillon, Ohio, manufacturer of aluminum kitchen utensils, has entered into a stipulation to discontinue certain representations in the sale of its products. Under its stipulation, the respondent agrees to cease employing the word "Silverglo" or terms of similar import to describe its aluminum products and to discontinue using any like designation containing the word "Silver" with a tendency to create the impression that the durability or value of such articles is enhanced or affected by silver metal contained therein. Such products, the stipulation points out, are neither composed in part of nor finished with silver, as implied by use of the trade designation "Silverglo." (2828)

Equitable Embroidery Company, Inc., 260 Fifth Ave., New York, agrees to desist from use of the words "Madero Embroidery" or "Madero" as a brand, trade-mark or other sales designation of sheets, pillowcases or other merchandise sold by it; or from use of the word "Madero" or any other semblance of the word "Maderia" as descriptive of any article of merchandise not produced in the Maderia Islands with all the qualities and properties of genuine Maderia products. The respondent further agrees to cease representing that a patent is pending on the construction or with reference to any other feature of its products; to discontinue employing the word "Manufacturers" as descriptive of its business, and to cease using any other words of similar implication the effect of which tends to convey the belief that it manufactures the products it sells or owns and operates a plant at Mayaguez, Puerto Rico, or elsewhere, in which its articles are made, when such are not the facts. (2830)

Gimbel Brothers, Inc., New York, has entered into a stipulation in which it agrees to cease and desist from certain representations in the sale of rugs.

In its stipulation, the respondent corporation agrees to discontinue use of the words "Oriental Reproduction," "Oriental Replica," "Copies of Real Orientals," "Aristan Reproductions of Orientals,"

"Imported Reproductions of Hand-Woven Orientals," or other use of the words "Reproduction," "Replica," or "Copies" or other similar words implying that the article referred to is a reproduction, replica or duplicate of an original, when such is not a fact, and to cease use of the phrase "American Oriental" or other appellation including the word "Oriental" or other expression indicative of an Oriental type, as descriptive of a rug which does not contain all the inherent properties, qualities and constructive features of a true Oriental rug.

The respondent also agrees to discontinue use of the word "Oriental" or other distinctively Oriental appellation in connection with any rug which has not been made in the country or locality designated or implied and does not contain all the inherent qualities or properties of such Oriental rug; unless, if properly used to describe the design and pattern only, such word of Oriental appellation shall be immediately accompanied by a word such as "Design" or "Pattern" printed in type equally conspicuous so as to indicate clearly that only the form delineated on the surface of the rug is a likeness of the type named.

The respondent corporation further agrees to cease using the phrase "Imported Reproductions of Hand-Woven Orientals" and the word "Imported" or any word of like meaning in connection with geographic names or words in any way tending to create the impression that goods actually made in other countries or regions are from the countries or regions named or implied. The stipulation provides that if the word "Imported" or similar term is properly used to indicate that such goods are not of domestic origin and geographic names or terms are correctly used to describe the type of product imported, then the true country of origin shall be clearly disclosed. (2831)

John A. Hertel Company—Two firms engaged in the interstate sale of greeting cards have entered into stipulations to discontinue certain representations in the sale of such products. The respondents are: Edith M. Schwer, Executrix of the Estate of Charles C. Schwer, Deceased, trading as Charles C. Schwer, 171 Elm St., Westfield, Mass., and John A. Hertel Company, 305 West Adams St., Chicago.

The respondents agree to cease advertising "Free Samples" to prospective salesmen of their products or making any other use of the word "Free" or similar expression in a manner purporting a gift or gratuity only, where any consideration such as payment of money, rendering of services, or otherwise, is required of the person receiving articles of merchandise sent in response to his request for such free samples or other gratuity.

The respondents also stipulate that they will cease delivering any invoiced article of merchandise to a customer or prospective customer without prior notice of the terms under which such article is to be sent and without first obtaining permission to make the shipment. The respondents also agree to cease inducing a customer to order samples or other goods by deceptively concealing the terms of the transaction, or in any other way imposing a burden upon a customer or prospective customer either to pay for goods received by him or return them when he has not been previously apprised of such conditions. (2824 and 2825)

McCollum Laboratories, Inc., 17234 South Main St., Gardena, Calif., has entered into a stipulation in which it agrees to discontinue certain representations in the sale of food supplements and medicinal preparations designated "Isodent," "Isomar," "Isoveg," "Isolax," "Kelp Tablets," "Breakfast Granules," "Alfalfa Tea and Tablets" and "Garlic-Parsley McCollum Tablets."

Among the representations which the respondent agrees to discontinue are: that any of these products supplies to the average diet the mineral or vegetable elements in which such diet is deficient; that the medicinal preparation "Isodent," is a balanced dentifrice or restores natural color to the teeth, builds firmness of the gum tissues, attacks acid mouth germs or reduces tartar; that "Isomar" is a balanced gland food or combines the most valuable organic minerals from land or sea vegetation, and that "Isoveg," a food product, provides a source of many of the more important nutritional factors, or that such factors are frequently missing in the average daily menu.

The respondent further stipulates that it will cease advertising "Kelp Tablets" as being rich in vital minerals or such minerals as being necessary to body nutriment; "Breakfast Granules" as an aid to digestion; "Alfalfa Tea and Tablets" as aiding nature in providing a source of natural alkaline nutriment, as being a valuable internal supplement to creams or powders, or as increasing liquid secretion, and "Garlic-Parsley McCollum Tablets" as being capable of reducing high blood pressure. The respondent

also agrees to cease representing that clinical investigation has shown that either garlic or parsley will cause a lowering of blood pressure, or relieve headaches, dizziness or similar symptoms resulting from functional high blood pressure. (02575)

Medical Tea Company of California, Inc., and Otto Wise, an individual trading as Medical Tea Company of California, 307 South Hill St., Los Angeles, in the sale of a medicinal herb tea known as "Cento Tea," formerly designated "Aesculapius Tea," agree to cease representing that such product of its particular formula has been used for centuries or any period of time greater than is a fact; that the preparation or any of its ingredients is valuable in treating gall, liver or kidney ailments or in preventing or dissolving kidney stones or gallstones; that the product is a competent and reliable agent for relief of symptoms associated with gall, liver or kidney ailments, or possesses healing or analgesic properties, and other similar representations. The respondents also agree to discontinue advertising that this preparation is not a laxative; that its ingredients are carried to the affected parts; that its every ingredient possesses therapeutic value, and that its hypericum content stimulates the appetite. (02576)

Old Dutch Mills, Inc., 80 Front St., New York, engaged in the roasting, blending, sale and distribution of coffee, has entered into a stipulation in which it agrees to discontinue certain practices in connection with the interstate sale of its product.

The respondent stipulates that it will cease employing the words "Mocha and Java" in advertising matter, on containers or in salesmen's presentations, as descriptive of its "Old Dutch" brand of coffee or other product of similar composition; and will discontinue featuring the words "Mocha" and "Java" in any way which has a tendency to convey the belief to purchasers that a blend of these coffees with other types of coffee is a pure blend of wholly "Mocha and Java" as such term is construed by the trade and consuming public.

Further practices which the respondent agrees to discontinue are the passing off of an inferior blend of coffee as "Mocha and Java" and the naming, in its sales promotional representations or on brands or otherwise, of the minor factors of a blended coffee without first naming also in equally conspicuous type the major factors, all in their order of predominance by bulk; for example, "Santos, Colombian, Mocha and Java."

The stipulation points out that the blend of "Mocha" coffee grown in the Yemen district in Arabia, and "Java" coffee grown in the Island of Java, has been favorably known throughout the world for many years. (2829)

Armand S. Weill Co., Inc., 170 Franklin St., Buffalo, an advertising agency, in connection with its dissemination of advertisements for "Raz-Mah," a drug, on behalf of Templetons, Inc., Buffalo, agrees to cease representing that "Raz-Mah" is sold by all druggists, and that by use of the preparation asthma sufferers will be almost instantly relieved from wheezy, difficult breathing; hay fever sufferers will get speedy relief from sneezing, itching and excessive watery secretions in the nose and eyes; coughs due to bronchial irritation will be quickly relieved, and bronchial irritations will be prevented from developing into asthma. (02577)

Woods Manufacturing Company, Ltd., Montreal, Canada, in the sale of sleeping bags manufactured at the Ogdensburg plant, agrees to cease use in advertising matter of the words "Eider" or "Arctic", alone or in connection with the word "Down" as descriptive of the filler content of its products which are not in fact filled with down obtained from the eider duck, and to discontinue use of the words "Eider" or "Arctic" or other words of similar import in any manner tending to convey the impression that the filler of the products is composed of eiderdown, as such term is generally accepted to mean.

The respondent company also stipulates that in connection with the sale, advertising, describing or distributing of its products, it will discontinue employing any statement, pictures or symbols which may tend to convey the impression that the filler of such articles is composed of down obtained from wild or other water fowl, such as are referred to by the statement or represented by the pictures or symbols, when in fact such is not the case. (2827)

FTC CASE CLOSED

The Federal Trade Commission has closed without prejudice its case against Luzier's, Inc., Kansas City, Mo., which had been charged with unfair representations in the sale of cosmetics. Closing of the case was ordered without prejudice to the Commission's right to reopen it for further proceeding, should future facts so warrant.