

Bond Expense Deductible

Under date of December 9, the Commissioner of Internal Revenue has ruled that, by broadcasting information as to the necessity for the buying of War Bonds, radio stations are carrying on one of the functions for which they were organized and that the expenses incurred in connection therewith are deductible as ordinary and necessary business expenses under Section 23(a) of the Internal Revenue Code.

The Treasury, according to unconfirmed rumors, has under consideration the question of allowing the money value of radio time donated to the Government for announcements and programs in support of the war effort as a gift or contribution under the amendment to Section 23 made in the Revenue Act of 1942. Contributions or gifts to the United States for exclusively public purposes are deductible to an amount which does not exceed 5% of the taxpayer's net income. The question on which the Treasury may rule is, does a gift of radio time constitute a "contribution or gift" within the meaning of that section.

We print below the letter from the Commissioner of Internal Revenue:

(Copy)

TREASURY DEPARTMENT

Washington

December 9, 1942.

Office of

Commissioner of Internal Revenue

IT:P:T:2

CP

Mr. Russell P. Place, Counsel,
National Association of Broadcasters,
Normandy Building,
1626 K Street, N. W.
Washington, D. C.

Sir:

Further reference is made to your letter of July 21, 1942, regarding the deductibility for Federal income tax purposes of expenses incurred by radio stations in promoting the sale of War Bonds. You enclosed two copies of the "National Association of Broadcasters—War Service Bulletin," which you state indicates, in a general way, the kind of expenses that will be incurred by radio stations in promoting the sale of War Bonds. Plans of handling the matter by radio stations are set forth therein as follows:

"Plan 1. A station becomes an issuing agent and gets a supply of bonds. Its own employees handle the

over-the-counter as well as mail order sales. An all-out promotion job is launched; listeners are urged to come in and buy or send in their checks. The station is in the bond selling business.

"Plan 2. A station does not become an issuing agent but establishes a basis of all-out cooperation with some established issuing agency or agencies. Listeners are urged to go and buy or send in their mail orders direct to these agencies.

"Plan 3. A station becomes an issuing agent and gets its bond supply.

"Some volunteer organization, like Navy Relief, etc., takes on the job of handling the over-the-counter as well as the mail order sales. Again an all-out promotion campaign is launched to get buyers to come in or write in and buy.

"Plan 4. A station steps-up its present war bond sales and agrees to receive mail orders and see that they are transmitted to an issuing agent."

You also enclosed a newspaper clipping from the "Advertising Age" of June 25, 1942, concerning the deductibility for Federal income tax purposes, of expenses incurred by newspapers in promoting the sale of War Bonds, under section 23(a) of the Internal Revenue Code.

The test of whether expenditures are deductible from gross income is whether they are ordinary and necessary expenditures directly connected with or pertaining to the taxpayer's trade or business. As indicated by the newspaper clipping submitted, the Bureau has ruled that expenses incurred by newspapers in directing public attention to the vital necessity of the successful marketing of war bonds are deductible as ordinary and necessary business expenses. Such ruling is based upon the recognition that it is the business of newspapers, among other things, to disseminate news and bring to the attention of readers matters of public interest. Newspapers in thus promoting the sale of war bonds are considered to be engaged in carrying on one of the functions for which they are organized and the expenses incurred are identified as being directly connected with the business of operating a newspaper.

It appears that the business of a radio station includes, among other things, broadcasting of news, advertising of products and dissemination of other matters of interest to the public. By broadcasting information as to the necessity of buying war bonds, radio stations are carrying on one of the functions for which they are organized and the expenses incurred in connection therewith are deductible as ordinary and necessary business expenses on the basis of the reasoning applied in the case of newspapers.

As appears from the plans above set forth, it is contemplated that in addition to broadcasting information as to the necessity of buying war bonds, radio stations may either receive mail orders for bonds and see that they are transmitted to an issuing agent or sell bonds as issuing agents, either by mail or over-the-counter, using their own employees for these purposes. Expenses incurred by radio stations in carrying on such activities may properly be considered as expenses for institutional or good will advertising, which are also deductible from gross income under section 23(a) of the Internal Revenue Code if reasonable in amount. In this connection attention is

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

Lewis H. Avery, *Director of Broadcast Advertising*; Howard Frazier, *Director of Engineering*; Joseph L. Miller, *Director of Labor Relations*; Paul F. Peter, *Director of Research*; Russell P. Place, *Counsel*; Arthur C. Stringer, *Director of Promotion*.

BOND EXPENSE DEDUCTIBLE

(Continued from page 697)

called to I.T. 3564, I.R.B., 1942-28,2, which reads as follows:

"Advice is requested as to the deductibility for Federal income tax purposes of amounts expended by business concerns for advertising which promotes the sale of United States war bonds and stamps.

"The test of whether expenditures for advertising are deductible is whether they are ordinary and necessary and bear a reasonable relation to the business activities in which the enterprise is engaged. This is not intended to exclude institutional advertising in reasonable amounts or good will advertising calculated to influence the buying habits of the public. If such expenditures are extravagant and out of proportion to the size of the company or to the amount of its advertising budget in the past, or if they are not directed to public patronage which might reasonably be expected in the future, such payments will be disallowed as deductions.

"The above general tests are equally applicable in determining the deductibility of amounts expended for institutional or good will advertising which promotes the sale of war bonds and stamps."

Respectfully,

(S) GUY T. HELVERING,
Commissioner.

War Manpower Commission

One agency is now charged with effective mobilization and utilization of the Nation's manpower to meet both military and home front needs. This vital war function is placed in the hands of the War Manpower Commission and its Chairman, Paul V. McNutt.

Home Front Needs—As may be required by prosecution of the war, the Commission Chairman is given authority to take "all lawful and appropriate" steps to assure that:

(a) all hiring, solicitation, and recruitment of workers in any plant, occupation or area be channeled through the U. S. Employment Service;

(b) no employer retain any worker whose services are more urgently needed in another plant, occupation, or area.

Express authority is given in this respect only over employers; but powerful levers for putting workers in essential jobs exist—authority to make USES the sole hiring agency, and control over selective service.

Military Needs—Selective Service System is transferred to the Manpower Commission. Local and appeal boards are made subject to the WMC Chairman's supervision and direction. General Hershey remains as Chief of the Bureau of Selective Service.

Voluntary enlistment of male persons between the ages of 18 and 38 in the enlisted personnel of the armed forces is forbidden.

Military training programs in educational institutions are to conform to policies and regulations of the Commission Chairman.

Induction of draft registrants 38 years and older is suspended. Provision is made for conditional release from the Army of enlisted men in the same age group.

Paul V. McNutt, chairman of the War Manpower Commission, made the following statement at a press conference Monday:

"I believe that the centralization of manpower control accomplished by the President's Order is a prerequisite to an adequate attack upon the tremendous task of allocating men to the Armed Forces and to War Industry.

"Although gratified with the grant of additional authority, I am at the same time thoroughly aware of the heavy responsibility which accompanies it and I am approaching it with an attitude of humility.

"The transfer of the Selective Service System and the restrictions on voluntary enlistments will make possible a unified plan for the orderly withdrawal of men from civilian life with the least possible disturbance of essential war production. Until further integration plans are perfected, I shall expect the Selective Service Director to administer the program as heretofore. Administrative changes must necessarily be made gradually and in a way which will not interrupt the effective discharge of duties by the Director and his operating staff.

"The authorization for the regulation of hiring is clearly a necessary control in areas of critical labor shortages. Although I am determined to exercise this authority, where necessary, to prevent labor hoarding and allocate essential workers to war plants, action will be taken only in those areas and with respect to those occupations where it is essential to meeting labor requirements. Until further clarification, it should be understood that presently approved methods of recruiting and hiring may continue.

"The provision for a uniform policy for the utilization of educational institutions will enable the Commission and the Armed Services to complete plans which will eliminate the confusion and misunderstanding on the part of these institutions as to the Government's desires in this respect.

"The provisions for the legal status of the Management-Labor Policy Committee is recognition of the work of that group and will, I believe, enable it to perform its functions in a still more effective way.

"In order to discharge the added responsibilities imposed upon the Commission, certain immediate administrative and organizational changes are necessary. A number of these have already been made.

"Now that the transfer of the United States Employment Service from the Social Security Board to the War Manpower Commission has been effected, Arthur J. Altmeyer, the Chairman of the Social Security Board, who has been serving as Executive Director of the War Manpower Commission, and John J. Corson, the Director of the Bureau of Employment Security of the Social Security Board, who has been serving as Chief of the Division of Industrial and Agricultural Employment of the War Manpower Commission, have indicated their desire to devote their full time and energy to their work in the field of social security. They point out that with the transfer of the United States Employment service the need no longer exists for their serving as both War Manpower Commission and Social Security Board officials, in order to integrate the activities of these two agencies. They also stress the importance of giving attention to strengthening our social security system as a war-time necessity as well as a post-war protection. I am in full accord as to the importance of social security and must, therefore, reluctantly concur in their decision.

"I am asking Mr. Altmeyer to serve as the representative of the Federal Security Agency in the War Manpower Commission. Within a short time, a successor to Mr. Altmeyer will be appointed. In the meantime, I have designated Mr. Arthur Flemming, a member of the War Manpower Commission, to undertake the duties of the office

as Acting Executive Director. Mr. Flemming has worked closely with the staff of the Commission and with the Management-Labor Policy Committee and is thoroughly familiar with the manpower program. I am confident that he will press forward with that program, in an aggressive and vigorous manner, until a permanent appointment is made.

"Within a few days a full announcement of the re-organization of the Washington and field staffs of the Commission will be announced."

DRAFT RELIEF

The change in Selective Service regulations announced last weekend which suspended induction of men thirty-eight years old and over will materially aid the broadcast industry. The proportion of men in the 38-45 age group in broadcast stations is undoubtedly smaller than is found in older industries, but the relief to broadcasters will be real none-the-less.

A special analysis of the NAB Manpower Survey Question Eight, relating to "essential men," indicates the extent of the relief. In the question, the stations were asked to furnish a list of their "key" personnel, within ages 20-45, for whom they have or would file Form 42A seeking deferment as "necessary men." Six hundred stations listed some 2,488 persons as "necessary" to the operation of their stations.

Dropping the age limit to 38 removes 510 essential men, 20.5% of those so classified, from the current Selective Service lists.

The Selective Service classifications of men listed as "essential" in question eight were analyzed to reflect the change. The table below compares the percent of the 2,488 men listed in each classification:

	<i>Old</i>	<i>New</i>
Class 1A or 1B	7.3%	6.7%
Class 2A or 2B	4.7%	4.1%
Class 3A or 3B (With dependent children)	54.5%	41.2%
Class 3A or 3B (Without dependent children)	25.6%	22.2%
Class 4	5.0%	4.7%
Not Classified	2.9%	.6%
Men 38-45		20.5%
Total	100.0%	100.0%

Class 1 men and Class 3 men without dependent children, we may assume, are subject to early call. Of essential men, 32.9% were so classified. The age change drops the percentage to 28.9%. In numbers, of the 2,488 "essential men," 819 were in Class 1 or Class 3 without dependent children, but now after dropping out those over 38 years old, there are but 721.

For further information on the NAB Manpower Survey, see NAB REPORTS, November 27, 1942, Page 671 and, November 20, 1942, Page 653.

The state tabulations were sent to NAB District Directors for transmittal to State Directors of the Selective Service System Saturday, December 5, 1942. All stations cooperating with submissions of the information were sent a copy of the tabulation for the state in which the station is located.

NAB TO MOVE

On December 21, the NAB will move to its new headquarters at 1760 N Street, N.W.

The phone number will be unchanged—National 2080.

The building which has housed the NAB for the last four years has been taken over by the RFC.

The new offices are just a few doors east of Connecticut Avenue, two blocks north of the Mayflower Hotel.

District Meetings

DISTRICT 1

Paul W. Morency of WTIC was reelected director of the First District of NAB at the close of sessions on the first day of the two-day meeting in Boston, Mass. Mr. Morency will continue in office for two more years, beginning with the end of the 1943 NAB convention.

The meeting was called to order at 10 a. m. on Wednesday, December 9, by Director Morency with 92 broadcasters, government and industry representatives in attendance. It was the largest registration in the history of meetings of the First District.

Following a review of the purpose of the meeting by Director Morency, C. E. Arney, Jr., assistant to the President, outlined the war work of NAB in the absence of President Neville Miller, who was called back to Washington following the meeting of the Second District in New York City.

During the course of the first day, the following representatives of government agencies and departments outlined the problems of the war that affect broadcasting: Carl Haverlin, Headquarters Consultant, Radio Branch, Office of War Information; Eugene Carr, Office of Censorship; Capt. Jack Harris, Radio Branch, Public Relations Bureau, Army; Lt. Commander L. R. Collier, Chief, Radio Section, Navy Public Relations Office; Capt. Wm. H. Price, District Public Relations Office, Marine Corps; James Donovan, Regional Director, Office of Civilian Defense; and George E. Shrigley, Assistant Regional Representative, USES, who spoke also for the War Manpower Commission.

At the luncheon meeting on the opening day, Neal O'Hara, widely read Boston columnist, humorist and raconteur, entertained the delegates with hilarious off-the-record observations on the life of a professional humorist.

Immediately following luncheon on the first day, Walter C. Johnson of WTIC and Lewis H. Avery of NAB outlined the retail promotion committee plan, which was enthusiastically received.

On the second day, a morning meeting for the managers was conducted simultaneously with a meeting of the sales managers, over which Kingsley F. Horton of WEEL, district chairman, presided. The managers listened to a discussion of the AFM-Petrillo problems by President Miller, who hurried from Washington to Boston to participate in the second day of the conference. At the conclusion of the morning session, the broadcasters unanimously endorsed by formal resolution the OWI allocation plan, the retail promotion committee plan and the NAB Board of Directors stand on the AFM-Petrillo situation.

At the meeting of the sales managers, Miss Linnea Nelson, time buyer for the J. Walter Thompson Company, New York office, outlined what buyers want to know. She shared the morning meeting with Dr. Robert Elder of Lever Brothers Company, who is famed for his statistical studies of broadcasting.

Luncheon on the second day featured a talk by the well-known news analyst, Irving T. McDonald, who reported on "A World At War."

The afternoon session on the second day was devoted to a further exposition of the retail promotion committee plan and to a discussion of other sales problems. This meeting was also presided over by Mr. Horton.

Those in attendance included:

Adler, Ben, RCA Mfg. Co.; Arney, C. E., Jr., NAB; Avery, Lewis, H., NAB; Armstrong, O. N., Jr., WCOP;

Atwood, Jack, WDRC; Allen, T. F., WFCI; Barrere, Claude, NBC Radio Recording; Beiber, F. E., WTHT; Berkett, Samuel, ASCAP; Bettinson, Winslow, WHEB; Blink, Milt, Standard Radio; Bloomberg, Haskell, WLLH; Bowes, F. R., WBZ; Boyle, John J., WJAR; Brackett, Q. A., WSPR; Brown, Walter, Maj., Army; Brayshaw, A. R., Press Association; Bush, W. T., WPRO; Carpenter, David, WKNE; Chandler, Vincent H., WMUR, of Censorship; Clement, Earle, WLNH; Delaney, C. G., WTHT; Decastillo, L. G., WEEI; Donahue, Robt. F., WLLH; England, Monroe B., WBRK; Feldman, Robert, WMAS; Fellows, Harold E., WEEI; Flynn, Lawrence, WMEX; Georges, Bert, WHEB; Goodwin, Harry D., WBZ; Goulden, Stanley W., RCA; Greenwood, Warren, WHAI; Guernsey, Thompson L., WLBZ; Gunther, Martin, WHEB; Hacket, Walter, Office of War Information, Boston; Harris, Jack, Capt., Army; Haverlin, Carl, OWI-BMI; Hickox, Sheldon B., Jr., NBC; Hill, E. E., WTAG; Horton, K. F., WEEI; Horter, Don, WBZ; Hurwitz, H. Y., Staff Sergeant, Marine Corps; Jackson, W. E., Westinghouse; Johnson, Walter C., WTIC; Keller, Robert S., AMP; Kelly, George F., Jr., WCSH; Kelley, Robert; Kettell, Elmer, NBC; Koster, H. W., WPRO; Krueger, H. L., WTAG; Langlois, Cy, Lang-Worth; Lasker, George, WORL; Latham, W. H., WSPR; Malo, William, WDRC; Manning, Jack, Army; Matheson, John J., WHDH; Mayo, John, AMP; Meyer, Harold H., WSR; Meyers, Milton H., WEIM; Milner, R. Howard, WBZ; Montague, P. J., WHYN; Morency, Paul W., WTIC; Morrell, Harold B., WLAW; McCray, Thomas C., WTIC; Miss McDonald, Betty, Army; Nichols, H. W., WHAI, Miss Parmer, E., WTAG; Pote, William S., WMEX; Price, Wm. H., Capt., Marine Corps; Rines, William H., WCSH; Robison, Oshley L., WORL; Rogers, Irving E., WLAW; Rosenberg, Manuel, "The Advertiser"; Sanford, Robert, WORL; Schudt, Bill, CBS; Selvin, Ben, AMP; Sherwood, Alex, Standard Radio; Shrigley, George E., War Manpower Commission, Boston; Shurtleff, David F., WFEA; Slade, George W., WBZ; Smith, Leslie F., WMUR; Spates, James, WHAI; Stanton, Mildred P., WORC; Sutherland, George, WFCI; Swan, W. Gordon, WBZ; Teskey, Warren, WEIM; Thomas, Harold, WATR; Thomas, Levon, WNAB; Thornley, Howard W., WFCI; Ward, Stanley A., Capt., Marine Corps; Weis, Pierre, Lang-Worth; Wyant, Dal, WHEB; Young, C. S., WBZ.

DISTRICT 2

The best attended meeting ever held of the Second District of NAB was called to order at 10:00 a. m. on Monday, December 7, 1942, at the Biltmore Hotel in New York City by District Director Kolin Hager of WGY. More than 125 broadcasters, government and industry representatives registered during the two-day conference.

Following the introductory remarks of Director Hager, President Neville Miller outlined the war work of NAB, with special emphasis on the problems faced by the broadcasters in the furtherance of the war effort and the war.

During the two-day meeting, talks were delivered by the following representatives of government agencies and departments directly concerned with the war: William B. Lewis, Chief, and Carl Haverlin, Headquarters Consultant, Radio Branch, Office of War Information; Lt. Col. Edward M. Kirby, Chief, Radio Branch, Public Relations Bureau, Army; Lt. Commdr. Morgan S. A. Reichner, Public Relations Office, Navy; J. K. Barnes, Office of Civilian Defense; Eugene Carr, Office of Censorship; G. Lynn Sumner, New York State War Savings Staff; Miss Adrienne Ames, The Woman's Viewpoint on War Bond Sales; and Col. Harry Wilder of WSYR, Broadcasters' Train Technicians for War.

At luncheon on the opening day, John Benson, President of the American Association of Advertising Agencies, spoke on the "Solidarity of the Advertising Industry." His plea for greater cooperative effort on the part of all advertising media was thought-stimulating to the broadcasters in attendance. He was followed by Col. Lemuel Q. Stoopnagle, who disposed of his subject in the first two sentences and then proceeded to a discussion of Jokes vs. Whimsy with ample illustrations of both.

The noted news analyst, H. V. Kaltenborn, described his talk at luncheon on the second day as "Looking at the War." In the course of his tensely listened-to analysis, Mr. Kaltenborn described the development of the war since Pearl Harbor and briefly appraised the position of the United States today. In a keenly analytical discourse, following Mr. Kaltenborn, Paul West, President of the Association of National Advertisers, talked about "Facing Realities." He outlined the problems which advertisers and advertising agencies face today and recounted the work of the Advertising Council, pointing out that 64 government campaigns are now in progress.

Most of the second morning was devoted to a discussion of the AFM-Petrillo problem, led by Sidney Kaye, Counsel, and Mr. Miller. At the conclusion of that study, Charles F. Phillips of WFBL, District Chairman of the Sales Managers, and Lewis H. Avery of NAB, presented the Retail Promotion Committee Plan.

The afternoon session on the second day was devoted to a further study of the Retail Promotion Plan and to other sales problems.

At the morning meeting on the second day, the broadcasters unanimously passed resolutions endorsing the OWI Allocation Plan, the Retail Promotion Plan, the stand of the NAB Board of Directors on the AFM-Petrillo situation, and petitioning the FCC to relax regulations dealing with restricted operators.

The unusually large attendance list included:

Adams, John T., WINS; Akerberg, Herb, CBS; Allen, George, WABC; Ambrose, Warren F., Blue Network; Arney, C. E., Jr., NAB; Avery, Lewis H., NAB.

Bagley, Carol, WNEW; Barrere, Claude, NBC; Barry, Charles, WJZ; Beckwith, Arthur, AMP; Bendiner, Lawrence, 2nd Region, OCD; Bess, Herman, WNEW; Blink, Milton, Standard Radio.

Callahan, Leonard D., SESAC; Carman, H., WGBB; Carr, Eugene, Office of Censorship; Carter, Woodberry, WTRY; Chilton, Ruth, SSYR; Codel, Edward, Atlantic Coast Network; Codel, Martin, Broadcasting Magazine; Collins, J. M., ASCAP; Cook, Nathan W., WIBX.

Danzig, Jerry A., Public Relations Off., USNR; Doerr, William, Jr., WEBR; Driscoll, Richard, WBTA; Duncan, Walter, WNEW.

Egner, C. Lloyd, NBC; Erdman, F. C., ASCAP; Estes, B., WINS.

Fay, William, WHAM; Finney, C. M., Associated Music Publ.

Gantter, Raymond C., WFBL; Glick, Clifford H., WNEW; Gregory, S. D., WEAF; Gude, J. G., CBS.

Hager, Kolin, WGY; Hardke, Ruth, WSYR; Haverlin, Carl, B.M.I.; Hawkins, L. B., WNBF; Hayes, Arthur, Hull, WABC; Hickox, S. B., Jr., NBC.

Jaspert, George H., WPAT; Judas, Bernice, WNEW.

Keller, Robert S., AMP; Kemble, Dorothy A., Blue Network; Kirby, Lt. Col. Edward M., PRO, War Dept.

Lambert, Bert, WNEW; Lang, Joseph, WHOM; Lee, Jack, WHAM; Levin, Harry C., O.W.I.; Lewis, Charles, 2nd Region, OCD; Long, Maury, Broadcasting Magazine; Lounsbury, I. R., WGR; Lyford, E. B., NBC.

MacDonald, Alex, WGY; Marshall, T. S., WOLF; Mason, Jay, WJTN; Mayo, John, AMP; McCloskey, E. Ray, WNBF; McNeil, John, WJZ; Middleton, B. M., WABC; Miller, Henry L., WPAT; Miller, Neville, NAB; Miller, William Burke, NBC; Moss, Kermit J., WNEW; Murphy, John T., NBC.

Novik, M. S., WNYC.

Olin, Bruff W., Jr., WKIP; Overall, John R. (Lt.), Radio Section, 3rd Naval Dist.

Paley, William, CBS; Parreca, Connie, WOV; Petthey, Herbert L., O.W.I.; Phillips, Charles F., WFBL.

Ream, J. H., CBS; Reichner, M. S. A., Lieut. Commdr., NSNR; Riple, William, WTRY; Ripley, Fred R., WSYR; Robertson, Bruce, Broadcasting Magazine; Rosenhaus, I. R., WAAT; Rowan, B. J., G. E. Co.

Schmitt, Frank M., RCA; Schudt, Bill, Jr., CBS; Seitz, Frank A., WFAS; Selvin, Ben, Associated Music Publ.; Shapiro, M. H., Radio Daily; Stewart, Elliott, WIBX; Stoopnagle, Col.

Taylor, Dale; Tompson, C. Robert, WBEN; Treacy, Jack, NBC; Trenchard, Roland, WAAT; Tompkins, M. E., B.M.I.; Turner, Oscar C., NBC; Twamley, Edgar H.

Vance, H. C., RCA-M.

Walker, Ernest; Weil, Ralph N., WOV; Weis, Pierre, Lang Worth; While, Frank K., CBS; White, Norman H., Jr., Public Relations, USMC; Wilcox, WHOM; Wilkins, D. C., WJTN; Wiig, G. O., WHEC; Wiess, Sylvia, Radio Dailey.

Adler, Ben, R.C.A.; Barnum, Jerome B., Syracuse, N. Y.; Boice, H. K., WQXR; Dale, Albert E., N.B.C.; Goulden, Stanley W., R.C.A.; Greenberg, Herman, ASCAP; Hedges, William S., N.B.C.; Lane, William T., WAGE; McKay, John, N.B.C.; Mermey, Maurice, NAB-Public Relations; Paine, John J., ASCAP; Parsons, Willis, N.B.C.; Sherwood, Alex, Standard Radio; Stanton, Frank, C.B.S.; Wood, Helen, WIBX.

Alcorn, W. C., WNBX; Black, Elizabeth, Joseph Katz Co.; Brayshaw, A. R., Press Association; Buechner, Robert, Free & Peters; Dennie, Ralph, Blue Network; Doty, Chick, Blue Network; Dundes, Jules, WABC; Eastman, Bob, Blue Network; Elbrock, Rae B., Franklin Bruck Adv. Co.; Ensell, E. Schuyler, WABC; Feltis, Hugh, Blue Network; Franco, Carlos, Young & Rubicam; Frank, Paul, Wood & Co.; Grabhorn, Murray, Blue Network; Harrison, Jerome B., WABC; Hymes, John, Lord & Thomas; Karnes, Paul H., Press Association; Kelly, James M., Radio Advertising; Kent, Alan, WJZ; Long, Maury, Broadcasting Magazine; Lyden, John M., Ted Bates Co.; Lynch, Thomas H., William Esty & Co.; Mafiecci, Lucille, J. Walter Thompson Co.; Michelson, Charles, Michelson Radio Transcriptions; Moss, Albert, Jr., Radio Advertising; Shurack, Ed, WHN; Stone, Peggy, Spot Sales; Swars, Larry, Walter P. Burns Co.; Swift, G. Richard, WABC; Thomas, Helen, Spot Broadcasting; Tolcher, Arthur, WHN; Trenner, Harry, MBS; Wallace, Donald J., McCann-Erickson; Wright, Anne, J. Walter Thompson; Young, Chet, Press Association; Young, Stanley, The Foreman Co.

DISTRICT 7

Nathan Lord of WAVE was elected to a two-year term as Director of the Seventh District of NAB at the two-day meeting in Columbus, Ohio, on December 4 and 5, 1942. Mr. Lord's term begins with the end of the 1943 NAB Convention.

The two-day conference was called to order at 10 a. m. on Friday by J. Harold Ryan of WSPD, District Director, and attended by 91 broadcasters, government and industry representatives. At the conclusion of the sessions later Saturday afternoon, it was the consensus of those present that the two-day meeting was the best ever held in the Seventh District. As one prominent broadcaster put it: "There was more useful information available to those who attended, and there was more spirited discussion among the conferees, than I have ever seen before."

Two luncheons were held on the opening day. Fifty-one members and representatives of the Ohio Association of Broadcasters met at a luncheon presided over by President Ryan of the OAB. The balance of the broadcasters, government and industry representatives attended a general luncheon presided over by President Neville Miller of the NAB.

At both luncheon meetings, Governor John W. Bricker of Ohio spoke briefly, thanking the broadcasters for the fact that, under the free American system of broadcasting, full and fair discussion of the political issues of the times are available in every nook and corner of the country. He especially stressed the impartial handling of the recent political campaign in Ohio.

During the luncheon of the OAB, the following officers were elected for the ensuing year: President, Carl Everson of WHKC; Vice-President, Robert T. Mason of WMRN; Secretary-Treasurer, Laben Smith, WCOL.

Those in attendance were the guests of the Fort Industry Company at a luncheon on the second day. Following the luncheon, Lewis H. Avery of the NAB Department of

Broadcast Advertising, spoke briefly on "Good Taste in Radio Advertising."

During the two-day conference, the following representatives of war agencies and departments spoke: Carl Haverlin, Headquarters Consultant, Radio Branch, Office of War Information; Eugene Carr, Office of Censorship; Lt. Holman Faust, Radio Officer, Navy, Great Lakes, Ill.; Ben H. Darrow, Director of Radio, Fifth Region, Office of Civilian Defense; and Major R. P. Forster, British Army Staff.

Following the sales meeting on the second morning, which was presided over by W. I. Orr of WBNS, District Chairman of the Sales Managers, Mr. Miller presented the AFM-Petrillo problem, with supporting talks by Milton Blink of Standard Radio, and Cy Langlois of Lang-Worth.

At the afternoon meeting on the second day, Mr. Miller outlined the manpower problem and explored the many difficulties which radio stations currently face under the Selective Service Act and other regulations and restrictions of government.

Resolutions, unanimously endorsing the OWI Allocation Plan, the action of the NAB Board of Directors in the AFM-Petrillo situation and the Retail Promotion Plan, were passed on the second day.

Those registered:

Avery, Lewis H., NAB; Barton, Howard, WTAM; Baylor, David M., WGAR; Beavers, Wallace, WCOL; Blink, Milton; Callaway, Harry, WHAS; Camp, Harry, WGAR; Carpenter, H. K., WHK-WCLE; Carr, Eugene; Cohen, I. T.; Cox, J. F., WAVE; Darrow, Bern H.; Davis, Warren G., WCMJ; Devaney, Lt. J. P., U.S.N.R.; Dodge, Fred, WKRC; Elvin, Ralph, WLOK; Everson, Carl, WHKC; Fast, H. E., WKRC; Faust, Lt. Holman; Feldman, Samuel E.; Fields, O. E., WMAN; Flanigan, Ed, WSPD; Forster, Major R. P.; Fox, Katherine, WLW-WSAI; Garfield, Lt. J. B., U.S.N.R.; George, Carl E., WGAR; Haid, Allen, WHIZ; Harkathorn, K. K., WHK-WCLE; Haverlin, Carl; Heibeck, Frank, WDOK; Higgy, R. C., WOSU; Hinkle, Felix, WHBC; Hoessly, H. H., WHKC; Hover, Fred, WFIN; Hunter, C. M., WHK-WCLE; Karnes, Paul H., AP-PA; Keller, Robert S., A.M.P.; Kennett, Robert L., WHAS; Kent, Carl H., Jr., WAKR; Kerns, J. Robert, WHIZ; Lane, C. Howard, C.B.S.; Langlois, "Cy", Lang-Worth; Laux, John, WSTV; LeGate, J. M., WHIO; Levinson, H. Y., WCAR; March, L. T., WMRN; Martin, Reggie, WIZE; Mason, Robert T., WMRN; McKelvey, G. C., WSTV; Metzger, Hal, WTAM; Miller, Neville, NAB; Morrison, Robert, WMRN; Moses, John B., WHKC; Nasman, Len, WFMJ; Orr, W. I., WBNS; Outler, John M., Jr., WSB; Palmer, Fred A., WCKY; Patt, John F., WGAR; Patterson, George, WAVE; Pettegrew, C. W., WOSU; Pixley, L. A., Fort Industry Stations; Pribble, V. H., WTOM; Patt, Ralph, WPAY; Price, Jack, WBNS; Richmond, R. W., WRRN; Ryan, J. Harold, WSPD; Sherwood, E. A.; Sherwood, Alex; Smith, L. T., WCOL; Smith, Neal A., WCOL; Spencer, Lester, WHIO; Squire, Burt; Storer, Geo. B.; Thompson, W. M.; Trace, Gene, WKBN; Treacy, Jack, N.B.C.; Tyler, A. E., WCMJ; Uebel, Katharine; Williamson, W. P., Jr., WKBN; Weis, Pierre, Lang-Worth; Woolley, Easton C., N.B.C.; Wilson, Bob, WADC; Williams, Tod, WSPD; Woodyard, Ronald B., WING; Beebout, George L., WFMJ; Callahan, Walter A., WSAI; Cummings, Donald S., WBNS; Davis, Walter L., WRRN; Doty, Jack, WCOL; Jones, Frank N., WCOL; Martin, Paul, WCOL; Woody, R. H., WHIO.

DISTRICT 8

The following were registered at the District 8 meeting:

J. J. Flanigan, WIBC; Ben H. Darrow, Civilian Defense, Cleveland; Miss Helen Kennedy, Radio Director, Kroger Grocery & Baking Co., Cincinnati; Rex Schepp, WIRE; C. E. Schindler, WGRG; David Wilburn, WGRG; Lt. John T. Barnett, USNR, Public Relations, Indianapolis; Lt. Holman Faust, 9th Naval District Radio Officer, Indianapolis; Gene Faughn, WFBM; C. Bruce McConnell, WISH; R. E. Bausman, WISH; I. T. Cohen, ASCAP;

Samuel E. Feldman, ASCAP; Eldon Campbell, WOWO; Steve Conley, WOWO; H. G. Wall, WIBC; Miss Blanche Young, Director of Radio, Indianapolis Public Schools; Burt Squire, SESAC; Howard Loeb, WFDF; Paul H. Karnes, Press Association; John E. Fetzer, WKZO; Eugene Carr, Office of Censorship; "Cy" Langlois, Lang-Worth; Pierre Weis, Lang-Worth; Porter Smith, WGRC; Harmon L. Stevens, WHLS; H. M. Bitner, WFBM; William F. Kiley, WFBM; Robert S. Keller, AMP; Louis P. Hutchinson, OWI; Robert LaBlonde, OWI; C. Howard Lane, CBS; Grant F. Ashbacher, WKBZ; W. C. Wester, WKBZ; Owen F. Uridge, WJR; Leo Fitzpatrick, WJR; M. H. Latour, Air Raid Warning System, Chicago; Lt. Fred A. Chastain, Air Raid Precaution Officer, Chicago; 3rd Officer Ruth W. Morton, WAAC, Fort Des Moines; Milton Blink, Standard Radio; Charles Lee Harris, WGRC; Frank O. Sharp, WFBM; Vincent McMahon, Press Association; O. J. Kelchner, WIBC; Easton C. Wooley, NBC; Neville Miller, NAB; John W. O'Harrow, WKZO; Dan Jayne, WELL; Eugene C. Pulliam, WIRE; George M. Jackson, WBOW; Jack Tracy, NBC-Thesaurus; Lewis H. Avery, NAB; Carl Haverlin, BMI-OWI; Colonel Robinson Hitchcock, State Director, Selective Service, Indianapolis.

PAMPHLET REVISED

"The Wage and Hour Act: How It Affects a Broadcasting Station," popular publication of the NAB Labor Relations Department, has been thoroughly revised in a third edition and will soon be mailed to all members.

The revised edition includes a supplementary section on salary stabilization.

BONUSES

The WLB and the Treasury have differing regulations on bonuses.

The WLB regulations concern only those employees who make \$5,000 a year or less, with the exception of unorganized executive, administrative and professional employees.

The Treasury regulations concern only those employees who make more than \$5,000 a year and unorganized executive, administrative and professional employees.

The WLB says that any bonuses of the same size or smaller as previously established, or based on *any* formula previously established need no approval to be paid.

The Treasury says that any bonuses of the same size or smaller as previously established, or based on a *percentage of the employee's salary previously established* need no approval to be paid.

VICTORY TAX

A question has been raised under the new Victory Tax as to whether the 5 percent tax should be withheld from amounts paid occasional talent in cases where the employer station has no means of knowing whether their total earnings for the year will amount to the specific exemption of \$624.

The NAB understands that the Bureau of Internal Revenue will seek to apply the same rules as to the employer-employee relationship in such cases as are applied in the case of Social Security payments. Such talent are treated as employees for Social Security purposes. In the opinion of NAB tax counsel, their compensation does not fall under the heading of professional fees and therefore their compensation is subject to withholding.

While there is a specific exemption of \$624 for Victory Tax purposes, the obligation to withhold is not based on ability to predict whether a total compensation in excess of \$624 will be paid the employee in the taxable year. An individual might work for several employers during a year, for example, and receive less than \$624 from each.

Nevertheless, withholding is necessary if compensation for the pay period is at a rate in excess of \$624 per year. If the employee is paid on a weekly basis, the statute requires withholding on his compensation for the week in excess of \$12 (Section 466(b)(1) of the Internal Revenue Code). In the case of biweekly pay, the exempt amount is \$24; semi-monthly, \$26; monthly, \$52; quarterly, \$156; semi-annually, \$312; annually, \$624.

ENLISTMENT STATUS NOT CLEAR

As of December 10, the exact status of enlistments in the military forces is not sufficiently clear in detail for the issuance of a statement.

This week's mailing of recruiting announcements is being limited to a single folio which is devoted to the enlistment of WAACS.

MORE RADIO CLASSES IN CONN.

Franklin M. Doolittle, president, WDRC, Hartford, and industry representative, ESMWT-NAB Radio Technician Training program in Connecticut, has arranged for new courses in several cities.

NEW HAVEN AND WATERBURY. Classes were started during October, with completion set for early spring, 1943.

BRIDGEPORT AND STAMFORD. Fall classes started about November. Completion in spring.

HARTFORD. Present students in Radio I and II complete their work next week. New courses begin shortly after January 1, 1943. Estimated number of students for the first quarter classes of the new year are: Sixty (60) in Fundamentals of Radio I and thirty (30) in Radio II.

Dean J. H. Lampe, of the University of Connecticut, course coordinator, works closely with Mr. Doolittle.

These courses are financed with federal funds. They have proven their worth; and many graduates are employed at broadcast stations.

Similar courses may be established in every state. The initial step is to point out industry needs for these men to the ESMWT Institutional Representative of an engineering school or to the Dean of Engineering at such school. Proposals are then sent to the U. S. Office of Education, Washington, for approval.

RADIO AT STATE TEACHERS COLLEGE

Professor J. W. White, Director of the Department of Physics, State Teachers College, Platteville, Wisconsin, is teaching ESMWT-NAB "Fundamentals of Radio."

Recently NAB sent Professor White additional copies of the course outline.

CAPT. McCAHILL AT SAN DIEGO

Captain William P. McCahill, USMC, has been confirmed in his assignment as Public Relations Officer, San Diego, Cal.

Captain McCahill was formerly stationed in Washington, at Marine Corps headquarters, serving under Brigadier General Robert L. Denig. For a good many months Captain "Bill" was contact with NAB headquarters.

AMATEURS HELP BROADCASTERS

Cooperating with NAB, American Radio Relay League has appealed to its members, through its magazine, "QST," to submit lists of transmitter tubes for sale to broadcast stations.

The Swap Bulletin, dated Dec. 11, 1942, includes the

first offering of such tubes from amateurs. Additional tubes will be listed as they come in. Other pages of items in the Swap Bulletin list the "Will Buys" and "Will Sells" from stations.

STATIONS AID IN SERVICE PROBLEM

Stations listed below are among those which have reported cooperation in the campaign to educate the public to bring their radio sets to servicemen for repairs. This permits servicemen to spend all of their time working; saves time they used to spend going after sets.

When the tubes and parts inventory in the hands of radio repairmen increases, we can get more aggressive. Tactics to follow through this period are those of conservation. We can attack when the parts and tubes ammunition is sufficient for needs. And this problem, as reported previously, has the attention of WPB.

Stations are urged to rotate repairmen spots on the basis of one a day. No more are required now.

KWIL, Albany, Ore.; WITH, Baltimore; KBKR, Baker; KWON, Bartlesville; KIDO, Boise; WHDF, Calumet-Houghton; KSUB, Cedar City; WSOC, Charlotte; WCHV, Charlottesville; WCPO, Cincinnati; WTAW, College Station, Texas; WCOS, Columbia; WRBL, Columbus, Ga.; WCOL, Columbus, Ohio; WHKC, Columbus, Ohio; WTBO, Cumberland; WBLJ, Dalton; WDAD, Danville, Ill.; KWLC, Decorah; WPOE, Denver; WDTN, Dubuque; WTMV, East St. Louis, Ill.; WTSM, El Paso; KORE, Eugene; KFPW, Fort Smith; KFRE, Fresno; KMJ, Fresno; KLUF, Galveston; KIUL, Garden City; KFXJ, Grand Junction; WHLN, Harlan; WJOC, Johnstown; KCKN, Kansas City, Kans.; KDCA, Kilgore; WKMO, Kokomo; WKBH, LaCrosse; KARK, Little Rock; KFOX, Long Beach; WAVE, Louisville; WKAT, Miami Beach; WCOV, Montgomery; KBIX, Muskogee; WDSU, New Orleans; WEVD, New York City; KGNF, North Platte; KOCY, Oklahoma City; WWPB, Palm Beach-Lake Worth; WDLF, Panama City; KWKK, Pasadena; WMBD, Peoria; KSEI, Pocatello; KEX, Portland, Ore.; WHED, Portsmouth; KOBH, Rapid City; WEEU, Reading; WRNL, Richmond, Va.; KONO, San Antonio; KFXM, San Bernardino; KGO, San Francisco; KSRO, Santa Rosa; KWYO, Sheridan; KWKH, Shreveport; KTBS, Shreveport; KFPY, Spokane; WIZE, Springfield, Ohio; KTUL, Tulsa; KVAN, Vancouver; WHLB, Virginia; WBRY, Waterbury; KXEL, Waterloo; WWNY, Watertown; WAYX, Waycross; WWVA, Wheeling; WNAX, Yankton.

A THOUGHT FOR THE WEEK

WINNIPEG, Dec. 9 (U.P.)—Fascism in Canada "is here to stay" unless the Canadian Government's monopoly over radio is broken, Arthur Meighen, retiring leader of the Conservative party, told its convention here today.

Mr. Meighen's attack against the government-controlled Canadian Broadcasting Corporation was based upon the corporation's refusal to broadcast convention speeches. He said that C. B. C. uses its network to broadcast its own propaganda, and added, "parliamentary government in this Dominion is but a memory."

At the opening of the convention, Conservative House Leader R. B. Hanson assailed Prime Minister W. L. Mackenzie King.

FEDERAL COMMUNICATIONS COMMISSION

FLY DISCUSSES TAXES

It has been reported (but not confirmed) that the Bureau of Internal Revenue is drawing up an amendment to the

tax law whereby radio stations may deduct as business expenses the time which they devote to war bond sales and various Government announcements. FCC Chairman James Lawrence Fly, at his press conference on Monday, was asked his opinion of this and he said he thought it would be a break for the stations.

"I don't want to be taken as advocating any position on the revenue measures. That's a matter for the Bureau and Treasury rather than for me," he said.

Chairman Fly reiterated what he had said at a previous press conference that he considered the small station problem a serious matter.

"I don't say whether we are going to keep these stations on the air, but as to how. I am thinking in particular of the smaller stations and particularly the stations in the small cities where they are dependent upon local radio business which is drying up to a great extent and where they fail to get the institutional advertising that is still predominant in network and large city broadcasting business.

"It just happens that many of those stations are the most essential stations because they are the only means that the Government has of reaching the people in those communities, to say at least, the most adequate means the Government has of reaching those people, and to a certain extent the only means, and in most of the cases, at least the only radio stations which can be relied upon to reach the people and in turn the people of those communities are mighty dependent upon those stations and I should think that some way ought to be worked out to enable those stations to stay on the air and perform that very essential service to the people and the Government. I have no assurance as to how it should be done, whether by loan or by the payment of programs and through tax measures if that be possible, I don't know."

Mr. Fly in answer to the question of payment for government programs said that might be one possibility. He said that loans to the stations are possible but "I am reluctant to see the Government get any sort of stake in private broadcasting. I should think if it could be handled on some other basis it would be better, but I do think serious attention must be given to that problem promptly."

The chairman said that in his opinion the tax measures would not be comprehensive enough to take care of the problem. Mr. Fly stressed particularly at the conference that he was thinking in terms of small towns and the most pressing problem comes in the smaller town pretty well isolated which has one radio station. "I would not limit this consideration to that class," he said, "but it is acute from the standpoint of public need and from the standpoint of Government need."

FCC RULES AND REGULATIONS

The FCC has taken the following action on its rules and regulations:

Adopted Order No. 77-B, suspending from January 1, 1943, until further order of the Commission, but in no event beyond January 1, 1944, Sections 12.26, 12.66 of the Rules Governing Amateur Radio Service and Section 13.28 of the Rules Governing Commercial Radio Operators, in so far as the required showing of service in connection with renewal of license is concerned. This Order continues in effect the provisions of Order No. 77-A, issued December 3, 1941 to expire not later than January 1, 1943.

Amended Section 61.33 of its Rules and Regulations governing Tariffs, so as to require the carriers to give information in the letter of transmittal with respect to the reasons for all changes in charges or regulations and, in the case of an increase in charges, the facts upon which the carrier relies in justification thereof.

Amended Part 10 of the Rules Governing Emergency Radio Services:

(a) *Section 10.41 State and municipal police stations (frequencies below 2500 kilocycles)*—The amend-

ment does not change the frequencies available or the method of assignment to state and municipal police stations. Power authorizations for municipal police stations operating on frequencies below 2500 kilocycles will continue to be based on the official population figures of the Department of Commerce in accordance with the present table in Section 10.121. The maximum power normally to be assigned to state police stations operating on these frequencies will be limited to 500 watts. Authorizations for both state and municipal police stations involving the use of power in excess of that specified would be granted only on the basis of a showing of need made by the applicant.

(b) *Section 10.42—State and municipal police stations (30000 to 40000 kilocycles)*—The amendment does not alter the present allocation of frequencies or the assignment of frequencies to the various classes of stations. The amended rule normally establishes a maximum power of 250 watts. Power in excess of the 250 watt limitation may be granted only on the basis of a showing of need submitted by the applicant.

(c) *Section 10.122* permits municipal and state police stations to communicate with Government stations, stations in the War Emergency Radio Service, or with other stations which are authorized to communicate with municipal and state police stations.

(d) *Section 10.123 Coordinated service*—The amendment does not change the present licensing procedure but clarifies the agreements that must be submitted with the application for an instrument of authorization in those cases where it is proposed to render a coordinated communication service.

CODE COMMITTEE TO MEET

The NAB Code Compliance Committee will meet for a two-day session Monday and Tuesday at the Hotel Mayflower, Washington. Principal topic of discussion will be the refusal of CBS and NBC to sell time to The Cooperative League of the U. S. A. on the grounds that the league sought to buy time for the discussion of a controversial public issue. Representatives of the League and the two networks will be heard by the committee Monday afternoon.

FDR BIRTHDAY BALLS

Neville Miller has accepted the radio chairmanship for this winter's President's Birthday celebration. Basil O'Connor, president of the National Foundation for Infantile Paralysis, invited Mr. Miller to take this position which he has held during the last several winters.

FEDERAL COMMUNICATIONS COMMISSION DOCKET

HEARINGS

The following broadcast hearings are scheduled to be heard before the Commission during the week beginning Monday, December 14. They are subject to change.

Monday, December 14

W55NY—William G. H. Finch, New York, N. Y.—Modification of C. P., 45500 kc., 8,500 sq. mi., unlimited.

Tuesday, December 15

KOBH—Black Hills Broadcasting Co. of Rapid City, Rapid City, S. Dak.—C. P., 610 kc., 5 KW, unlimited, DA-night and day.

Consolidated Hearing

WALB—Herald Publishing Co., Albany, Ga.—Renewal of license, 1590 kc., 1 KW, DA-night, unlimited.

WALB—Herald Publishing Co. (Assignor); Albany Herald Broadcasting Co. (Assignee); Albany, Ga.—Voluntary assignment of license station WALB, 1590 kc., 1 KW, DA-night, unlimited.

WALB—Herald Publishing Co., Albany, Ga.—C. P., 1550 kc., 1 KW, DA-night, unlimited.

Wednesday, December 16

Further Consolidated Hearing

NEW—R. O. Hardin and J. C. Buchanan, d/b as Nashville Broadcasting Co., Nashville, Tenn.—C. P., 1240 kc., 250 watts, unlimited; facilities WXIX when vacated.

NEW—Tennessee Radio Corporation, Nashville, Tenn.—C. P., 1240 kc., 250 watts, unlimited.

WORK—York Broadcasting Co., York, Penna.—Modification of C. P., 1350 kc., 1 KW, DA-night, unlimited.

WHKC—United Broadcasting Co., Columbus, Ohio.—C. P., 610 kc., 1 KW, DA-night, unlimited.

Thursday, December 17

KFAC—Los Angeles Broadcasting Co., Inc., Los Angeles, Calif.—C. P., 1330 kc., 5 KW, unlimited, DA-night.

Friday, December 18

WCSH—Congress Square Hotel Co., Portland, Maine.—C. P., 970 kc., 5 KW, unlimited, DA-night and day.

WRDO—WRDO, Incorporated, Augusta, Maine.—C. P., 1400 kc., 250 watts, unlimited.

FEDERAL COMMUNICATIONS COMMISSION ACTION

APPLICATION GRANTED

W6XYZ—Television Productions, Inc., Los Angeles, Calif.—Granted modification of construction permit (B5-MPVB-87) to change type designation of the aural and visual transmitters, change aural emission, change power rating of the visual transmitter, change antenna system, and extend completion date of construction to March 15, 1943.

DESIGNATED FOR HEARING

W9XER—Midland Broadcasting Co., Kansas City, Mo.—Designated for hearing application for construction permit (B4-PEX-39) to install a new transmitter and increase power to 3 KW.

Worcester Telegram Publishing Co., Inc., Worcester, Mass.—Designated for hearing application for construction permit (B1-PH-29) for new station to operate on 46100 kc., with a service area of 10,000 square miles.

MISCELLANEOUS

WNYE—Board of Education, City of New York, Brooklyn, N. Y.—Granted license (B1-LED-8) to cover construction permit (B1-PED-18), which authorized changes in equipment, frequency 42100 kc., power 1000 watts, and special emission for FM with maximum frequency swing of 75 kc.

W9XBB—Balaban & Katz Corp., Portable-Mobile, area of Chicago.—Granted license (B4-LVB-36) to cover construction permit (B4-PVB-78), which authorized new experimental television broadcast station; frequencies 38400-394000 kc., 10 watts, on an experimental basis only, conditionally.

WMIS—Natchez Broadcasting Co., Natchez, Miss.—Denied petition for review of action of the Motions Commissioner of November 18, denying the motion for continuance and severance in re their applications for renewal of licenses.

WBRV—American Republican, Inc., Waterbury, Conn.—Granted license to cover construction permit which authorized move of transmitter (B1-L-1727); granted authority to determine operating power by direct measurement of antenna power (B1-Z-1466).

WLW—The Crosley Corp., Cincinnati, Ohio.—Granted motion requesting postponement of hearing now scheduled for December 9 to January 8, 1943, in re application for modification of license.

Granted application of WJW, Inc. (WJW), Akron, Ohio, for modification of construction permit (B2-P-3263, as modified, for change in operation from 1240 to 850 kilocycles, increase power from 250 watts to 5 kilowatts, unlimited time, with directional antenna for day and night use), to change location of the transmitter from East side of Akron-Boston Mills Road, Northampton Township, to northwest of the intersection of Ohio State Highway No. 94 and Walling Road, Cuyahoga County, Ohio. The studios will also be moved as a result of the grant from Akron to Cleveland, and the type of the transmitter changed. The commencement and completion dates of the construction have been extended from August 15, 1942 and January 13, 1943, to 60 days after grant and 180 days thereafter, respectively, on the express conditions that (a) the towers associated with this station shall be marked in accordance with Section 303(q) of the Communications Act; (b) that no interference will be caused to Canadian Station CFRB, Toronto, Ontario, contrary to the provisions of North American Regional Broadcasting Agreement; (c) that the nuisance contour of CFRB shall be determined by measurements, and no construction shall take place until such measurements have been submitted and approved; and (d) subject to submission of proof of performance.

Denied the petition for rehearing filed February 9, 1942, by National Broadcasting Co., Inc., directed against the action of the Commission on January 20, 1942, granting without hearing the application B2-P-3263 of WJW to change frequency from 1240 to 850 kilocycles, increase power from 250 watts to 5 kilowatts and install directional antenna. However, the denial was without prejudice to the filing by National Broadcasting Co., Inc., of a new petition for rehearing directed against the grant to WJW as modified by the above action.

Approved a power of attorney for the affairs of licensee J. P. Beard to be handled by his wife, Veda Beard, during his service in the armed forces of the United States. J. P. Beard is the owner and licensee of Station KBTM, Jonesboro, Ark.

WIBA—Badger Broadcasting Co., Madison, Wis.—Granted petition to intervene in hearing on application of Capitol Broadcasting Corp. (WISH), Indianapolis, Ind., for construction permit to operate on 1310 kc., 5 KW, unlimited time, directional antenna at night (Docket 6444).

WMBD—Peoria Broadcasting Co., Peoria, Ill.—Passed for one week action on petition for leave to intervene in hearing on Delta Broadcasting Co., Inc. (WQBC), Vicksburg, Miss., for modification of license to operate on 1470 kc., 500 watts night, 1 KW day, unlimited (Docket 6166).

WALB—Herald Publishing Co., Albany, Ga., Albany Herald Broadcasting Co., Albany, Ga.—Denied petition to hold hearing in Albany, Ga., on applications of WALB for renewal of license and for construction permit to operate on 1550 kc., 1 KW, directional antenna night, unlimited time, and application of Herald Publishing Co., assignor, and Albany Herald Broadcasting Co., assignee, for voluntary assignment of license of Station WALB; said petition was denied without prejudice to the filing of a petition for the taking of depositions of additional witnesses who may be unable to attend the hearing in Washington (Dockets 6398, 6399, 6400).

WORK—York Broadcasting Co., York, Pa.—Granted petition to continue hearing now set for December 16 until January 22, 1943, in re application for modification of construction permit to operate on 1350 kc., 1 KW, directional antenna night, unlimited (Docket 6368).

W55NY—William G. H. Finch, New York, N. Y.—Granted motion for continuance of hearing from December 14, 1942, until January 28, 1943, in re application for modification of construction permit (Docket 6363).

KFAC—Los Angeles Broadcasting Co., Inc., Los Angeles, Calif.—Granted motion for postponement of hearing from December 17, 1942, until January 26, 1943, on application for construction permit to operate on 1330 kc., 5 KW, unlimited, directional antenna at night (Docket 6440).

Tennessee Radio Corp., Nashville, Tenn.—Granted petition for continuance of hearing now set for December 16, 1942, until February 15, 1943, in re applications of R. O. Hardin and J. C. Buchanan, d/b as Nashville Broadcasting Co.,

and Tennessee Radio Corp., for construction permits for new stations at Nashville, Tenn. (Dockets 6191 and 6193).

APPLICATIONS FILED AT FCC

570 Kilocycles

WKBN—WKBN Broadcasting Corp., Youngstown, Ohio.—Modification of construction permit (B2-P-2547 as modified, which authorized increase in power, installation of new transmitter and directional antenna for night use and change in hours of operation) for extension of completion date from 12-31-42 to 4-1-43.

600 Kilocycles

WCAO—The Monumental Radio Co., Baltimore, Md.—License to use formerly licensed RCA 1-D-B transmitter as an auxiliary with power of 500 watts night and 1 KW daytime.

WCAO—The Monumental Radio Co., Baltimore, Md.—Authority to determine operating power by direct measurement of antenna power of auxiliary transmitter.

620 Kilocycles

WLBZ—Maine Broadcasting Co., Inc., Bangor, Maine.—Modification of construction permit (B1-P-2868 as modified), which authorized increase in power, installation of new equipment and directional antenna for day and night use, for extension of completion date from 12-11-42 to 6-11-43.

680 Kilocycles

KFEQ—KFEQ, Inc., St. Joseph, Mo.—Modification of construction permit (B4-P-2477 as modified), which authorized installation of new transmitter, increase in power, change hours of operation, move transmitter and directional antenna for use day and night, for changes in directional antenna (daytime pattern only) and extension of completion date from 11-30-42 to 30 days after date of grant.

KFEQ—KFEQ, Inc., St. Joseph, Mo.—License to cover construction permit (B4-P-2477 as modified), which authorized installation of new transmitter and directional antenna for day and night use, increase power, change in hours of operation and move transmitter.

KFEQ—KFEQ, Inc., St. Joseph, Mo.—Authority to determine operating power by direct measurement of antenna power.

740 Kilocycles

KTRH—KTRH Broadcasting Co., Houston, Texas.—License to cover construction permit (B3-P-3011 as modified), which authorized change in frequency, increase in power, move of transmitter and installation of directional antenna for day and night use.

KTRH—KTRH Broadcast Co., Houston, Texas.—Authority to determine operating power by direct measurement of antenna power.

960 Kilocycles

KMA—May Broadcasting Co., Shenandoah, Iowa.—Modification of construction permit (B4-P-2599), which authorized installation of directional antenna for night use and increase in power, for extension of completion date from 12-24-42 to 2-22-43.

WSBT—The South Bend Tribune, South Bend, Ind.—License to use present licensed auxiliary transmitter as the main transmitter.

WSBT—The South Bend Tribune, South Bend, Ind.—License to use present licensed main transmitter as auxiliary transmitter.

1110 Kilocycles

WMBI—Moody Bible Institute of Chicago, Chicago, Ill.—Authority to determine operating power by direct measurement of antenna power.

1320 Kilocycles

KXYZ—Harris County Broadcast Co., Houston, Tex.—License to cover construction permit (B3-P-3016 as modified),

which authorized change in frequency, increase in power, move of transmitter, installation of new transmitter and directional antenna for night use.

KXYZ—Harris County Broadcast Co., Houston, Texas.—Authority to determine operating power by direct measurement of antenna power.

1390 Kilocycles

KGER—Consolidated Broadcasting Corp., Ltd., Long Beach, Calif.—License to cover construction permit (B5-P-3096 as modified) for new equipment, increase in power, installation of directional antenna for night use and move of transmitter.

KGER—Consolidated Broadcasting Corp., Ltd., Long Beach, Calif.—Authority to determine operating power by direct measurement of antenna power.

1400 Kilocycles

KVGB—Helen Townsley, Great Bend, Kansas.—Voluntary assignment of license from Helen Townsley to KVGB, Inc.

1440 Kilocycles

WAAB—The Yankee Network, Inc., Worcester, Mass.—License to cover construction permit (B1-P-3194 as modified), which authorized move of transmitter and studio, increase in power and installation of new transmitter and directional antenna for day and night use.

WAAB—The Yankee Network, Inc., Worcester, Mass.—Authority to determine operating power by direct measurement of antenna power.

1480 Kilocycles

WRDW—Augusta Broadcasting Co., Augusta, Ga.—License to cover construction permit (B3-P-2966 as modified), which authorized change in frequency, increase in power, installation of new transmitter and directional antenna for night use and move of transmitter.

WRDW—Augusta Broadcasting Co., Augusta, Ga.—Authority to determine operating power by direct measurement of antenna power.

FM APPLICATION

W57PH—Westinghouse Radio Stations, Inc., Philadelphia, Pa.—License to cover construction permit (B2-PH-65 as modified, which authorized new high frequency broadcast station) *in part*.

TELEVISION APPLICATION

NEW—Balaban & Katz Corp., Chicago, Ill.—Construction permit for new experimental television broadcast station, using facilities of commercial television station WBKB. Frequency: Channel No. 2, 60000-66000 kc.; power: aural, 2 KW; visual, 4 KW. Emission A5, special for FM for aural.

MISCELLANEOUS APPLICATION

KALO—Intermountain Broadcasting Corp., area of Salt Lake City, Utah.—Modification of license to increase power from 75 watts to 100 watts of relay station.

FEDERAL TRADE COMMISSION DOCKET

Any NAB member wishing to have the full text of any of the FTC releases, printed in part below, should write to the NAB, referring to the number in parentheses at the end of each item.

COMPLAINT

The Federal Trade Commission has alleged unfair competition against the following firm. The respondent will be given an

opportunity to show cause why a cease and desist order should not be issued against it.

United Inheritance Bureau, and Guardian Service Bureau, 1278 Jefferson Ave., Buffalo, N. Y., selling and distributing envelopes and form letters in the nature of questionnaires designed to be used by creditors and collection agencies in obtaining information concerning debtors, is charged in a complaint with the use of unfair and deceptive acts and practices in commerce. (4874)

CEASE AND DESIST ORDERS

The Commission issued the following cease and desist orders last week:

Brunswick-Balke-Collender Co., 629 South Wabash Ave., Chicago, manufacturer and distributor of bowling equipment and other merchandise, has been ordered to cease and desist from unfair acts and practices in commerce having the effect of lessening competition and tending to create a monopoly in bowling pins and bowling supplies. (3604)

Marvel Laboratories, 1205 Market St., Louisville, Ky., manufacturing and selling a product designated "Marvel Coal-Pep," advertised as a treatment for coal, have been ordered to cease and desist from misrepresentation of the qualities of the product. (4838)

New York Handkerchief Manufacturing Co., 1021 West Adams St., Chicago, manufacturer and distributor of handkerchiefs, has been ordered to cease and desist from misrepresentations of its products. (4727)

Wire Rope & Strand Mfg. Assn., et al.—Fifteen manufacturers of nonpatented wire rope, together with the association of which they are, or have been, members, have been ordered to cease and desist from entering into or continuing any combination or conspiracy to fix prices for their products, which are made in many sizes varying from that used for airplane control wire to cables employed in supporting suspension bridges.

The respondent member companies manufacture and sell approximately 85 percent of all the wire rope produced in the United States, and, according to the Commission's findings, to the extent that they act collusively in the pricing and distribution of their product, they are in a position to dictate and control the prices at which it must be purchased by distributors, dealers and users, including Federal, State and municipal agencies.

Respondents named in the order are:

The Wire Rope & Strand Manufacturers Association, Inc., Washington, D. C.; American Chain and Cable Company, Inc., New York; The American Steel and Wire Company of New Jersey, Cleveland; Broderick & Bascom Rope Co., St. Louis; Columbia Steel Company, San Francisco; E. H. Edwards Company, San Francisco; A. Leschen & Sons Rope Company, St. Louis; Mac-Whyte Company, Kenosha, Wis.; Pacific Wire Rope Co., Los Angeles; Rochester Ropes, Inc., Jamaica, Long Island, N. Y.; John A. Roebling's Sons Co., Trenton, N. J.; Union Wire Rope Corp., Kansas City, Mo.; The Upson-Walton Company, Cleveland; Wickwire Spencer Steel Company, New York; Wire Rope Corporation of America, Inc., New Haven, Conn., and Wire Rope Manufacturing & Equipment Company, Seattle. (4443)

STIPULATIONS

During the past week the Commission has announced the following stipulations:

Burton-Dixie Corp., 2024 South Racine Ave., Chicago; also maintaining factories in Brooklyn and Lansing, Mich., and operating a large number of warehouses throughout the country, and engaged in the manufacture and sale of mattresses and other merchandise, has stipulated to cease and desist from the use, or from supplying to others for their use, advertisements or printed matter

containing any statement or representation tending to convey the belief to purchasers that its products, equipped with either of the so-called "Posturite" or "Ortho-Flex" units, are of such construction, scientific or otherwise, as to insure correct posture during sleep to all who use them; and from stating or representing that insomnia and other serious disorders are caused by faulty mattresses, that faulty mattresses interfere with the functioning of the sleeper's organs or that healthful sleep is not possible on a soft mattress. (3569)

Co-Operative Breeding and Hatching Co., Shelby, Ohio, selling and distributing chicks, has stipulated to cease representing that chicks sold by them have the strain of prize-winning or champion poultry or are of "Championship" caliber unless, in direct connection with any such representation, truthful disclosure be made that such chicks are related to and of the strain of losing as well as winning contest entrants; and to discontinue use of the statements "Pay Streak AAA Mating Barred Rocks are headed by males that are sons of pedigreed sires whose dams have records of 250 to 293 eggs," "One contest pen of Pay Streak S. C. Reds established the remarkable record of 248 eggs per hen for 10 hens," and "Pay Streak has had TWO National Laying Champions, including all breeds and all contests," or any other statement or representation of like meaning, the effect of which may tend to convey an erroneous belief or impression with respect to the laying or other records of poultry. (3571)

Gramercy Chemical Co., Inc., 161 Ashland Place, Brooklyn, and Andrew Borak, trading as The Roxola Co., at the same address, both engaged in the sale and distribution of a medicinal preparation designated "Zdroj" purportedly for use as a "Herbal-Bitter Tonic," have stipulated in connection with the advertising and sale of the product to cease and desist from representing by use of the statements "helps digestion," "beneficial in digestive

disorders," "recommended by doctors for digestion" or any other statement of similar import that the preparation has a favorable influence on the digestive processes; representing that the preparation constitutes a competent treatment for debilities of the stomach or liver; that it exerts a stimulating effect upon the secretory glands of the body; that it exerts a tonic effect when used as directed; or that it has any therapeutic effect except as a temporary laxative for the relief of constipation. (3570)

M. M. Kronisch, 315 Seventh Ave., New York, selling and distributing fur garments, has stipulated to cease and desist from representing that the prices at which he sells or offers to sell his merchandise to the public are wholesale prices; and from the use of any method or device—such as the acceptance of introduction cards requesting that the person introduced be sold merchandise at "wholesale prices"—the effect of which may tend to convey the belief that he sells merchandise to any preferred consumer customer or customers or to the consuming public generally at wholesale prices. (3568)

Richard Best Pencil Co., Inc., Irvington, N. J., manufacturing and selling lead pencils under the brand name "Futura," has entered into a stipulation to cease use of the statements that its pencil "lasts three times as long as the best of competitive pencils" or "actually runs 3.8 times longer than the next best." (3572)

FTC CASE CLOSED

The Federal Trade Commission has dismissed its complaint against New Century Beverage Co., 820 Pacific Ave., San Francisco.

The complaint had alleged that the respondent had misrepresented the qualities of a carbonated water produced by it.