



THE WEEK IN WASHINGTON

A three-judge Federal District Court in Takoma, Washington, last Tuesday, refused ASCAP's plea for an injunction against operation of the 1937 Washington State copyright law. Lacking clean hands, the court said, the society has no standing in equity. (p. 4913.)

On Christmas Eve, 605 of the country's 825 broadcasting stations were BMI members. (p. 4914.)

The NAB this week established a branch office in New York to deal with the public relations phase of the music situation. (p. 4916.)

Full reports of the District 2, 7, 8, and 9 meetings are included in this issue. (p. 4916.)

The NAB and AAAA Conference Committee will meet again January 6 to consider contract forms and standard invoice forms. (p. 4918.)

The Institute of Radio Engineers will hold its annual conference January 9, in New York. (p. 4923.)

The FCC nabbed the operator of an unlicensed radio set at the Charles Town (West Virginia) racetrack, who was helping to give the bookies a beating by sending out tips during the running of horse races. (p. 4924.)

ASCAP Loses Washington Case; Supreme Court to Hear Two Others

ASCAP was denied the right to sue in equity by a specially constituted three-judge Federal District Court at Tacoma, Washington, last Tuesday. The decision refused ASCAP's plea for an injunction against operation of the 1937 Washington State copyright law on the grounds that ASCAP's price-fixing powers constitute "a contract or combination in illegal restraint of trade." Lacking clean hands, the court said, the society had no standing in equity.

The 1937 statute requires owners of music copyrights to list their works and place a "per piece" price on public performance for profit. The decision declared: "The plaintiff (ASCAP) contends the Washington State statute is unconstitutional. . . . Before passing on that question it is necessary to determine whether or not plaintiff may invoke the aid of a court of equity. If a party has been

engaged in an illegal business and has been cheated, equity cannot help him. . . . In other words, before the plaintiff may invoke the aid of a court of equity he must come into court with clean hands. If the society exists in violation of the Sherman Anti-trust Act, it and the members composing it are not entitled to a decree for its benefit. . . .

"There can be little question that the society has the power to fix prices for the right to publicly perform compositions for profit. Likewise, it has restricted substantially all competition in the sale of such rights, because it has all such rights. Since the interstate commerce feature is conceded to be present, the society clearly violates that act in question, unless the right to publicly perform for profit is not embraced within the act."

E. C. Mills, ASCAP legislative chairman, stated that the society would appeal the decision to the Supreme Court. That court last Monday noted probable jurisdiction in the Florida ASCAP case and assigned it for argument immediately following the Nebraska ASCAP case.

Neville Miller, commenting on the Washington decision, said it was "illegal practices of this sort on the part of the ASCAP management to which radio stations have repeatedly called public attention."

BMI FEATURE TUNES

December 30-January 6

1. ACCIDENT'LY ON PURPOSE
2. HIGH ON A WINDY HILL
3. I GIVE YOU MY WORD
4. I HEAR A RHAPSODY
5. I CAN'T REMEMBER TO FORGET
6. IT ALL COMES BACK TO ME NOW
7. MAY I NEVER LOVE AGAIN
8. SO YOU'RE THE ONE
9. THERE I GO
10. YOU WALK BY

As we go to press this week before *Variety* and *Billboard* come out, we have not the usual news to give you about the position of BMI music on the regular best seller

(Continued on page 4914)

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*

BMI

(Continued from page 4913)

sheets. One of the New York Sunday papers, listing the best sellers in New York City stores, shows Will Bradley's record of *There I Go* and Artie Shaw's record of *Frenesi* among the top six.

Julius P. Witmark, Jr., BMI's Sales Manager, reports that *There I go* has sold about 95,000 copies of sheet music and over 8,000 orchestrations. Last week, BMI total sales of sheet music ran over 32,000, a remarkably high figure for this season of the year. The orchestrations sold were over 3,600.

The rate at which the radio stations have been rushing to BMI is a phenomenon without precedent in the history of the broadcasting industry. Every broadcaster is fully aware of the significance of this movement. It means, among other things, the assurance of victory—the attainment of the ends for which the whole industry is fighting. The number of commercial stations, pledged or subscribed, on the morning of December 24, stands at 605. We welcome to BMI the following:

KARM—Fresno, California	WCLS—Joliet, Illinois
KVOE—Santa Ana, California	WBIR—Knoxville, Tennessee
WSOY—Decatur, Illinois	WCOA—Pensacola, Florida
KOTN—Pine Bluff, Arkansas	WEBR—Buffalo, New York
WMOB—Mobile, Alabama	KGFF—Shawnee, Oklahoma
WTJS—Jackson, Tennessee	WLBC—Muncie, Indiana
WGKV—Charleston, West Va.	WDEF—Chattanooga, Tenn.
KMO—Tacoma, Washington	WJBY—Gadsden, Alabama
WDAK—West Point, Georgia	WCBI—Columbus, Mississippi
KXRO—Aberdeen, Washington	KTBS—Hot Springs, Arkansas
WSLB—Ogdensburg, New York	KELD—El Dorado, Arkansas
WOLF—Syracuse, New York	WHBB—Selma, Alabama

Word has come to BMI that some stations have not received the memorandum which was sent, dated December 14th, dealing with methods of avoiding copyright infringement. This memorandum contains information of great importance to all BMI subscribers. Any who have not yet received it are requested to notify the New York office so that copies may be sent to them.

As a New Year's greeting to BMI subscribers, M. E. Tompkins, BMI's Vice President and General Manager, makes the following statement:

BMI now controls all the music it needs. The combined production schedules of BMI and the other publishing houses which license their music through BMI bring to our stations about four new numbers every day. In addition, there is a great rich storehouse of more than 200,000 titles which include much of the world's best music of every type and every classification. Our job is now to make a more exhaustive study of this material, choosing the best and most useful, making it available in modern arrangements where that is desirable. Full use of music which BMI brings you in these catalogues will enable you to build more interesting programs than radio has ever offered before. BMI subscribers start 1941 with the assurance that they are serving the music-loving public in the most useful and rewarding way at the same time that they are giving to an overwhelming majority of American writers opportunity that they have never had before.

The new BMI Hymnal breaks tradition in two respects. It gathers the most familiar sacred songs of the Catholic, Jewish and Protestant faiths into a single volume; and it is offered for public use without restriction.

Under the copyright notice on the back of the title page appears the following:

We invite the public performance by Broadcasters, in Churches and Synagogues, privately and in public, of the material contained in this HYMNAL without restriction or compensation, in the hope that this may encourage the widest use of these religious works.

BROADCAST MUSIC, INC.

The American Society of Composers, Authors and Publishers (ASCAP) has been issuing publicity directing attention to certain sacred music which it controls and which it will withdraw from radio when the radio license expires on December 31, 1940. The notice quoted makes it certain that no future disagreement will prevent the use of the songs in the BMI Hymnal.

M. E. Tompkins, BMI Vice President and General Manager, said, "It seems to us that music which serves the purpose of worship ought to be dealt with in such a way that no commercial controversy can hamper or restrict its use. We are acting on that principle with respect to our own publications."

The book begins with the famous new hymn by Thomas Patton Mock, "Hail, Prince of Peace," which was adopted for League of Nations services, and includes 491 other numbers. In addition to hymns and Gospel songs for general use, there are divisions devoted to seasonal and patriotic hymns, spirituals, Roman Catholic hymns and Jewish hymns.

TO THE PUBLIC

Samuel R. Rosenbaum, WFIL, chairman of IRNA, wrote the following article on the ASCAP dispute for the *Philadelphia Record*:

Suppose there were still an old-fashioned shoemaker in your neighborhood. Suppose you went to him to buy a pair of shoes. Suppose he said, "You can't buy shoes from me any more, madam. I have signed up for 10 years with the Emporium Department Store down town and you can only buy my shoes from them."

You would think to yourself, "By golly, this shoemaker is not so old-fashioned after all! He is right up to date on modern high-pressure business methods."

Suppose on your way back from the seashore in your Ford you pass a peach orchard and stop off to buy a basket of peaches. Suppose the farmer says to you, "You can't buy these peaches from me. I'm signed up for 10 years with the Emporium Department Store. You will have to go down there."

Lot of Territory

You would think to yourself, "This Emporium Department Store certainly covers a lot of territory. I must go down there and look around."

So the next day, you go in to the Emporium Department Store and you find they sell everything you need for your family, and you think to yourself, "This is not such a bad idea. I can come down here and do all my shopping in one place and save a lot of traveling and running around." So at first you are quite pleased about it, and you look around and you see some stockings you like. You go up to the counter and you say, "How much are these stockings? I would like to buy some."

Much to your astonishment the clerk says, "We have no price on these stockings. You can't buy these stockings unless you agree that you will buy everything else here that you use for your family, and that means food, clothing, furniture and everything else we sell."

What's Your Income?

So you then ask, "Yes, but what will they cost?" And to that question the clerk looks at you hard and says, "How much do you make a year?"

You stand up straight and look him in the eye and say, "How much do I make a year? What has that got to do with you? All I want to know is the price of this pair of stockings." So the clerk explains, "This is how we do business around here. First you have to tell us how much you make a year. Then we will decide what percentage of your earnings you must pay us to be one of our customers."

"With lots of people we make it 5 per cent, but for some it is more, and for others it is less. We fix the price and that makes it easier for our customers. You can't buy any one article from us. We won't sell you any one article. You have to buy all your requirements from us and that's why we have to know your annual income."

That's What Happens

In every-day language that is a parable of what happens when a broadcaster wishes to play copyrighted popular music.

The composers and their publishers have organized a collective bargaining agency or union which is called ASCAP for short. ASCAP means the American Society of Composers, Authors and Publishers.

That union was started a number of years ago by Victor Herbert. It was a good idea to protect composers who were not being properly paid for their works when they were played in restaurants and theaters.

It is still a good idea for that reason because composers should be properly paid when their works are played in public by radio stations or anybody else.

Collective bargaining is a distinct advantage for any group of individuals, but we have seen instances where it can be used for improper purposes.

Exorbitant Demands

For instance, some unions have got under the control of ruthless individuals who make illegal and exorbitant demands on certain employers who feel it is safer to pay large sums for protection than to try to stand up against them. We have been reading how the Department of Justice in Washington has been going after cases like that.

Now the only question is whether ASCAP has been using its perfect right to act as a collective bargaining agency for composers in a manner which is fair and proper.

The strength of ASCAP today lies in the fact that it has been so successful for the last 10 or 15 years that nearly all the established composers of popular hit-tunes have joined the union. That they have a perfect right to do. The result is that ASCAP is practically a monopoly of popular tunes, and it is almost impossible to buy any elsewhere unless you get new ones written by composers who have not yet joined the union.

Nobody would have any right to complain if all the composers told you that you can only deal with them through their union. That is their right.

Must Buy 'Em All

However, the first rule ASCAP presents to the prospective customer whether it is a radio station, a theater, a dance hall, a restaurant or anybody else is this: You can't buy the right to perform any one tune; you can't buy the right to perform the music of any one composer; you can't buy the right to perform the tunes from any one production; you can't buy the right to perform tunes of any one class or group. You must buy the rights for all the tunes composed by all the composers in the union or you can't buy any.

Furthermore, no price is set on any tune or any composer or any group of tunes, compositions or composers. There is no price on anything that ASCAP has to sell.

On the contrary, each customer must disclose to ASCAP the total amount of business done by that customer from all sources, and then ASCAP will tell the customer how much of an annual lump-sum payment the customer must pay ASCAP for what it calls a license or privilege to use any or all of the ASCAP copyrights.

Sale to Advertisers

In the case of a radio station, for instance, the station's revenue comes entirely from the sale of its time on the air to advertisers. Many advertisers do not wish to use any music at all. They prefer, because they think the public prefers, only programs of news, dramatic performances, speeches, talks, descriptions of sporting events, quiz programs or other programs in which no music is used whatever. Nevertheless, ASCAP says: "Even if you use our music only once a day your whole program from start to finish depends on our music to make it attractive. Therefore, you must pay us 5 per cent of your revenue from all sources, and if you do, you can play any music you like." It is this tax or tribute which the radio stations declare is unfair, excessive and improper.

The radio stations gladly recognize that no copyright music should be performed unless the composer is paid for it. All the radio stations ask is the right to pay for what they use.

Should Fix Prices

All radio asks is that the composer, either himself, or if he wishes, through ASCAP or his union or any other agent he selects, shall fix a price on his music. Then the radio station or the advertiser can decide what music it wishes to play and pay for it accordingly. It can decide whether it wishes to pay a high price for some music or a lower price for others, or to dispense with music entirely on any program if it wishes, or it can pick and choose freely between the music of various composers, whether they are members of ASCAP or not, entirely according to the taste and wishes of the listening public and the advertiser, and free of any restraint, compulsion or monopoly.

In that manner, each composer will receive his fair share, and each radio station or other user of music will pay for what it

uses, all in accordance with the well-known law of supply and demand, and the natural operation of economic forces and free competition.

All or None

Unfortunately, ASCAP operates now on the basis that we must pay for all or none, and we must pay whatever they set as a proportion of income from all sources. That is a form of compulsion and interference which no American business man relishes. It is for that reason that broadcasters are standing together to oppose it.

The business of broadcasting has attained its maturity and has decided that the only remedy for the powerful monopoly of ASCAP is to encourage the creation of new compositions by composers who have not yet assigned their works to ASCAP.

That has proved to be less difficult than it looked, because it now develops that ASCAP began to suffer from the same abuse of power within itself that every monopoly breeds. ASCAP got into the control of a self-perpetuating inside group who are making it increasingly difficult for new talent to break in. It has a rule that no composer can become a member of its union until he has had five "hit tunes" published. As the publishers themselves are members of ASCAP, that means in effect that a composer can only get in if they are willing to have him.

The Lion's Share

In addition, the money collected by ASCAP is not distributed among the composers according to the number of times their music is played. On the contrary, newcomer composers are always given a mere pittance and the old, established insiders get the lion's share. That unfairness of distribution, and the excessive amounts spent by ASCAP for organization costs and operating overhead are, strictly speaking, something for the composers and not for the customers to deal with.

But that may account for the success the broadcasters have already had in attracting new composers to replace the tight monopoly previously exercised by ASCAP.

As part of the lump-sum business-tax, all-or-none, take-it-or-leave-it, arbitrary license-fee policy of ASCAP, all licenses granted by ASCAP to radio stations will expire December 31, 1940.

Subject to Penalty

If any radio station plays any tune for which ASCAP controls the copyright after that date, the station will be subject to a law suit for infringement, and a possible penalty of \$250 for each performance of the tune. To avoid that, the association of broadcasters began over a year ago to discuss with ASCAP a satisfactory method of continuing to pay for the use of ASCAP copyrights after January 1, 1941. The only reply made by ASCAP, after considerable delay, was that it would continue to levy tribute from the total revenue of broadcasting from all sources, fixing various percentages on broadcasters without the broadcasters having any voice on how those percentages are arrived at. The net result would be that ASCAP would collect approximately double the \$4,500,000 which it has been collecting from the broadcasting industry this year.

It was that shocking and arbitrary abuse of its monopoly power by ASCAP that forced the broadcasters to try to create another source of supply.

Whose Fault?

If ASCAP, which controls the copyrights, allows the existing licenses to terminate on December 31, 1940, it will be ASCAP and not the broadcasters who are depriving the public of much of the music it wants to hear. It is not the wish of the broadcasters to stop playing the established favorites in the popular field. On

the contrary, it is only common sense that the broadcasters and the advertisers would prefer to continue to use established favorites for attracting listeners and customers, rather than to try to gamble on building up new tunes, new composers and new lyrics when nobody can tell what the public reaction will be. Nevertheless, the broadcasters have no alternative. They cannot permit their own business, their independence and their future to be completely dominated and controlled by a union of composers which is operating on principles so contrary to fair and healthy American competition.

In recent months ASCAP has been making a determined effort to win public sympathy by taking into membership a scattering of so-called "serious composers." That does not mask the truth that fundamentally ASCAP is the union of the composers of popular ballads and hit tunes whose background is commercially referred to as Tin Pan Alley.

Opportunity Helped

American culture will not in any sense be retarded if a fresh crop of such composers is given an opportunity to demonstrate that such music springs from the hillsides, the farms, the villages and the small towns of America just as spontaneously as it has been cultivated on the pavements of New York.

So let's not be confused over what is purely a business dispute between the business agents of the composers' union and the radio stations, who feel they are the agents for the listening public. ASCAP is not the composers. ASCAP is a business organization. When ASCAP says "music" it means "money." When ASCAP says "opportunity" it means "monopoly." When ASCAP says "copyright" it means "license," and that means tax, tribute and domination.

Seek Fair Deal

The radio industry wants to play the music America loves and is willing to pay for it. It wants no licenses or permits to stay in business from ASCAP. It is willing to pay for what it uses.

The radio industry does not ask the public to take sides. All it asks is a fair opportunity to work out a fair business deal for a product it wishes to buy.

NAB NEW YORK OFFICE

The demands of the music situation, coupled with other problems affecting the industry, has resulted in the establishment of a branch office of NAB in New York City. For the time being the office will deal principally with the public relations phases of the music situation and will be under the direct supervision of President Neville Miller. A very close liaison between that office and the main headquarters at Washington, D. C., will be maintained.

District Meetings

DISTRICTS 7-8

With the meeting of the Second District broadcasters at Syracuse on Friday, the 20th, a whirlwind series of regional meetings was concluded. In previous NAB Reports, meetings up to that held in the Ninth District on Wednesday, December 18, were reported.

On Thursday, the 19th, a banner meeting, from the standpoint of attendance, was held in Detroit, at the Fort Shelby Hotel. This was a combined meeting of the Seventh and Eighth Districts and brought together the broadcasters of Indiana, Michigan, Ohio and Kentucky. District Director John Fetzter, WKZO, of the Eighth, presided at the morning session to give way in the afternoon session to J. Harold Ryan, WSPD, District Director of the Seventh District.

Carl Haverlin and the representatives of the transcription companies present, occupied the greater part of the day in a discussion of the music situation. C. E. Arney, Jr., outlined the activities of NAB. It was an enthusiastic and inspiring meeting which went on record as unanimously commending BMI and pledging unswerving support to the effort to relieve broadcasters from the grip of the ASCAP monopoly.

The following were present:

M. C. Watters, WCPO; S. Bernard Berk, WAKR; H. L. Hageman and Bob Wilson, WADC; H. A. Giesel, Jack D. Parker, and L. H. DeRemer, WBCM; Charles G. Reeder and R. Daly, WING; Ronald B. Woodyard, WING-WIZE; Bill O'Neil, WJW; Angus D. Pfaff, WHLS; W. J. Scripps, WWJ; Leo Fitzpatrick, WJR; V. S. Pribble, WTAM; Walberg L. Brown and Carl George, WGAR; Bill Griffiths, WJW; John F. Patt, WGAR; R. W. Richmond, WHK-WCLE; Art Croghan, WJBK; James F. Hopkins, WJBK; Clarence Leich, WGBF-WEOA; W. W. Behrman, WBOW; Clifford Shaw, WAVE; Edward Barret, Joe Eaton and Robert L. Kennett, WHAS; Dan Jayne and Alden H. Haight, WELL; C. A. McGlaughlin, WIBC; Arch. Shawd, WTOL; W. L. Coulson, WHAS; Russell Gohring, WSPD; Howard Loeb, WDFD; Grant F. Ashbacker, WKBZ; Harry Sutton, Jr., WXYZ; P. M. Thomas, WJR; Hy Steed and Leonard A. Versluis, WLAV; R. A. Borel, WBNS; Robert P. Ritter, WJIM; Bob Innes, WJIM; Jack Price, WBNS; Lowell Riley, WBNS; Ralph E. Waldo, WADC; Madelane Johnston, WCOL.

Carl M. Everson, WHKC; J. M. LeGate, WHIO; D. A. Brown, WHIO; Ralph Elvin, WLOK; Felix Hinkle, WHBC; B. M. Matteson, WLW; Raymond J. Meurer, WXYZ-WOOD-WASH; John W. O'Harrow, WKZO; J. H. Ryan, WSPD; Ed Bronson, WCOL; Kenneth B. Johnston, WCOL; Neal A. Smith, WCOL; Stanton P. Kettler, WHIZ; O. E. Fields, WMAN; Morris T. Hicks, WINN; David Silverman, WJR; L. M. Kennett, WHBU; R. B. Rowley, WICA; James Sirmons, WFMJ; Franklin D. Schurz, WSBT-WFAM; Robert J. Drain, WSBT-WFAM; H. M. Bitner, Jr., WFBM; Lester W. Lindow, WFBM; I. D. Wallington, WMAN; S. E. Sheill, WSAM; Howard D. Longworth, WOWO-WGL; J. B. Conley, WOWO; S. A. Cislser, WGRC; F. P. Wallace, WWJ; H. Earl Moore, WXYZ; Owen F. Uridge, WJR; John E. Fetzter, WKZO; Carl Haverlin, BMI; C. O. Langlois, Lang-Worth; C. P. MacGregor; Bill Gartland, NBC; Alex Sherwood, Standard Radio; George Patterson, WAVE; Robert K. Rutland, WSPD.

DISTRICT 2

At Syracuse on Friday, another enthusiastic meeting was held in which 23 New York State stations were represented by 53 broadcasters. District Director Clarence Wheeler, WHEC, presided, and again Carl Haverlin aided by the transcription company representatives present covered the music situation and answered the many questions put to them. This meeting also went on record as enthusiastically satisfied with the results which BMI has accomplished and commended it for its work. NAB activities were outlined by Mr. Arney.

The following were present:

C. F. Phillips, WFBL; Wm. J. Moore, WBNX; E. S. Reynolds, CBS; Harold J. Frank, WSLB; Rudy Hont, WSLB; Kolin Hager, WGY; F. L. Keesee, WMBO; Wm. O. Dapping, WMBO; Dorothy Bolin, WMBO; George Pfeeger, WMBO; Will Hudson, WSYR; Victor Miller, WSYR; Lansing Lindquist, WSYR; Ruth Hardki, WSYR; Ruth Chilton, WSYR; Fred Jeske, WSYR; Nick Carter, WTRY; Tony Thayer, WTRY; T. L. Brown, WHDL; Harry Springer, WENY; LeMoine Wheeler, WHEC; Harold M. Wagner, WENY; Elliott Stewart, WIBX; Walter Griswold, WIBX; Harold E. Smith, WOKO; Cecil D. Mastin, WNBZ; Elizabeth Mastin, WNBZ; Robert Soule, WFBL; Gunnar O. Wiig, WHEC; Frank Seibold, WHAM; Charles Siverson, WHAM; Bill Fay, WHAM; E. K. Johnson, WIBX; W. H. Carpenter, WNBZ; Harry L. Goldman, WOKO; Johnny Lee, WABY; S. Woodworth, WFBL; Joseph N. Brandy, WSLB; Clarence Wheeler, WHEC; Ken Sparrow, WHEC; E. H. Twamley, WBNZ; Fred R. Ripley, WSYR; Wm. A. Riple, WTRY; S. D. Gregory, WEA; Sherman Marshall, WOLF; Thelma Mae Neil Curren, WFBL; Geo. M. Perkins, WFBL; I. R. Lounsbury, WKBW-WGR; H. C. Rice, WKBW; R. Strigl, WKBW; C. E. Arney, Jr., NAB; Carl Haverlin, BMI; Alex Sherwood, Standard Radio; C. P. MacGregor; H. Woodman, WJZ; Victor F. Campbell, WGY; Wm. Gartland, NBC Thesaurus.

DISTRICT 9

While the report of the meeting of the Ninth District meeting at Chicago was contained in last week's REPORTS, the names of those in attendance were omitted. Following is the list:

Robert Carlton, Mary Louise Brown, and Martin R. O'Brien, WMRO; K. W. Rier, WDWS; Bradley R. Eidman, Kennedye Nelson, and W. E. Hutchinson, WAAF; Joe Rudolph, WCBD; John A. Dyer, WGES-WSBC-WCBD; Myrtle E. Stahl, Edwin F. Brady, WGN; Al Hollender and J. L. Allabough, Jr., WJJD; Ben Kanter, WJJD-WIND; Harold A. Safford and Philip B. Kalar, WLS; Joseph A. McDonald and William Ray, WMAQ-WENR; Russell T. Hitt, WMBI; Marie E. Clifford, David Volkow, Carl H. Swanson, and John Ravenel, WHFC; Francis A. Higgins, W DAN; Merrill Lindsay, WSOY; William West, WTMV; R. M. Holt, Jack Sharp, WCLS; Edgar L. Bill and Gene Trace, WMBD; W. Emery Lancaster and Jack Sexton, WTAD; John J. Dixon and Walter Koessler, WROK; Forest W. Cooke, Les Johnson, and Ivan Streed, WHBF; L. G. Pefferl and Jack Heintz, WCBS; Ray A. Johnson, WTAX; Clair B. Hull, H. L. Johnston, and Frank Jennings, W DZ; Joe Wright, WLLL.

Hayden R. Evans, WTAQ-WHBY; Sam DeSigne, WTAQ; Mrs. James F. Kyler, E. H. Borkenhagen, WCLO; Ed Cuniff, WKBH; K. F. Schmitt, WIBA; C. J. Lanphier, WEMP; Elmer J. Krebs, WISN; H. J. Newcomb, H. Mann, Jr., and Harvey R. Le Poidevin, WRJN; H. Born, WHBL; George T. Frechette, WFHR; Brooks Connally, WIND; Rayn Altan, WJJD; John F. Carey, WIND; Bob Ateher, WIND; E. S. Mittendorf, WIND; H. P. Sherman, WJJD; C. O. Langlois, Lang-Worth; Jules Herbuveaux, NBC; Frank E. Chizzini, NBC; M. M. Blink, Standard Radio; Carl Haverlin, BMI; C. P. MacGregor; Alex Sherwood, Standard Radio.

This series of District meetings brought together the broadcasters, whether members or non-members, in 24 states, the District of Columbia and Puerto Rico. In every instance the responses of the broadcasters to the disclosures as to what has been accomplished in meeting the music situation were extremely gratifying. Never before has the radio industry presented so united a front as that now prevailing. After the first of the year, consideration will be given to the holding of meetings in those Districts not already covered. Announcements will be carried in future issues of the REPORTS.

Sales

NAB-AAAA MEETINGS

Meeting in New York last Friday, the committees of the NAB and AAAA considered revision of the order form for spot broadcasting and adoption of a standard invoice form. The NAB committee will meet again at 2 p. m., January 6, and the following day will hold another meeting with the AAAA committee. The suggested new indemnity clause has been cleared with counsel for the AAAA, and it is expected that shortly after the next meeting the NAB will be in a position to advise members of the complete new contract form as recommended by the Executive Committee.

Present at the meeting were: H. C. Wilder, WSYR, Chairman; R. L. Harlow, Yankee Network; R. H. Mason, WPTF; Edward Petry, Edward Petry & Co., Inc.; Dale Taylor, WENY; Lee B. Wailes, Westinghouse Stations; and Paul F. Peter and Russell P. Place of the NAB staff. For the AAAA—C. E. Midgley, Jr., Batton, Barton, Durstine & Osborn, Inc., Chairman; C. T. Ayres, Ruthrauff & Ryan, Inc.; John Hymes, Lord & Thomas; Carlos Franco, Young and Rubicam, Inc.; William Maillefort, Compton Advertising, Inc.; Miss Linnea Nelson, J. Walter Thompson Company, W. A. Fricke, AAAA; and F. R. Gamble, AAAA.

1940 TRADE STUDIES REVIEWED

A year-end analysis of the ten trade studies released by the Bureau of Radio Advertising in the "Results from Radio" series shows a wide variety of local shows producing outstanding sales results for their respective sponsors.

Eight distinct program types are included in the ten studies. They are:

Amateur Show	Community & Civic Events
Drama	Radio, etc.
Gardening Advice	Quiz Show
Musical Clock	Shopper Personality
News and Commentary	Sports
Straight	Baseball
	Basketball

Further emphasizing the versatility and flexibility of local radio advertising is the fact that 13 different types of advertiser are represented in the studies. Included are:

Automobile Dealer	Furniture
Cameras	Ice Cream
Clothing (Men & Women)	Jeweler & Optician
Department Stores	Laundry
Drug Stores (Chain & Independent)	Light & Power
Flour	Paint & Glass
	Plant Nursery & Seeds

Every type and size of station is also represented, from the local 250 watt outlet in the town of 5,000 population

to clear channel stations in the great metropolitan areas. A total of 15 stations contributed to the 1940 series; they were located in ten different states in every section of the country.

The Bureau wishes to thank the member stations and their cooperating advertisers who have made the "Results from Radio" series possible, and also all those who have contributed to the work of the Bureau in other ways too numerous to mention. It is a foregone conclusion that this generous spirit of cooperation will assure the Bureau's success in 1941, and serve to widen the scope and intensify the effectiveness of its efforts on behalf of all members.

RESULTS FROM RADIO

How business can get results from radio was forcibly explained by Samuel J. Henry, Jr., director of the NAB Bureau of Radio Advertising, in a talk December 9 before the Rochester (N. Y.) Ad Club.

Because broadcasters throughout the country can make good use of the material in Mr. Henry's talk, the complete text is given here.

In accepting your kind invitation to come here, I was prompted by a very real desire to tell you what the Bureau of Radio Advertising has discovered about local radio as it is being applied in other cities throughout the country. I think there's a real story there—a story which has never been fully told—a story of how hundreds—yes, thousands of local and regional concerns similar to those which many of you represent, are using radio with telling effect.

The thought occurred to me as I was coming up on the train last night. Where, except in America, could such a meeting as this be held—where business men get together and discuss how and when to use radio in their sales and advertising work? Today, in almost every other country, there is no question of how or when. Radio elsewhere is closely controlled and jealously guarded by government itself. How different from the American system of radio! Here, this great mass medium is yours to command—to do with as you will, with the single proviso that what you do shall be in the public interest.

And just what is it that you command?

Radio today means many things to many people. Radio today may truly be called the universal medium—reaching rich and poor, young and old. Everyone listens to radio, to an extent which may surprise you. Forty-five million radio sets, serving 110,000,000 people in 28,000,000 American homes, tuned in an average of over five hours each day. Think of it! A daily total of 125,000,000 hours of radio set operation. Over 400,000,000 individual hours of radio listening. As *Fortune* magazine and other accurate polls of public opinion have often proved, listening to the radio is now America's No. 1 activity, next to sleeping and working. Radio represents the most important *diversion* and the most *popular* activity of the American public. For instance, in answer to the question, "Which would you rather give up—going to the movies or listening to the radio?" 79% of people, according to the *Fortune* survey, would give up the movies.

What, in turn, do these facts mean to our American system of free, competitive enterprise? What is the significance to business men of such astronomical figures as *four hundred million daily listening* hours? Translated into terms of advertising, they mean almost two hundred million dollars last year alone. In

twenty years, radio has replaced the long-established magazines as No. 2 medium in dollar volume of advertising, and in many fields it is giving newspapers a real run for the No. 1 position.

You may wonder at the reasons for this phenomenal rise of radio. The answer lies in three words—*Radio Reaches People*. It reaches more people, more quickly, more intimately than any other means. It reaches them through the most fundamental appeal known to man—through the human voice. Listening to somebody or something, and acting upon what we hear, is almost instinctive to all of us. From the very beginning of life, the sound of the human voice stimulates our growth and development. From the very beginning, our minds take in most readily (and remember most vividly) that which is taught and transmitted by the human voice.

"Listen to this," we say to our friends. "Repeat after me," says the school teacher. "Clean your teeth, brush your hair," say millions of mother to millions of children. "Take a letter," you say to your secretary. Yes, the human voice transmits more ideas, launches more plans, gets more action than any other force or power known to mankind.

There, in a sentence, is the story of radio.

To me, the psychology of radio is an ever-engrossing subject. But right now, I believe, you want to hear some tangibles. Here are two.

Since 1930 American industry has invested the sum of \$1,000,-000,000 in radio advertising. In the past six years, the investment of American business men in radio has grown 126%. That is the best proof of radio's ability to sell goods.

Radio rings the cash register because it reaches people—and influences them to buy. That influence, also, stems from the persuasive power of the human voice. American advertisers now use that fundamental force to sell thousands of products to millions of people. Radio has sold shaving cream and fur coats. It has sold cigarettes and soap, ice cream and automobiles. Radio has sold office furniture, and abrasives for industry. Yes—radio has even sold tombstones. It has produced direct and immediate results for dozens of different products and services, for every type and size of advertiser, and it has created goodwill and public acceptance that can never be measured in terms of direct sales.

We are concerned here, today, with *local* radio advertising. Contrary to popular impression—an impression held even by many experienced advertising men, local broadcasting is no longer radio's stepchild. Local radio volume in 1939 amounted to \$40,000,000 in time alone. In the past five years, local concerns have invested over \$150,000,000 in radio; they have used 650 stations in 350 markets, and they have employed every imaginable type of program, for every conceivable kind of product and service.

Most important, these local concerns are getting results that compare favorably with those from *any other* advertising medium.

As a matter of fact, in many respects, I venture the statement that local radio (particularly when used in the daytime) offers today's *best* advertising buy. The local daytime radio advertiser reaches a concentrated, attentive audience of housewives—home purchasing agents who buy 75 to 85 per cent of all advertised goods.

The experience stories I am about to quote offer further proof of the value of local radio advertising. Let's review briefly some outstanding examples. First, there is the automobile dealer, an important figure in every community. The automotive industry has long set us an example in the skillful use of modern advertising and selling tools. I happen to have worked very closely, a few years ago, with what was then (and I believe still holds the distinction of being) the most extensive radio campaign ever placed. It ran on 400 stations, involving an annual expenditure of \$2,000,000, and was largely instrumental in placing this par-

ticular car's sales far ahead of the nearest competitor. But what are the dealers themselves doing in radio? I think those early automobile broadcasts were helpful in demonstrating to dealers how radio could work for them, too, and they have used it regularly ever since. A good example is the Arthur Fields Company, a Chevrolet dealer in Portland, Oregon. Employing an interesting variation of the familiar quiz program, Fields recently credited radio with increasing their sales 183% in two years. That compares with an increase of some 50-60% in automobile sales nationally, and it also compares favorably, I think, with the job which radio is doing for *any* national manufacturer.

There is quite a spread from a thousand-dollar automobile, to a 10¢ loaf of bread, but the nature of the baking business lends itself admirably to local radio. Many local brands compete successfully with the largest companies, because bread, to be delivered fresh and at best quality every day, must be baked in the market where it is to be sold. A typical example of that is the Rainbow Bread Company in Roanoke, Virginia. Devoting 80% of their advertising appropriation to radio, Rainbow Bread became the best seller in Roanoke inside of two years. Success like that can be traced directly to a proper attitude toward radio—not merely playing with it as a child would with a new toy, but setting up a sufficient budget, having a definite plan, and getting results that more than justify the time and effort expended.

An important class of local advertiser who is just beginning to realize the potentialities of radio is real estate. Together with the allied trades of building and building supplies, real estate has experienced a recent boom of considerable proportions. Washington, D. C., for obvious reasons, is probably the best real estate town in the United States today. Since World War I, the Nation's Capital has enjoyed an uninterrupted boom in building and housing. Both office and residential space are at a premium—definitely a seller's market. But the sellers have not let themselves be lulled into a false sense of security or inertia. They advertise, consistently and extensively, in newspapers and on the air. Just recently a Washington station in a tie-in with *Life Magazine*, reported the sale of \$400,000 worth of low-cost homes, constructed under the FHA Insured Mortgage program. Only last month Congress authorized the Federal Housing Administration to expand by another billion dollars its operations in this field. That means new opportunities for local advertisers of everything from paint to pillowcases. Long before the advent of FHA, at least one real estate group saw the potentialities of radio. Ten years ago a station in Houston, Texas, argued that the average home-building or home-owning prospect was a radio listener who would react spontaneously on Sunday to real estate advertising on the air. On Sunday, both man and wife, constituting the family unit who would have to see, approve and buy this particular commodity, were at home, and had laid aside their weekly business and social interests.

Several real estate developers, approached with the idea, began sponsorship of a series of broadcasts each Sunday morning. Within a month, a total of six and one-half continuous hours of real estate topics were being broadcast. Practically every sub-division, including city lots and suburban tracts, placed on the market in Houston in the last ten years, has used the Sunday Real Estate Hour. With radio as the principal advertising medium, thousands of lots and homes have been sold.

The selling appeal was simplicity itself. Music of a broad enough interest to appeal to all the family, in lower as well as middle and upper-income groups—then the description of the home or property, with the address and an invitation to "drive out and see it this afternoon."

Another type of product which lends itself to localized promotion is ice cream. Last summer, the Bureau of Radio Advertising released the No. 5 study in its series of success stories, under the

title "Results From Radio." It told how a small ice cream retailer in the sixth largest city in North Dakota (with a population of 6,000 souls), outsold all competitors in the State, *using radio as his only advertising medium*. Basketball broadcasts did the trick—increasing the sponsor's sales 100 per cent in two years.

But what was the *real* answer behind this phenomenal record?

It is found in the fact that radio's effectiveness goes *beyond* the normal sales potential, and actually creates *new* customers and increased consumption of a good product. It is well to remember that, when you are looking for ways to expand markets and increase profits, *without* increasing the cost of doing business. (And who *isn't* looking for that—these days?)

Department stores, also faced with the problem of rising costs, are turning to radio advertising for the solution. The greater coverage which radio affords—leading to new charge accounts, mail and phone orders—these are some of the reasons why. There is the case of the Rike-Kumler store in Dayton, Ohio, employing a daily shopping program in which a female personality, representing the store's personal shopper, takes the listener on an imaginary trip through the various departments, dramatizing the merchandise and the store itself. Rike-Kumler found that radio not only brings in new customers (many of whom are unreachable through any other medium) but gets immediate and direct results—and *keeps on selling*. Radio sold candy and books, kitchenware and lingerie, fur coats and sterling silver. The unique *personal* approach of radio advertising was instrumental in achieving good will and promoting store services. Rike-Kumler also learned that it pays to put your radio program in charge of a responsible store official, to work closely with buyers and with the station experts in planning and executing the entire campaign.

That spirit of cooperation is very important, I think. It emphasizes the remarks of Mr. Willard Campbell, of the G. Fox Store in Hartford, Connecticut (another extremely successful radio advertiser). At the 1940 convention of the National Retail Dry Goods Association, Mr. Campbell advised the assembled retailers:

"Consult with your friends at the radio station. It is *their job* to make radio produce for you, but if they are going to advise you properly, they must know something of your problem. Let your hair down and tell the station man something about your business, so that he in turn can help you sell it."

A question I have often been asked is, "What sort of programs are really producing results for department stores throughout the country?" There are many, of course, and they vary greatly, but the experts of station WOR in New York, in a survey of fifteen cities, found that the most successful programs, might be roughly classified in four groups.

1. Shopping programs (as mentioned before),
2. So-called musical clock programs, broadcast in the early morning, and presenting bright music, a happy-voiced master of ceremonies, and a general wake-up-and-smile atmosphere,
3. Amateur programs, where beaming mothers may hear their offspring perform, and
4. Straight news broadcasts.

Another point the WOR survey brought out was that most successful programs were on the air *daily*. The Burt store in Cleveland, in fact, sponsors ten hours a week daily and Sunday, 52 weeks a year. Doing business on the sixth floor of an office building, Burt reports, "Our traffic is twice as great as it was when we were down on a street-level location."

Can radio sell furniture? Can it compete with pictorial salesmanship and the printed word? Can people be sold "eye appeal" goods through appeal to the ear—many department stores have asked that question. In Schenectady, there is at least one resounding answer in the affirmative. You may have heard about it. Ten years ago, Breslaw Brothers operated three stores, one in Glen

Falls, one in Saratoga Springs, and one in Schenectady. They began "experimenting," as they called it, with radio advertising. They used many types of programs, merchandising them all in accordance with a well-organized, all-inclusive plan. By constant reiteration (they were never off the air in ten years), a radio personality was developed, known as The "Breslaw Furniture Man", whose selling messages were friendly and informal. As Mr. Jay Breslaw expressed it, "Commercials on our programs have always been breezy, fast-moving, and written with a note of friendliness, expressing a guarantee of complete satisfaction."

"Today with nine large stores in nine different cities, our business is *still* growing. Year after year, broadcast advertising becomes more and more important in the sales work it does for our organization."

The success of Breslaw Brothers is only one of many demonstrating how radio can paint "ear pictures" as vivid as any for the eye.

Perhaps you are surprised to know about this visual appeal of radio. Radio's ability to sell many products usually believed limited to printed media, has been a source of constant amazement even to radio men themselves. I recall one incident from the early days of radio which dramatizes the point. This was in the days when the "jug band" was in its zenith. A quartette of syncopated jug blowers came on the air along about what the Southerners would call "supper time." Everybody listened and rattled the forks in tempo. Everybody talked about it next day at work and around the house. In this audience was a local manufacturer. He made tombstones. It was the spring of the year when everyone was changing their oil and planning Memorial Day drives. That fit him perfectly. He rushed to the station, sought out the manager and said: "I want to buy this jug band of yours. Everybody listens. And I want to tell them about putting up a tombstone at the cemetery before they go out Memorial Day. Why, I'll have *everybody's* ear."

The station commercial manager thought a second and said, "Well, I don't doubt that everybody will be listening to the jug band, but I don't think anybody will pay any attention to your swell message on tombstones. The two just don't go together. You can't get people all jazzed up, rattling the knives and forks, full of life, and expect them to listen to your message as you drag up a tombstone at the supper table."

The tombstone man retired, unhappy, of course, that his great idea did not pan out but thankful, nonetheless, that his enthusiasm had been saved a sorry investment.

The station man thought: It *was* spring. Memorial Day *was* approaching. It *was* the season, if ever there was one, in which to sell a memorial granite. Could radio sell tombstones? He studied the make-up of his listening audience, as all good radio men do: their moods, their listening habits and their tastes. Then he called back our friend the tombstone manufacturer. He gave him an "audition."

"Listen to this," he said. The program "came on." It was the beginning of a series of "Our American Presidents—Their Dramatic Lives." Every school child, in one way or another, had a reason to listen. In fact, the station man *suggested* a tie-up with school children and with the mothers interested in inculcating proper principles of Americanism. The tombstone man listened and this is what he heard: a dramatization of the life of Thomas Jefferson. Finally, the dramatic script ended with the *death* of Jefferson, and with the words, "On his tomb at Monticello are writ these words . . ." The radio man had led the mind of the listener to behold the summing up of a great man's life as carved on the tomb-inscription. Without sacrifice to mood or moment, he drew the picture and prepared the listeners' minds for the acceptance of the advertising message. Result? Radio sold tombstones.

There's another interesting program experiment going on out in the Pacific Northwest. This one has to do with retail druggists and their use of radio. Drug advertising, as you know, constitutes a good percentage of network programs. A Seattle advertising man argued that listeners must be interested in the private lives, the goings and comings of the radio stars and performers heard on these programs. And he was right, at least right enough to sell the idea to several drug chains in the state of Washington! Radio Parade, as the name implies, is a program about radio, its background and behind the scenes activities, with special emphasis on the programs and personalities sponsored by the manufacturers whose products are sold through the local sponsor's stores. It's a new idea for radio, but obviously an easy and effective tie-up. Selling messages are not limited to national brands. Many private brands have been built up by radio, and the very considerable profits to be realized from such private brand promotion has been a major argument in encouraging retail druggists to go on the air. A cartoon I once saw in *Advertising Age* illustrates the point. A somewhat skeptical housewife is standing at the counter of a drug-store. The clerk holds a bottle in his hand, and with acute appreciation of the selling problem he is faced with, says, "Is it good? Why, this product started on a small local program and now it's on the big network—with an 87-piece symphony orchestra, two sopranos and a baritone."

Now, I don't say that if *you* have a brand to push, you should rush out and buy a coast-to-coast hookup and a symphony orchestra, but many of you are no doubt familiar with the history of *two* such products. Ten years ago, the names of Alka Seltzer and Lady Esther were almost unheard of. Using radio as their major medium, Alka Seltzer and Lady Esther have come from nowhere to a dominant position in their field, and they *still* use radio at every opportunity.

In your neighboring city of Buffalo, the Buffalo General Laundries use radio for two purposes—to break the trail for its routemen, and to drive home its message of economy and service to Buffalo housewives. As a result, the company declared its first dividend in five years, while doubling the sale of "specials." As the advertising manager of Buffalo General explained it:

"Our employees take pride in hearing the name of the company they work for mentioned over the air. It is *proof positive* that we are doing our part to make it easier for them to sell laundry service, and thus increase their earnings. The salesmen, knowing they were being backed up, put on extra pressure of their own, but we honestly think radio broke the trail for them."

A local advertiser must of necessity think of radio in terms of direct and immediate returns. He can't pay for his program with prestige and he can't do it with fan mail. That is why I have stressed, in the foregoing accounts, the actual results which have been obtained—in the advertisers' own words.

Nevertheless, there *is* an important story in radio's ability to build goodwill and public confidence. Take banks and other financial institutions. Public prestige is their lifeblood, and in recent years, many of them have suffered from a lack of it. How are such concerns using radio? A recent survey by the Federal Home Loan Bank reveals that some 250 of their members seem to prefer news programs. They employ many variations, of course—commentators, quiz programs, and public forums. An interesting example of the latter is sponsored out in Los Angeles by an investment counselor who has been on the air for four years. Each week, he invites prominent citizens to discuss questions of national and local interest. The program delivers the goods in two ways: it attracts a selected audience of prospects for the company's services; it engenders civic pride and community spirit, which in turn lend a certain prestige to the sponsor. This particular program has one of the highest audience ratings in the Los Angeles area. (The

public forum broadcast, incidentally, is a true demonstration of democracy at work, similar to the town meeting of old. I wonder how many of you gentlemen have thought of radio in those terms.

It's been perhaps a long and somewhat awkward step from auto dealers to bakers, then on through department stores and druggists to banks and laundries, but local radio has successfully bridged the gap. Are these the *only* successful local radio users? Are they isolated exceptions by which I hope to prove a general theory? The best answer is the \$40,000,000 annually spent in local radio advertising. That sum is broad enough to embrace more than a few banks and bakers, department stores and druggists. That \$40,000,000 represents a lot of other products, successfully promoted by many other types of programs.

Did these programs cost a lot of money? Did they require large production staffs, expensive talent, "name" bands, the most popular evening hours? No, none of these was a factor. Not a single company among those I have mentioned attempted to compete as to time or talent with network advertisers. If you recall the basic psychology of radio, you realize it wasn't necessary to compete. The only gauge was the job to be done—and the size and character of the audience to be reached.

Well then, just what *do* most successful local radio programs have in common? What general qualities did they all share? How can we be sure of results from *our* radio advertising? Is there anyway to express a safe, sane guide to its use? I think there is, and it might be summed up in the following seven points:

1. A constructive attitude toward radio before beginning the campaign. (Find out just why and how it works for others.)
2. A sufficient budget to do the job required.
3. Close cooperation with the station experts in choosing your program, and planning and executing your campaign.
4. Utmost attention paid to the commercials. (Remember you are writing *for the ear*—and I'll confess it isn't always an easy thing to do.)
5. Complete merchandising for your program, with every effort made to coordinate radio with other advertising.
6. Consistent, regular use (on a daily basis if possible).
7. Staying on the air *long enough* to get the *cumulative* value, which radio, of all media, offers.

Looking back at the experience of others as we have today, I cannot emphasize too strongly the importance of consistency, of sticking everlastingly at it. After all, it makes common sense in any form of advertising, but it's *especially* true in radio, and *the rewards are in accordance*. Recently, I saw some figures on radio's effect on factory production. Radio's influence began to show very definitely on product output, within six to twelve weeks after the start of radio advertising. That is the reason why the networks, and many stations, too, insist on no less than thirteen week contracts.

Radio sells goods—of that, there can be no doubt. But just how do you measure radio's effectiveness? Although the complete answer would take more time than we have left, you may be sure there is a very definite answer. Radio's ability to sell goods has been measured more accurately and more thoroughly than any other medium of advertising. Radio, in fact, has set the pace for modern advertising research. It has originated and developed many of the scientific methods now in use, and your local station will be more than glad, not only to tell you about them, but to work closely with you in setting up, and following through, on whatever sort of test you choose to make.

Productive, profitable radio advertising, after all is of as much concern to the *broadcaster* as it is to you. It's the radio man's *business* to build better programs, larger audiences and increased sales for his advertisers. For that reason, he is interested in every phase of your radio campaign. On behalf of the National Association of Broadcasters, and every one of its 500 member stations,

I invite you to take advantage of the broadcaster's experience, specialized knowledge, and sincere desire to serve you.

Promotion

DENVER

In Denver, Gene O'Fallon gave "50,000,000 Radio Sets by Christmas" campaign a big lift over KFEL. Even before his letter to the trade in Denver was in the mail he was broadcasting a spot campaign. His letter to all radio dealers and distributors read:

"As a member station of the National Association of Broadcasters, KFEL is participating in the drive for 50 million active radio sets in operation by Christmas, 1940.

"We are joining with many other NAB member stations by actively promoting with frequent announcements on KFEL, the idea of giving a radio set for Christmas.

"With this promotion by radio stations, it is quite possible that this goal of 50 million sets may be exceeded, if radio dealers, department stores and automobile dealers handling radios and distributors will redouble their sales efforts from now until Christmas—increased advertising efforts will pay dividends too."

GREENSBORO, N. C.

Heroic figures depicting "The Three Wise Men" were erected in WBIG's radio part on the outskirts of Greensboro, N. C., this Christmas. They were floodlighted at night and caused a traffic congestion as thousands of motorists drove out to view them.

The Wise Men, camels, the shepherd and his flock, were all there.

Twelve huge painted boards were used to tie Santa Claus up with the station during the holidays. A head of old Saint Nick appeared in gigantic proportions as if he was speaking over a microphone labelled XMAS. The board carried a single line of copy at the bottom, "WBIG and CBS for Christmas Cheer."

MEMPHIS

The Memphis *Commercial Appeal*, rotogravure section, December 15, contained a full page of photographs illustrating the campaign for radio sets for the unfortunate conducted by WMC, the Mid-South Amateur Radio Association and McGregor's, Inc., RCA distributors.

SAN ANTONIO, TEX.

In order to keep abreast with the program desires of listeners, KTSA, San Antonio, maintains a Listeners Radio Committee, and, according to Charlie Balthrope, assistant manager, it really works. The station maintains a constant level of four hundred active names on the committee. One hundred committee members reside in the city and county in which KTSA is located; three hundred are scattered over the remainder of the station's primary

area, some in other cities and some in small towns and rural communities.

Only one question is asked at a time. A committee member is dropped who does not answer within four days.

Occupations represented by the committee membership are all the way from pipeline laborer to retired General, U. S. Army. The average age of the committee members from San Antonio is 43.5 years and 41.6 from the other parts of the primary area. Women make up 85 per cent of the committee, men 15 per cent. Two queries are sent out each month.

From the continuous research KTSA has discovered that the audience likes news and commentary programs first, variety programs second and serials third.

The audience "doesn't like the classical music in large doses and very little 'swing.' Preference is for standard music and novelty, old or familiar favorites."

The committee does not like announcers who oversell.

One interesting discovery has a bearing on 10:30 p. m. and later programming. Not having been able to sell this time consistently because advertisers were not willing to believe that there was a worthwhile audience after 10:30, the committee was queried. It was asked whether it would listen to a program of "good" music at that hour. Sixty point eight per cent reported they would listen frequently; 30.7 per cent that they would listen occasionally, and 8.5 per cent that they would never listen.

With this information in hand, the program department has scheduled the "Evening Concert," and "now we have something concrete to offer to potential clients."

SAN BERNARDINO, CALIF.

Leading citizens of San Bernardino were active in November helping KFXM celebrate Radio's 20th Birthday. Clippings and photographs of one of the display windows have been received from George A. Burns, sales promotion manager of the station. Advertisement in the San Bernardino *Daily Sun* of November 28 was headed:

"IT'S RADIO'S
20th BIRTHDAY

and

KFXM's 11th"

It was signed by Presidents of the following organizations: Chamber of Commerce; Argonaut Club; Woman's Club; Rotary Club; Kiwanis Club; Lions Club; Exchange Club; 20-30 Club; Speakers Club, and by the Commander of the American Legion.

During the celebration the station ran a long schedule of station breaks and arranged for numerous talks by prominent individuals.

MAN POWER

Once each week, sometimes more frequently, man power requirements for national defense—Civil Service jobs are consolidated in Washington. Such information is the basis of the man power announcements sent regularly to stations.

Emphasis continues to be placed on hard-to-get personnel. The special needs last week were for Engineers, Procurement Inspectors of aircraft materials and Physicists. Weekly changes will continue to specify the "hot" jobs which need to be filled quickly to insure maximum production of defense materials and equipment.

IRE Convention

Technical developments of radio during the past year will be the subjects of the lectures to be delivered at the Sixteenth Annual Convention of the Institute of Radio Engineers, opening Thursday, January 9, for 3 days, at the Hotel Pennsylvania in New York City.

Coincidental with the announcements of the dates for the Annual Convention, the Institute announced its new convention policy. This will be to hold the Annual Convention each year during January in New York City and to hold a summer convention elsewhere in June. There also will be a Pacific Coast Convention held each year. Under the new policy, the Institute will sponsor only one exhibition of radio equipment components, testing and measuring devices and manufacturing aids each year. This will be held at the Annual Convention in New York City.

The Institute medal of honor for 1941 will be presented at the convention to Alford Norton Goldsmith for his contribution to radio research, engineering, commercial developments and his leadership in standardization.

The award of the medal will also recognize the work he has done in connection with the establishment and up-building of the Institute of Radio Engineers.

Seven Institute members will be transferred to the grade of Fellow, and receive diplomas attested thereto. These are Marcus A. Acheson, Edmond N. Deloraine, Austin V. Eastman, Oscar B. Hanson, Ira J. Kaar, Arthur S. McDonald and Ralph K. Porter.

Dr. Gano Dunn, President of the J. G. White Corporation and a member of the National Defense Commission, will speak at the banquet Friday evening on the subject of the relations of engineers and their employers and on the National Defense Program.

Inspection trips have been planned to the following: Columbia Broadcasting System studios, International Telephone and Telegraph Corporation operating room, New York City Police Radio operating room, WOR Fre-

quency-Modulated Transmitter and Western Union Facsimile Varioplex operations.

A demonstration of direct color television pick-up will be given by Dr. Peter Goldmark, engineer in charge of television for the Columbia Broadcasting System.

An interesting program of inspection trips and entertainment has been scheduled for the women accompanying the members of the Convention.

Following is a complete schedule of the technical sessions:

Thursday, January 9

9:00 A. M.

Registration

10:30 A. M.-12:30 P. M.

Address by L. C. F. Horle, retiring president, and introduction of F. E. Terman, president for 1941. Technical session, President Terman presiding.

1. "Recent Developments in the RCA Electron Microscope," by J. Hiller and A. W. Vance, RCA Manufacturing Company, Inc., Camden, N. J.
2. "The Handling of Telegrams in Facsimile," by R. J. Wise and I. S. Coggeshall, Western Union Telegraph Company, New York, N. Y.
3. "Measurements of the Delay and Direction of Arrival of Echoes from Nearby Short-Wave Transmitters," by K. G. Jansky and C. F. Edwards, Bell Telephone Laboratories, Inc., New York, N. Y.
4. "An Evaluation of Radio-Noise-Meter Performance in Terms of Listening Experience," by C. M. Burrill, RCA Manufacturing Company, Inc., Camden, N. J.

2:30 P. M.-4:30 P. M.

Technical Session, H. A. Wheeler presiding.

5. "Spurious Responses in Superhetrodyne Receivers," by E. Kohler and C. Hammond, Ken-Rad Tube and Lamp Corporation, Owensboro, Ky.
6. "Intermediate-Frequency Values for Frequency-Modulated-Wave Receivers," by D. E. Foster and G. Mountjoy, Radio Corporation of America, License Division Laboratory, New York, N. Y.
7. "Signal-Noise Relations in High-Transconductance Tubes," by J. R. Nelson, Raytheon Production Corporation, Newton, Mass.
- 7½. "Improvements in B-Battery Portability," by H. F. French, National Carbon Company, Inc., Cleveland, Ohio.
8. "Magnetic Recording and Some of Its Applications in the Broadcast Field," by S. J. Begun, The Brush Development Company, Cleveland, Ohio.

Friday, January 10

10:00 A. M.

Registration

10:30 A. M.-12:30 P. M.

Technical Session, O. B. Hanson presiding.

9. "New 1-Kilowatt Television Picture Transmitter," by J. Ferguson, Farnsworth Television and Radio Corporation, Fort Wayne, Ind.
10. "Versatile Multi-Channel Television Control Equipment," by D. E. Norgaard and J. L. Jones, General Electric Company, Schenectady, N. Y.
11. "New Designs of Television Control-Room Equipment," by J. Schantz and W. Ludwick, Farnsworth Television and Radio Corporation, Fort Wayne, Ind.
12. "A Coaxial Filter for Vestigial-Sideband Transmission in Television," by H. Salinger, Farnsworth Television and Radio Corporation, Fort Wayne, Ind.
13. "Three New Ultra-High-Frequency Triodes," by K. C. DeWalt, General Electric Company, Schenectady, N. Y.
14. "A recently Developed Circuit for the Generation of Power at U-H Frequencies," by A. L. Nelson, Farnsworth Television and Radio Corporation, Fort Wayne, Ind.

2:30 P. M.-4:30 P. M.

Technical Session, F. R. Lack presiding.

15. "Radio-Frequency-Operated High-Voltage Supplies for Cathode-Ray Tubes," by O. H. Schade, RCA Manufacturing Company, Inc., Harrison, N. J.
16. "After-Acceleration and Deflection," by J. R. Pierce, Bell Telephone Laboratories, Inc., New York, N. Y.
17. Analysis of Voltage-Controlled Electron Multipliers," by B. J. Thompson, RCA Manufacturing Company, Inc., Harrison, N. J.
18. "Behavior of Electron Multipliers as a Function of Frequency," by L. Malter, RCA Manufacturing Company, Inc., Harrison, N. J.
19. "The Orbital-Beam Secondary-Electron Multiplier for Ultra-High-Frequency Amplification," by H. M. Wagner and W. R. Ferris, RCA Manufacturing Company, Inc., Harrison, N. J.

Saturday, January 11

10:00 A. M.

Registration

10:30 A. M.-1:00 P. M.

Technical Session, President Terman presiding.

20. "Some Factors Affecting Television Transmission," by M. E. Strieby and C. L. Weis, Bell Telephone Laboratories, Inc., New York, N. Y.
21. "Brightness Distortion in Television," by D. G. Fink, McGraw-Hill Publishing Company, New York, N. Y.
22. "A Phase-Curve Tracer for Television," by B. D. Loughlin, Hazeltine Service Corporation, Little Neck, N. Y.
23. "Special Oscilloscope Tests for Television Waveforms," by A. V. Loughren and W. F. Bailey, Hazeltine Service Corporation, Little Neck, N. Y.

2:30 P. M.-4:30 P. M.

Technical Session, C. M. Jansky, Jr., presiding.

24. "Program-Operated Level-Governing Amplifier," by W. L. Black and N. C. Norman, Bell Telephone Laboratories, Inc., New York, N. Y.
25. "Drift Analysis of the Crosby Frequency-Modulated Transmitter Circuit," by E. S. Winlund, RCA Manufacturing Company, Inc., Camden, N. J.
26. "Frequency-Modulated Emergency Equipment," by G. M. Brown, General Electric Company, Schenectady, N. Y.
27. "Commercial 50-Kilowatt F-M Broadcast Transmitting Station," by H. P. Thomas and R. H. Williamson, General Electric Company, Schenectady, N. Y.

Further details concerning the Convention may be obtained by addressing Harold P. Westman, Secretary, Institute of Radio Engineers, 330 W. 42nd Street, New York City.

NEW YORK TAX PROPOSAL

New York City stations were advised on December 10 that the Tax Department of the City of New York has under consideration assessing as real estate, for the fiscal year 1941-42, the operating equipment of radio, television and facsimile companies located within the City of New York. The proposed assessment would be made under alleged authority of the New York state real estate law. Because of industry-wide implications, Neville Miller has appointed a NAB committee to meet the problem.

The committee, made up of John V. L. Hogan, WQXR; Emanuel Dannett, WOR; Henry Ladner, NBC; Joseph Ream, CBS; and Harry C. Wilder, WSYR, will meet in New York on Friday, December 27, at 10:30 a. m. NAB counsel, Russell P. Place, will attend.

FEDERAL COMMUNICATIONS COMMISSION

RACETRACK RADIO

A month's search by the FCC for unlicensed radio equipment which broadcast "sure tips" to favored bettors while horse races were still being run was climaxed December 20 by the arrest of two men and the seizure of illegal apparatus at the Charles Town, W. Va., racetrack.

In early December Commission field men discovered that two portable transmitters were surreptitiously being put to such use. One transmitter concealed under the coat was employed by one of the men in the grandstand to communicate progress of the race to an accomplice in a rented tourist cabin near the track. The latter utilized the second set to flash the expected result to conspirators listening in at outside receiving stations. Under this system, some persons were able to make advantageous bets just before the results of the race were generally known.

The method of operation, as determined by Commission inspectors listening in, was this:

At the start of the race a person could be heard whistling on a certain radio frequency, followed by the words "Oh Johnny" repeated several times, and then a few bars from such songs as "Beer Barrel Polka" or "Maryland, My Maryland" would be sung. As the race neared the finish the voice would suddenly cut in with a number, repeated until the race was completed. Immediately after this number was spoken, a stronger signal on another frequency was observed to repeat the same number perhaps 10 or 15 times, followed by such commonplace expressions as "testing" or "testing for modulation", and finally the words, "that is all". On checking the race results it was obvious that the number in question referred to the number of the winning horse.

By the use of highly specialized equipment and technique, the party in the grandstand operating the transmitter concealed on his person was finally located. This transmitter was adjusted to an ultra-high frequency and the microphone extended down into the sleeve of the overcoat worn by the operator. To speak into the microphone, he merely raised his hand to the back of his neck and appeared to be conversing with his look-out companion, or shouting for his favorite horse to win. To allay suspicion, he carried a program and consulted it between races.

The grandstand tip-off man had a clear view of the tourist camp in which the high-powered transmitter was located, and received acknowledgments of the reception of his transmission by light signals flashed by the operator at the tourist cabin. On one occasion, the operator in

the grandstand remarked on the air that a clothesline obstructed his view of the light. This announcement enabled the inspectors to verify the exact cabin in the group where the presence of the high-powered radio transmitter had been previously located by a radio direction finder, even though the antenna was concealed. This transmitter was built into a trunk and when the lid was closed gave no semblance of a radio apparatus.

Arrests were made in cooperation with the West Virginia State Police and United States District Commissioner at Martinsburg, after evidence had been presented by members of the Commission's field operations section personnel—Charles Ellert, Supervisor of the Central Atlantic Monitoring Area; Assistant Monitoring Officer Earl M. Johnson, and Radio Operator Kenneth B. Menear.

FEDERAL COMMUNICATIONS COMMISSION DOCKET

No broadcast hearings or oral arguments are to be held before the Commission during the week beginning Monday, December 30, due to the holidays.

FUTURE HEARINGS

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

January 30

Joint Hearing

- NEW—Paducah Broadcasting Co., Inc., Clarksville, Tenn.—C. P., 1370 kc., 250 watts, unlimited time.
NEW—William D. Hudson and Violet Hutton Hudson, Clarksville, Tenn.—C. P., 1370 kc., 250 watts, unlimited time.

February 5

- WCSC—The Liberty Life Insurance Co. (Transferor), and John M. Rivers (Transferee), Charleston, S. C.—Transfer of control of South Carolina Broadcasting Co., Inc., 1360 kc., 500 watts night, 1 KW day, unlimited time.

February 6

- WOOD—King-Trendle Broadcasting Corp. (Assignor), WOOD Broadcasting Corp. (Assignee), Grand Rapids, Mich.—Voluntary assignment of license; 1270 kc., 500 watts, unlimited time, S-WASH.

February 12

- NEW—Herbert L. Wilson, Middletown, N. Y.—C. P., 1310 kc., 250 watts, unlimited time.
NEW—Community Broadcasting Corp., Middletown, N. Y.—C. P., 1310 kc., 250 watts, unlimited time.

February 14

- WJLS—Joe L. Smith, Jr., Beckley, W. Va.—C. P., 900 kc., 1 KW, unlimited time, DA-night. Present assignment: 1210 kc., 250 watts, unlimited time.

FEDERAL COMMUNICATIONS COMMISSION ACTION

There was no regular meeting of the Commission this week because of the holiday.

MISCELLANEOUS

- WBT—Columbia Broadcasting System, Inc., Charlotte, N. C.—Granted authority to make changes in automatic frequency control apparatus.
WHP—WHP, Inc., Harrisburg, Pa.—Granted authority to install automatic frequency control apparatus.
WQXR—Interstate Broadcasting Co., Inc., New York City—Granted construction permit to move old Composite transmitter to site of new main transmitter, to be used as auxiliary transmitter, with power of 1 KW, for emergency purposes only.
WRC—National Broadcasting Co., Inc., Washington, D. C.—Granted modification of construction permit (B1-P-243) authorizing increase in power and installation of directional antenna for night use, for extension of completion date to January 5, 1941.
WSLS—Roanoke Broadcasting Corp., Roanoke, Va.—Granted license to cover construction permit (B2-P-3018) which authorized installation of a new transmitter.
WGAC—The Twin State Broadcasting Co., Augusta, Ga.—Granted license to cover construction permit (B3-P-2891), authorizing a new station to operate on 1210 kc., 250 watts, unlimited time (B3-L-1292). Also granted authority to determine operating power by direct measurement of antenna input (B3-Z-607).
WTAQ—WHBY, Inc., Green Bay, Wis.—Granted license to cover construction permit (B4-P-2232), which authorized installation of new transmitter, changes in directional antenna system, and increase in power from 1 KW night, 5 KW day, to 5 KW day and night on 1330 kc. (B4-L-1242). Also granted authority to determine operating power by direct measurement of antenna input (B4-Z-499).
WING—WSMK, Inc., Dayton, Ohio.—Granted modification of license to change name of licensee from WSMK, Inc., to Great Trails Broadcasting Corp. (B2-ML-1040).
WATN—Watertown Broadcasting Corp., Watertown, N. Y.—Granted modification of construction permit (B1-P-809), which authorized a new station to operate on 1210 kc., 250 watts, unlimited time, for authority to install new type transmitter and extend commencement date to 60 days after grant and completion date to 180 days thereafter (B1-MP-1120).
WLAW—Hildreth & Rogers Co., Lawrence, Mass.—Granted license to cover construction permit (B1-P-2712), which authorized installation of a new transmitter, directional antenna for night use, and increase in power to 5 KW, unlimited time, on 680 kc. (B1-L-1295-A). Also granted authority to determine operating power by direct measurement of antenna input (B1-Z-610).
- The following stations were granted authority to determine operating power by direct measurement of antenna input:
- WGNY, Newburg, N. Y.; WDEV, Waterbury, Vt.; WJCB, Hammond, Ind.; KRBC, Abilene, Texas; WAGA, Atlanta, Ga.; KGHL, San Angelo, Texas; WGY, Schenectady, N. Y.; WFOY, St. Augustine, Fla.; KIDO, Boise, Idaho; KBST, Big Springs, Texas.
- WCSC—The Liberty Life Ins. Co., Transferor, and John M. Rivers, Transferee, Charleston, S. C.—Granted joint petition of transferor and transferee for continuance of hearing now scheduled for January 6, for a period of 30 days, in re application to transfer control of WCSC to John M. Rivers.
- Greensboro Broadcasting Co., Inc., Greensboro, N. C.—Granted petition for leave to amend application for new station so as to request frequency 1250 instead of 1370 kc., and 250 watts, daytime, instead of 100 watts, unlimited.
- WGNY—WGNY Broadcasting Co., Inc., Newburg, N. Y.—Granted petition for permission to file applicant's appearance late in re application for construction permit to operate on 1370 kc., 250 watts, unlimited time.

- WCAP—Radio Industries Broadcast Co., Asbury Park, N. J.;
 WCAM—City of Camden, N. J.—Denied petitions to intervene in the hearing on applications for renewal of licenses of stations WCAM, WCAP and WTNJ, and the Commission on its own motion, consolidated these hearings.
- Paducah Broadcasting Co., Inc., Clarksville, Tenn.—Granted motion for continuance of hearing now scheduled for January 13 to January 30, in re application of Paducah Broadcasting Co., Inc., and Wm. D. Hudson & Violet Hutton Hudson for construction permits to operate on 1370 kc., 250 watts, unlimited time.
- KFI (Etc.), KOA—Clear Channel Group and National Broadcasting Co., Inc., Denver, Colo.—Referred to the Commission the petition to intervene in re application of WHDH, Matheson Radio Co., Inc., for construction permit to operate unlimited time on 830 kc. with 5 KW, DA-night time for filing exceptions and request for oral argument extended to January 15. (Exception as to ruling on extension noted by counsel for WHDH insofar as applies to extension.)
- WBT—Columbia Broadcasting System, Inc., Charlotte, N. C.—Granted motion of applicants for extension of time to February 1 to file proposed findings in re applications to change frequencies, power, etc., heard on December 11.
- KFAB—KFAB Broadcasting Co., Lincoln, Neb.—Granted motion of applicants for extension of time to February 1 to file proposed findings in re applications to change frequencies, power, etc., heard on December 11.
- WBBM—Columbia Broadcasting System, Inc., Chicago.—Granted motion of applicants for extension of time to February 1 to file proposed findings in re applications to change frequencies, power, etc., heard on December 11.
- WJAG—The Norfolk Daily News, Norfolk, Neb.—Granted motion of applicants for extension of time to February 1 to file proposed findings in re applications to change frequencies, power, etc., heard on December 11.
- WMBI—The Moody Bible Inst. of Chicago, Chicago, Ill.—Granted motion of applicants for extension of time to February 1 to file proposed findings in re applications to change frequencies, power, etc., heard on December 11.
- WOR—Bamberger Broadcasting Service, Inc., Newark, N. J.—Granted special temporary authority to rebroadcast U. S. Coast Guard Cutter Spencer transmissions from 8 to 8:45 p. m., EST, on December 22.
- WSPA—Spartanburg Advertising Co., Spartanburg, S. C.—Granted special temporary authority to operate from local sunset (January 5:45 p. m. EST) to conclusion of Rose Bowl football game on January 1, in order to broadcast said game only.
- WSUI—State Univ. of Iowa, Iowa City, Iowa.—Granted special temporary authority to operate with power of 5000 watts from 7:30 p. m. or commencement of basketball games to 9 p. m. or conclusion of games on January 3, 6, 11, 13, 20 and February 1, in order to broadcast Univ. of Iowa basketball games to greater listening area.
- WTAW—Agri. and Mech. College of Texas, College Station, Tex.—Granted special temporary authority to remain silent for the period December 22 to no later than December 29, because of difficulty in maintaining normal operating schedule due to holiday exigencies prolonged by influenza scare.
- WSTV—The Valley Broadcasting Co., Steubenville, Ohio.—Denied request for special temporary authority to operate simultaneously with WSAJ from 5 to 5:30 p. m. EST, December 22 and 29, in order to broadcast Mutual Broadcasting System program entitled "Wheeling Steel Makers".
- KRIS—Gulf Coast Broadcasting Co., Corpus Christi, Tex.—Granted modification of construction permit which authorized increase in power, move of transmitter and installation of new transmitter, for approval of antenna and approval of transmitter site at Ocean Drive, Corpus Christi (present licensed site and present antenna system), and installation of new transmitter (B3-MP-1121).
- KGEK—Elmer G. Beehler, Sterling, Colo.—Granted special temporary authority to operate from 1:30 to 4:30 p. m. MST, on December 25, in order to broadcast Xmas programs as described in telegram received December 19.
- WCOP—Massachusetts Broadcasting Corp., Boston, Mass.—Granted special temporary authority to operate from local sunset (January 4:15 p. m. EST) to 4:45 p. m. EST, January 5, 19 and 26, in order to broadcast programs sponsored by the Massachusetts Federation of Music Clubs and from 4:15 to 6 p. m. EST, January 12, in order to broadcast proceedings of a testimonial banquet to be given Henry Toczyloveski, Captain of Boston College football team only.
- WEAU—Central Broadcasting Co., Eau Claire, Wis.—Granted special temporary authority to operate from 11:15 p. m., December 24 to 2 a. m. CST, December 25, in order to broadcast Christmas Eve services of St. Patricks Church of Eau Claire only.
- WFMD—The Monocacy Broadcasting Co., Frederick, Md.—Granted special temporary authority to operate with 100 watts from local sunset (December 4:45 p. m. EST) to 8 p. m., EST, December 22, 23, and from local sunset to midnight EST, December 24, in order to broadcast special Christmas programs only.
- WHEB—Granite State Broadcasting Corp., Portsmouth, N. H.—Granted special temporary authority to operate from local sunset (December 4:15 p. m. EST) to 12:30 midnight EST, on December 24 and 31, in order to broadcast holiday programs only, upon condition that said programs be sustaining only.
- WILL—University of Illinois, Urbana, Ill.—Granted special temporary authority to operate simultaneously with WIBW and WCHS, with power of 1000 watts, from 7:25 p. m. to 9:25 p. m., January 2, 6, 11, 13, and from 7:55 to 9:55 p. m. CST, January 18, in order to broadcast basketball games described in letter of December 16 only.
- WKEU—Radio Station WKEU, Griffin, Ga.—Granted special temporary authority to operate from 4:45 to 5:45 p. m. CST, on January 5, 12, 19 and 26, in order to broadcast Old Fashion Revival Hour program only.
- KRLM—Royal Miller, Sacramento, Calif.—Granted special temporary authority to operate relay broadcast station KRLM on frequencies 1622, 2058, 2150, 2790 kc., 50 watts, crystal and frequency monitor to be installed, in order to relay broadcast dance music from the Sugar Bowl in the Sierra Nevada Mountains to radio station KROY from 7 to 7:30 p. m., PST, on December 20, 27, 1940, and January 3, 10, and 17, 1941.
- WAOG—New York State Conservation, Albany, N. Y.—Granted special temporary authority to operate portable radiophone forestry station WRAI on frequencies 31620, 35260, 37340 and 39620 kc., for the period December 28, 1940, to not later than January 27, 1941, as a relay broadcast station to relay programs from the Olympic Bobsled Run to standard broadcast station WNBZ.
- WNYC—City of New York, New York, N. Y.—Granted special temporary authority to operate from 6 p. m. to 6:45 p. m. EST (Sundays excepted) during the month of January, 1941, in order to broadcast official information to draft boards and registrants and programs sustaining audience therefor.

APPLICATIONS FILED AT FCC

560 Kilocycles

- WGAN—Portland Broadcasting System, Inc., Portland, Maine.—Authority to determine operating power by direct method.
- WGAN—Portland Broadcasting System, Inc., Portland, Maine.—License to cover construction permit (B1-P-2912) for new transmitter, changes in directional antenna for night use, change of frequency, increase in power and change hours of operation and use directional antenna day and night.
- WFIL—WFIL Broadcasting Co., Philadelphia, Pa.—Authority to transfer 50% of interest in corporation from Strawbridge and Clothier to Lit Bros., 7,100 shares common stock.

590 Kilocycles

- WKZO, Inc., Kalamazoo, Mich.—Construction permit to install a new directional antenna for night use.

610 Kilocycles

- WHKC—United Broadcasting Co., Columbus, Ohio.—Construction permit to use directional antenna day and night, change frequency from 640 to 610 kc., power and time from 500 watts limited to 1 KW unlimited, request Class III-B station, move transmitter to 13.5 miles to Columbus, Ohio. Request facilities WCLE. Amended: request that this application be contingent on grant of WCLE's application B2-P-2834 and that directional antenna be used at night only.
- WCLE—United Broadcasting Co., Cleveland, Ohio.—Construction permit to install directional antenna for day and night use;

install new transmitter; change frequency and power from **610 kc.**, 500 watts, to **640 kc.**, 1 KW, time from daytime to limited time to local sunset, California; move transmitter; Class II station. Requests facilities WHKC. Amended to request **600 kc.**, unlimited time, equipment changes, changes in directional antenna for day and night use, omit request for WHKC's facilities, and request to move and for a new transmitter.

660 Kilocycles

WEAF—National Broadcasting Co., Inc., New York, N. Y.—Construction permit to increase power from 30 KW to 50 KW and make changes in transmitting equipment for emergency purposes only.

WEAF—National Broadcasting Co., Inc., New York, N. Y.—License to cover construction permit (B1-P-3058) for increase in power, and changes in auxiliary transmitter.

710 Kilocycles

WOR—Bamberger Broadcasting Service, Inc., Newark, N. J.—Modification of license to move studio from 131 Market St., Newark, N. J., to 1440 Broadway, New York, N. Y.

890 Kilocycles

NEW—Central Carolina Broadcasting Corp., Burlington, N. C.—Construction permit for a new broadcast station to be operated on **1420 kc.**, 100 watts, unlimited time. Amended to request **890 kc.**, 250 watts, daytime, and changes in equipment.

920 Kilocycles

WWJ—The Evening News Assn., Detroit, Mich.—Modification of construction permit (B2-P-2880) for changes in equipment, increase in power, installation of directional antenna for night use, requesting approval of directional antenna.

1010 Kilocycles

WNOX—Scripps-Howard Radio, Inc., Knoxville, Tenn.—Construction permit to install directional antenna for night use; increase power from 1 KW night, 5 KW day, to 10 KW; **990 kc.** under N. A. Agreement. Amended to install 10-KW equipment.

1200 Kilocycles

KFXJ—R. G. Howell and Charles Howell, d/b as Western Slope Broadcasting Co., Grand Junction, Colo.—Authority to determine operating power by direct method.

1210 Kilocycles

KALB—Alexandria Broadcasting Co., Inc., Alexandria, La.—Construction permit to change frequency from **1210 kc.** to **580 kc.** (Class II-B); increase power from 250 watts to 1 KW; install a new transmitter; install directional antenna for night use; and move transmitter.

1310 Kilocycles

WINX—Lawrence J. Heller, Washington, D. C.—License to cover construction permit (B1-P-2546) as modified for a new station (Main transmitter).

WINX—Lawrence J. Heller, Washington, D. C.—Authority to determine operating power by direct method (Main transmitter).

WCMI—Ashland Broadcasting Co., Ashland, Ky.—License to cover construction permit (B2-P-2742) as modified, for new antenna and move of transmitter.

KVIC—Radio Enterprises, Inc., Victoria, Texas—Authority to transfer control of corporation from Fred W. Bowen, Charles C. Shea, to Morris Roberts, 250 shares stock. Amended: to omit name of Charles C. Shea as one of transferors.

WINX—Lawrence J. Heller, Washington, D. C.—Authority to determine operating power by direct method (Amplifier).

1320 Kilocycles

KRNT—Iowa Broadcasting Co., Des Moines, Iowa—Modification of construction permit (B4-P-2726) for move of transmitter installation of directional antenna for night use, install new transmitter and increase in power, requesting changes in equipment.

1330 Kilocycles

KSCJ—Perkins Bros. Co. (The Sioux City Journal), Sioux City, Iowa—Modification of construction permit (B4-P-2290) as modified for installation of directional antenna for night use and increase in power, requesting extension of completion date from 1-28-41 to 3-28-41.

1340 Kilocycles

NEW—Ruben E. Aronheim, Fitchburg, Mass.—Construction permit for a new broadcast station to be operated on **1310 kc.**, 250 watts, unlimited time, Class IV station.

1360 Kilocycles

WGES—Oak Leaves Broadcasting Station, Inc., Chicago, Ill.—Construction permit to install a new transmitter, increasing power from 500 watts, 1 KW Sunday to 5 KW, change hours from Share WSBT to unlimited time, install directional antenna for day and night use and move transmitter.

1370 Kilocycles

KIUP—San Juan Broadcasting Co., Durango, Colo.—Authority to determine operating power by direct method.

1410 Kilocycles

KGNC—Plains Radio Broadcasting Co., Amarillo, Texas.—Construction permit to install new transmitter, directional antenna for day and night use, change frequency from **1410** to **860* kc.**, increase power from 1 KW night, $2\frac{1}{2}$ KW day, to 50 KW, move transmitter from Amarillo, Tex., to near Willton, Tex.

*(Under NARBA.)

1440 Kilocycles

KDFN—Donald Lewis Hathway, Casper, Wyoming—License to cover construction permit (B5-P-2849) for increase in power and changes in equipment.

1500 Kilocycles

NEW—Lake City Broadcasters, Inc., Lake City, Fla.—Construction permit for a new broadcast station to be operated on **1500 kc.** (Class IV station), 250 watts, unlimited time.

KGKY—L. L. Hilliard, Ruth K. Hilliard and R. M. Stewart, d/b as Hilliard Co., Scottsbluff, Nebr.—Authority to determine operating power by direct method.

FM APPLICATIONS

NEW—John Lord Booth, Detroit, Mich.—Construction permit for a new high frequency broadcast station to be operated on **44100 kc.**; coverage: 4,400 square miles; population: 2,514,753. Amended to request **44100 kc.**; coverage: 6732 square miles; population: 2,901,908 and change type of transmitter and antenna changes.

NEW—Head of The Lakes Broadcasting Co., Superior, Wis.—Construction permit for a new high frequency broadcast station to be operated on **44500 kc.**; coverage: 2,754 square miles; population: 168,193.

TELEVISION APPLICATION

W2XWV—Allen B. DuMont Laboratories, Inc., New York, N. Y.—Modification of construction permit (B1-PVB-30) as modified for a new television broadcast station, requesting extension of completion date from 12-13-40 to 2-13-41.

MISCELLANEOUS

NEW—Capital City Broadcasting Co., Inc., Topeka, Kans.—Construction permit for a new broadcast station to be operated on **1170 kc.** (Class II station), 5 KW, daytime.

WEIX—Memphis Publishing Co., Portable-Mobile.—Construction permit to increase power from 5 watts to 22 watts and install new transmitter (already constructed under B3-PRE-352).

WEIX—Memphis Publishing Co., Portable-Mobile.—License to cover above construction permit.

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.

Bengor Products Company—Louis Gordon and Ben Gordon, trading as Bengor Products Company, 878 Broadway, New York, wholesale dealers engaged in the sale and distribution of miscellaneous merchandise, including cosmetics, perfumes, soap and other articles are charged in a complaint with misrepresentation.

In the course of their business, the complaint alleges, the respondents distribute catalogs and circulars by United States mails and other means in commerce, in which it is represented that various of their products have a retail price greatly in excess of the actual selling price at which such merchandise ordinarily and customarily is sold to consumers. The respondents' dental creams, represented as "60¢ size," actually are sold to the retail trade at 65 cents per dozen, and their "Powder and Perfume Combination," represented as retailing at 25 cents, is sold to retailers at 65 cents per dozen packages, according to the complaint.

Also typical of the acts and practices of the respondents, the complaint continues, are representations that certain items of merchandise are given free on various quantity purchases. The complaint declares that the respondents do not give any specified items of merchandise free, as the price of the so-called "free" items is included in the price of other articles of merchandise.

The complaint also charges that the respondents use such designations as "Dr. Sachs" and "Dr. Dade's" in the trade or brand name of their various products, by which they represent that the formula of the products has been prepared from a formula of a member of the medical or dental professions or that the products are made under the supervision and direction of a medical or dental practitioner. These products, the complaint alleges, are not so made.

The respondents also are charged with using the statement "Parfums. Jockey Club de Paris" to represent products wholly manufactured within the United States as being manufactured in France and imported into the United States.

Sale by the respondents of punch boards or lottery devices to dealers for their use in connection with the sale of merchandise, also is charged in the complaint. (4420)

Charmete Cosmetic Laboratory—Milton Boyle, Jr., and H. Sibner, operating under the firm names of Charmete Cosmetic Laboratory, Charmete Laboratory, and Charmete Laboratories, 730 Fifth Ave., New York, engaged in selling a drug product designated "Rx28," have agreed to cease representing that "Rx28" is a remedy for acne, pimples, blackheads and other skin blemishes, or that relief of any kind is assured or sure. Milton Boyle, Jr., and H. Sibner further agree to cease and desist from the use of the word "Laboratory" or "Laboratories" in their trade names, or from otherwise representing that they own, operate or control a laboratory. (02685)

Entromul Company—Thomas J. McBride, trading as The Entromul Company, 1655 Riverside Drive, Los Angeles, engaged in selling a medicinal preparation designated "Entromul," alleged to be of value in the treatment of various stomach and intestinal disturbances, in a supplemental stipulation has agreed to discontinue representing that an overdosage of his preparation can have no harmful effects; that use of the preparation will have a beneficial influence on an excess acid condition of the bowels or colon; will help maintain the alkaline-acid balance of the body; that it will eliminate putrefactive germs found in the intestines, or that the preparation has any significant value in the treatment of simple mucous colitis; is capable of providing a protective

lining to the mucous membrane lining of the stomach, or that it is a corrective or is a lasting relieving agent. The stipulation is supplemental to one accepted by the Commission in February, 1937, the terms of which are still in effect. (01665)

Field Herbs—G. W. Bodine, trading as Field Herbs, 10353 South Peoria St., Chicago, has agreed to cease representing that his product "Herbs" is of any value whatsoever in the treatment of coughs, colds, asthma, nervousness, diabetes or heart trouble, or that it is a competent treatment or effective remedy for affections of the kidneys, bladder or intestines. (02686)

Hy-Phen Corporation—A complaint has been issued charging Hy-Phen Corporation, Matoaka, W. Va., successor to Bradley's Laboratory, Inc., with misrepresentation in the sale of "Hy-Phen," a medicinal product.

In newspaper, radio and other types of advertising matter circulated in commerce, the respondent, according to the complaint, represented that its preparation will prevent, and is a cure or remedy for colds; that it is a competent and effective treatment for toothache, earache, neuralgia, twitching nerves, after extraction pains, aching muscles, rheumatic pains, and women's periodic pains, and will relieve the pain attendant on such conditions more quickly and longer than any other preparation. The respondent further represented, according to the complaint, that its product is safe for use.

The complaint charges that the use of the preparation will not accomplish the results claimed; that its therapeutic properties are limited to that of an analgesic only affording temporary relief from painful symptoms, and having no curative action on underlying factors that cause pain; that its ingredients are similar to those found in many like preparations; that its effectiveness in treating the conditions enumerated is limited to furnishing temporary relief to the symptoms of pain in some instances, and that it would have no therapeutic value in treating such conditions as migraine headaches, infectious diseases, headaches due to infection, pains due to abscessed teeth, or pains resulting from pressure on nerves.

Because of the existence of acetophenetidin, caffeine and hyoscyamus in the respondent's preparation, its administration is not entirely free from danger, the complaint alleges. (4418)

Merchandise Sales Syndicate—Use of lottery methods in the sale of smoking pipes, jewelry, fountain pens and other merchandise, is alleged in a complaint issued against Ewen Cameron, trading as Merchandise Sales Syndicate, 2738 North Sheffield Ave., Chicago.

The respondent, according to the complaint, sells to dealers certain assortments of merchandise so packed and assembled as to involve the use of a game of chance, gift enterprise or lottery scheme, when the merchandise is sold to the consuming public. Pull-card devices are used, the complaint alleges.

Charging that the respondent's practices have been of a sort which are contrary to Federal Government public policy and in violation of the criminal laws and the Federal Trade Commission Act, the complaint grants the respondent 20 days for filing answer. (4417)

Ozon Chemical Company, Inc., also trading as Duncan Chemical Co., 607 Del Monte Way, St. Louis, engaged in selling and distributing a medicinal preparation designated as "Duncan's Ozon," is charged, in a complaint with misrepresentation.

The complaint charges that in advertisements in newspapers and by other means in commerce, the respondent has represented that the preparation constitutes a cure or remedy and a competent and effective treatment for colds, coughs, sore throat, athlete's feet and poison ivy; is an effective preventive of colds, coughs, and sore throat, and that the preparation is recommended by physicians generally and is in general use in hospitals.

The complaint charges that the respondent further represents that it manufactures or compounds the preparation.

The complaint alleges that the preparation is composed principally of pine oil and is of no substantial therapeutic value in either the treatment or the prevention of any of the ailments or conditions mentioned; that it is not recommended by physicians generally, nor is it in general use in hospitals, and that the respondent does not manufacture or compound the preparation, but obtains it from other sources. (4421)

Peggie Moran Company, Inc., and **Irene Johnston, Inc.**, engaged in the sale and distribution of a soap product allegedly possessing reducing properties, are charged in a complaint with misrepresentation of the product.

Peggie Moran Company, Inc., 1729 $\frac{3}{4}$ North Wilcox Ave., Hollywood Calif., is engaged in the sale and distribution of a soap product sold under the trade name "Peggie Moran Savon," formerly sold under the name "Peggie Moran Deluxus". **Irene Johnston, Inc.**, operates a permanent wave and beauty salon at 811 West 7th St., Los Angeles, and sells the Peggie Moran product.

In advertisements in newspapers, the complaint continues, representations have been made such as:

WANT TO REDUCE?

No diet! No exercise! Use Peggie Moran soapy lather on fatty spots a few minutes daily at home. Easy! Quick! Sane! The results will amaze you. Ask us about Peggie Moran Deluxus at \$2 per bar. Mail orders invited.

IRENE JOHNSTON

5th Floor

811 W. 7th St.

In advertising literature and other representations, the complaint continues, the respondents have represented that the preparation is in fact a reducing soap and that its application to the fatty portions of the body will cut down the measurements thereof and will cause one to reduce at those portions of the body where applied; will cause one to become slender; that it will "wash away" pounds and cause superfluous flesh to disappear without resort to a diet or exercise, and that it will give one a new figure. These representations, the complaint charges, are misleading and deceptive, as the product will not accomplish the aforesaid results and does not contain or possess any reducing properties or ingredients. (4415)

Joseph Warner Furniture Corporation, 42 East 33rd St., New York, engaged in the distribution of household furniture, and operating so-called dealer or trade showrooms at that location under the name "Salem House", is charged in a complaint with misrepresentation of its products.

The complaint charges that in various forms of advertising in commerce and by personal statements of its representatives, the respondent has represented itself to be a wholesaler of furniture and that it is in fact selling furniture at wholesale prices. As part of its plan, the complaint alleges, the respondent has circulated circular letters and so-called "Admittance Permit" cards containing the following statements and claims:

"We are furniture distributors representing over 100 different factories. We stock every possible furniture need in a very wide price range to suit the requirements of thousands of dealers and interior decorators, and their referred clientele. A substantial money saving, quality for quality, is assured you."

"ADMITTANCE PERMIT"

To the Trade Showrooms of the

JOSEPH WARNER FURNITURE CORP."

To persons and business concerns which, for a commission, the complaint alleges, would refer customers to the respondent, the respondent furnished circulars to be shown to prospective customers, which read in part as follows: "Salem House—Authorized Member."

The complaint charges that the respondent contacted various persons and smaller business concerns and made agreements to pay them commissions on sales to customers contacted by or sent to the respondent by such persons and concerns. Its salesmen and representatives at its place of business, the complaint continues, hesitated or refused to show furniture to prospective purchasers unless they gave their dealer's name or presented a so-called admittance card from some person or concern with whom the respondent had made an agreement for the payment of commissions on sales to such customers. The respondent's salesmen and representatives are alleged to have stated to retail customers who came to its place of business that the prices quoted to them were in fact wholesale prices, when in fact they were discounts and reductions from exaggerated prices marked on its furniture, and were substantially higher than the wholesale prices.

These acts, practices and methods, the complaint charges, are part of and constitute a plan or scheme to mislead and deceive purchasers into the belief that they are buying at wholesale prices. (4416)

Core Lee Wiley, Adol, Ga., engaged in the sale and distribution of a medicinal preparation designated at "SNL (Suffer No Longer)," is charged in a complaint with misrepresentation of the product.

The complaint charges that through the United States mails and by various other means in commerce, the respondent has represented that her medicinal preparation is a cure or remedy for various diseases and disorders of the female organs, and constitutes a competent and effective treatment for such conditions.

The complaint alleges that these representations are false and misleading; that the preparation is not a cure or remedy for such disorders and diseases and has no therapeutic value in their treatment. The complaint charges that the preparation is made up of an indiscriminate combination of drugs, which, in the proportions used and the methods of use, has no basis in medical science. (4419)

STIPULATIONS

No stipulations were issued by the Commission during the week.

CEASE AND DESIST ORDERS

Commission has issued the following cease and desist orders:

Arlington Sales Company—Samuel H. Koolish, trading as Arlington Sales Company, 210 West Eighth St., Kansas City, Mo., has been ordered to cease and desist from using lottery methods in the sale of radios, flashlights, clocks and other merchandise.

The Commission order directs the respondent to cease supplying to or placing in the hands of others, punch boards, push or pull cards, or other devices, which may be used in selling or distributing merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme; or transporting to agents, distributors, or the public, such devices so prepared or printed that they may be used in the sale of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme; or selling or otherwise disposing of any merchandise by the use of such devices. (4180)

Chilton Greetings Company—Herman Chilton, trading as Chilton Greetings Company, 147 Essex St., Boston, has represented in advertisements in newspapers and magazines: "21 lovely Christmas Folders of irresistible beauty, appeal and charm. Fastest seller out at \$1 retail—you make 100% profit! Also 9 other Box Assortment leaders to boost earnings. Free Sample Offer!"

Upon request for the free samples mentioned in the advertisements, the Commission finds, the respondent sends a folder containing such samples, and in addition thereto, sends a box of greeting cards accompanied by an invoice upon which is imprinted the following statement:

"This sample Blue Ribbon Christmas Folder Assortment is sent to you 'on approval' so you may get started taking orders at once.

Special Free Sample Offer.

This memorandum bill will be cancelled if you return it to us with your first order for 12 or more Blue Ribbon Christmas Assortments within 15 days from the time this bill is received. This sample box will then be yours free. * * * (4313)

Crazy Water Company, Mineral Wells, Texas, and four of its executives, have been ordered to cease and desist from misrepresentations concerning their products, recommended as a treatment for certain ailments and sold under the trade designations "Crazy Mineral Water," "Crazy Water Crystals" and "Crazy Fiz."

The four executives named respondents are: Carr P. Collins, H. H. Collins, M. W. Woodall and J. A. Pondrom, individually

and as chairman of the board, president, secretary and treasurer, respectively, of the Crazy Water Company.

The Commission finds that in advertisements in newspapers, circulars, radio broadcasts, and other media in commerce, the respondents have represented that the mineral waters and derivatives thereof, which they sell, will cure or are beneficial in the treatment of many diseases of the alimentary tract, the urinary tract, kidneys and gall duct, and kindred diseases and ailments; that constipation and "faulty elimination" are the causes of, and associated with, numerous ailments, afflictions, and conditions enumerated by them, and that the respondents' products possess beneficial, therapeutic properties with respect to curing and effectively treating constipation and "faulty elimination" and therefore the ailments enumerated.

The Commission finds that the products possess no therapeutic value in excess of those of a cathartic or laxative, plus a tendency to temporarily neutralize excess gastric acidity, and serve no other purpose than to assist in the temporary evacuation of the intestinal tract and to tend to temporarily neutralize excess gastric acidity.

The respondents are ordered to cease and desist from representing that their products are a cure or remedy for certain diseases, or symptoms of diseases, of the alimentary tract, and certain conditions involving the urinary tract, kidneys and gall duct, or constitute an effective treatment therefor in excess of the extent to which the product, by temporarily relieving constipation and gastric acidity, may be beneficial in treating such disorders when constipation and gastric acidity are contributing factors; and that such diseases or symptoms are necessarily caused by, or associated with, or that the respondents' products are a competent treatment for, constipation, faulty elimination, or excess gastric acidity.

The Commission order also directs the respondents to cease representing that such products possess any therapeutic properties beyond those of a cathartic or laxative and as an antacid with a tendency to temporarily neutralize excess gastric acidity; or are a cure, remedy, for, or possess any beneficial therapeutic properties in the treatment of, urticaria, cirrhosis of the liver, chronic metritis, parametritic exudations; diabetes mellitus, gravel and calculous concretion in the bladder and gall duct; fevers, toxic conditions, typhoid, influenza, anaphylaxis, nephritis, pyelitis, catarrhal jaundice, cholecystitis, Bright's disease, kidney trouble, obesity, irregularities of the liver, gall duct and bladder, rheumatism, arthritis, neuritis, high blood pressure, acidosis, lumbago, gout, poisonous system, affected vision, colds, scarlet fever, aching joints, and numbness of limbs, and that these ailments and conditions are caused by, or generally associated with, excess gastric acidity or constipation. (4314)

R. H. Laird Company—Rose Helen Kingstone, trading as The R. H. Laird Company and as Rose Laird, 785 Fifth Ave., New York, engaged in selling cosmetic preparations designated "Rose Laird's Greaseless Lubricant, Protective Face Lotion, Overnight Cream, and Liquid Facial Soap", agrees to cease representing that the products, alone or in combination, will correct blemishes or other skin ills, conditions or problems, or will enable one to acquire or keep a clear skin, or will enable persons to free themselves from a problem skin; that by use of the products, alone or in combination, one will not have bumpy skin, excess oil, eruptions, coarse pores or blackheads, or that such conditions will be cleared by the separate or combined use of the products. (02683)

Nix Cosmetics Company—P. Edwards, operating under the trade name of The Nix Cosmetics Company, 1668 Monroe Ave., Memphis, Tenn., engaged in selling a cosmetic preparation designated "Nix Deodorant Cream", has agreed to cease representing that the application of the product stops the flow of perspiration or stops perspiration odor for days; that Nix affects perspiration or perspiration odors in a new way, or in a way different from that of other preparations, or that Nix neutralizes or has any other substantial effect upon perspiration acids. P. Edwards further agrees to cease and desist from representing, by the use of a misleading headline, or otherwise, that any girls are "wanted", or from otherwise representing, importing or implying that he has any employment to offer. (02688)

Phillips Card Company—Walter P. Phillips, trading as Phillips Card Company, 50 Hunt St., Newton, Mass., according to Commis-

sion findings, has represented, in advertisements in newspapers, magazines, and circular literature:

"Take advantage of our liberal, below cost sample offer to secure your samples at special money-saving prices."

Upon request for the "free samples" mentioned in other advertisements, the findings continue, the respondent sends a folder, containing 10 Christmas cards of various designs so marked with matter printed thereon as to be used for display samples. In addition, however, he sends a "Supercraft" assortment of 21 Christmas cards, unmarked and suitable for use, together with an invoice upon which is imprinted, among other things:

"WE WILL CANCEL THIS INVOICE

if you order 12 or more Boxes of our Supercraft—21 Card Assortment within 15 days after you receive the Sample Assortment. After 15 days, since the Sample Box is sent on approval, your remittance must be sent to us or the box returned." (4311)

A. Sartorius and Company, Inc., trading as Plat-Num Perl Laboratories, 80 Fifth Ave., New York, engaged in the sale and distribution of manicure products, has been ordered to cease and desist from certain misrepresentations of its products.

The Commission finds that the respondent has made false and misleading representations in commerce with respect to its nail polish remover. Typical of these representations is the descriptive statement "Plat-Num Olive Oil Compound Nail Polish Remover for drv brittle nails".

The Commission finds that the quantity of olive oil contained in the product is negligible; that the product cannot truthfully be represented as an olive oil product, and that the olive oil content is so small as to be incapable of relieving or improving to any appreciable extent the condition of dry, brittle nails.

The respondent also has represented, the findings continue, that "Plat-Num Nail Protector * * * encourages growth * * * strengthens nails", while in truth the use of the product does not stimulate or encourage the growth of the nails or serve to strengthen them.

The respondent is ordered to cease and desist from disseminating any advertisement in commerce which represents that the preparation "Plat-Num Olive Oil Compound Nail Polish Remover" will relieve or improve the condition of dry, brittle nails or that the preparation "Plat-Num Nail Protector" stimulates the growth of the nails or strengthens the nails. The respondent is further ordered to discontinue using the words "Olive Oil" or any other words of similar meaning to designate, describe or refer to the respondent's cosmetic preparation now designated "Plat-Num Olive Oil Compound Nail Polish Remover" or otherwise representing that the preparation contains any substantial amount of olive oil. (3966)

Thomas Management Corporation, the Paul A. Thomas Trust, and 6 individuals, all of Chicago, distributors of cosmetics and medicinal preparations for the treatment of the hair and scalp, through their retail stores located in various cities from coast to coast, are charged, in a complaint with misrepresentation.

Other respondents named in the complaint are Paul A. Thomas, Sr., Catherine M. Thomas, and Norbert J. Thomas, officers of the corporation and trustees of the trust; Paul A. Thomas, Jr., officer of the corporation; and Ruth and Madeline Thomas, individuals.

All of the stock of the corporation, the complaint charges, is owned by Paul A. Thomas Trust. The respondent corporation or different individual respondents, either individually or as co-partnerships, operate stores under the name "The Thomas" in New York, Chicago, San Francisco, and some 25 other cities in various parts of the country.

The complaint charges that the respondents sell their preparations for external use through: (1) extensive advertising to the effect that they can diagnose and cure scalp trouble, stop falling hair, and regrow hair, inducing persons to come to their places of business where the various preparations are administered and sold; and (2) sale of their "Home Treatment Kits" assortments containing the same cosmetic preparations which are administered by the purchasers themselves.

In advertisements in newspapers and periodicals, by radio continuities, and advertising literature distributed in commerce, the complaint charges, representations are made such as:

"World's Leading Hair and Scalp Specialists—
Forty-Five Offices"

"WHY BE BALD?"

"SEE THOMAS TODAY"

"Modern science has made it unnecessary for any man to fear baldness. It is known that baldness results from one or more of 14 local scalp disorders. Thomas experts recognize each of these 14 conditions and adapt the reliable, proved Thomas treatment to overcome the ones which are specifically causing your loss of hair. * * *

"Within a remarkably short time after you start Thomas treatment your dandruff disappears, hairfall stops, and new hair starts to grow on the thin and bald spots."

The complaint alleges that the respondents thus represent, directly and by implication, that the preparations constitute a cure or remedy for dandruff, and an effective treatment for all forms of dandruff and itching scalp; that they have therapeutic properties effective in destroying the germ causing dandruff; that their use will stop abnormal loss of hair, cause new hair to grow, promote normal growth of hair on thin or bald spots, revive hair growth, and prevent, cure and effectively treat baldness.

The complaint charges that the respondents' products do not

constitute a cure or remedy for dandruff or an effective treatment for dandruff or itching scalp in excess of furnishing temporary relief from symptoms of itching and the temporary removing of dandruff scales; that the preparations, while having some therapeutic and germicidal qualities, will not destroy the germ which allegedly causes dandruff; that the preparations have no therapeutic properties effective in causing new hair to grow; that their use will not stop the abnormal loss of hair or promote normal hair growth, and that the preparations have no therapeutic value in treating baldness.

The respondents are alleged further to represent that the internal use of their preparations "Trichovita" and "Trichotone" are effective in stimulating hair growth, when such are not the facts. (4422)

FTC CASE CLOSED

The Federal Trade Commission has closed its case against Roy Thompson trading as T. A. Reynolds & Co. and as Thomas Rey Company, and against Roy Thomson and Glenn Brown, trading as Jean Lowe Cosmetic Company, Olney, Ill., without prejudice to its right to resume proceedings, should future facts so warrant.

The respondents had been charged with unfair representations in the sale of toilet preparations, cosmetics and flavoring extracts.

According to information received by the Commission, the respondent Thomson is serving a sentence of four years on a charge of using the mails to defraud, and the respondent Brown is deceased.