



Reports

The NATIONAL ASSOCIATION OF BROADCASTERS

1760 N STREET, N. W.

WASHINGTON, D. C.

Vol. 11, No. 18, April 30, 1943

The President

This has been an eventful year for broadcasters—a year full of uncertainties, but also, it has been a year of achievement.

In making this Report, I shall not attempt to survey the whole field of radio, but rather to report briefly upon the major activities of your Association, since our Convention in Cleveland last year. For detailed information concerning the activities of the various departments, I commend to you the reports of the members of the NAB Staff. A reading of them will not only give you an overall picture of the activities of your Association, but I am sure by so doing you will absorb much information which will be of value. Also, as you become better acquainted with the work of our Staff, you undoubtedly will make greater use of the services offered.

War Activity Our First Endeavor

Our first endeavor at all times during the past year has been to assist in the prosecution of the war. We have kept the public the best informed people in the world; we have recruited for the Army, Navy, Marine Corps, WAACS and WAVES; we have sold bonds for the Treasury; we have helped collect the scrap and save the fat; we have established schools to train radio technicians; have served on government and industry committees; in short, have served the government and the community in many and various ways—it truly has been a year of public service.

Listening has been up and, realizing the great importance of maintaining the largest possible listening audience, program policies and techniques have received constant study and attention. We have worked in close cooperation with the Office of War Information in perfecting plans for the carrying of government announcements, and with the Advertising Council to the end that broadcasting has cooperated with other media in rendering to the government the greatest possible service through advertising.

Manpower and Material Problems

Although business on the great majority of stations has continued good, radio has faced many serious problems, the manpower problem being the most serious. Due to the fact that this is a technical war, and that radio is playing an ever increasing part, trained technicians and personnel with practical broadcasting experience have been in great demand.

The industry is proud of the large number of executives it has furnished to the staffs of the radio branches of the public relations offices of the Army and Navy, and of the many government agencies and departments; proud of the technical experts furnished to carry on experimental work and the technicians supplied to perform much useful service in so many various war activities. Early realizing the need for trained personnel, the industry took the lead in setting up training courses which have furnished a large number of technicians, not only for radio, but for many other services.

Broadcasting was early declared an essential industry, and has been included on every list of essential industries published by Selective Service and the War Manpower Commission. However, broad-

casting is relatively a young industry with the personnel still composed of young men and, therefore, the demands of the armed forces cut deeply into our ranks. The NAB has worked in close cooperation with Selective Service and the War Manpower Commission and is appreciative of the sympathetic and understanding treatment which our problems have received at all times. Due to the extensive training program which has been carried on and to the ever increasing use of women, many crises have been avoided, but the manpower problem continues to be our most serious problem.

Next in importance to the manpower problem has been the material problem. The NAB has worked closely with the WPB at all times and due to the especially splendid work of the WPB, tubes and other material necessary for station operation have been available. The NAB also has made extensive surveys to locate all available material, has established a "Swap Bulletin" and has tried in every way to make the best possible use of such material. It has required eternal vigilance to guard against the many threats to the maintenance of the listening audience. Recently, a serious shortage in batteries for home sets developed along with a shortage of tubes for receiving sets. In both these instances, we have received the most helpful cooperation from the WPB and solutions are being worked out.

Freedom of Radio Important

Sincerely believing that the freedom of democracy is linked to the freedom of radio, we have at all times been on our guard against attacks threatening radio's freedom. Too well do we all know that man does not lose his freedom by one act of government—that the greatest danger is from indirect and disguised attacks.

Radio to be free must be able to pay its way. Advertising has proved to be an efficient tool of business. Attacks on advertising are attacks on the freedom of radio and as such we have opposed them.

We all realize that war times require restrictions which must be endured for the successful conduct of the war. However, it has well been said: "Eternal vigilance is the price of liberty," and such has been our policy lest restrictions placed on radio under war conditions should in the end shackle radio in its great task when the present conflict ends.

Legislation

On the legislative front there has been great activity. Last summer the House of Representatives held extensive hearings on the Sanders Bill. Your President testified at this hearing, and recommended, on behalf of the industry, certain amendments to the Communications Act. A bill similar to the Sanders Bill has been introduced again in the House by Representative Holmes, and Senators Wheeler and White have introduced in the Senate a bill containing many similar provisions. Hearings on this bill have been set for May 6th.

It is my belief that a revision of the Communications Act is greatly needed, and that such a revision should be a goal towards which we should work with all diligence.

A. F. of M. Ban

As usual there has been much activity on the music front, although this time from a different direction. Without previous demands or negotiations, James Caesar Petrillo, President of the A. F. of M., placed a ban on all recordings made by members of the A. F. of M. This ban has been extremely detrimental to the war effort. Not only has it prevented a supply of newly recorded music for home use, but it has stopped the supply of music for recreational centers, for members of the armed forces and, in addition, it has prevented all recordings by symphonic orchestras and dried up the composition and supply of music from many sources.

In short, at the most critical period in our nation's history, Mr. Petrillo, merely to maintain his control in his own union, has deprived this nation of a large supply of music.

The NAB is proud that, with the united backing of the industry, it has fought this dictatorial display of power. We believe that by so doing we are rendering a real service not only to radio, but to the entire field of music, and that we shall be successful.

The Code and Programming

With the outbreak of the war, the Code Committee became actively engaged with problems created by the war. It has continued that activity. A development of interest has been the adoption of a Code by the Canadian Association of Broadcasters, many provisions of which are similar to the provisions of the NAB Code.

Believing that good programming is the basis of all broadcasting, we have appointed recently a Program Managers Committee for the purpose of developing a program of activity for the program managers. This activity has received the enthusiastic approval of the industry and we believe it will prove very beneficial.

Retail Promotion Plan

The Board of Directors, at Cleveland last year, approved in principle the Retail Promotion Plan and, under the leadership of Paul W. Morency, Director of District #1, and Lewis H. Avery, Director of the Bureau of Broadcast Advertising, this Plan has been presented to the industry and has received enthusiastic support. It is confidently expected that at this Conference, the remaining support necessary to insure the success of the Plan will be forthcoming.

The success of this Plan is of great importance to the industry. If it succeeds, other plans similar in character will follow.

Public Relations

Willard Egolf, of KVOO, Tulsa, recently was appointed Assistant to the President and will devote a large portion of his time to the public relations activities of the NAB. Associated with him is Walt Dennis, also formerly of KVOO, who has been appointed Chief of the NAB News Bureau. With these additions to our Staff, we shall have an increased tempo in our public relations activities.

Mrs. Dorothy Lewis, our Coordinator of Listener Activity, has continued her trips and her work with the Radio Councils, which have proved very beneficial.

We have also worked in close cooperation with many religious and educational groups. Your President is serving on the Federal Radio Education Committee. Other members of the Staff are taking an active part in various conferences.

District Meeting and Membership

Representatives of the Office of Censorship, OWI, OCD, WPB, WMC, Selective Service, Army, Navy, Marine Corps, Treasury, attended the series of District Meetings held last Fall and discussed with representatives of 446 stations the various problems which had arisen in connection with the war. The meetings were very successful and again proved the value of District Meetings.

The membership during the year remains about constant, there being 524 members on April 1, 1943, as compared with 525 as of May 1, 1942. As a result of the change of the By-Laws providing for network membership, CBS and NBC joined as network members. We hope that the Blue Network and Mutual will follow their example.

Committees

As is normal in trade association work, much of NAB's work was performed by industry committees. The work performed by these committees was extremely helpful and, on behalf of the entire industry, we wish to express to these committeemen our sincere appreciation for the time and energy which they so generously gave to the work of the Association. Their services were a real contribution to the industry.

NAB's New Home

For some time we have hoped that eventually the NAB could have a permanent home. Therefore, last December when the Normandy Building, where the NAB offices had been located for four years, was taken over by the government, our dream came true by the purchase of the building at 1760 N Street, N. W., which has provided very suitable offices for our Staff. Upon its walls we are hanging pictures of past Presidents, past Boards of Directors, group pictures of past Conventions and Meetings

and other pictures connected with radio history. We extend to all our members a cordial invitation to make the NAB Offices your headquarters while in Washington.

The NAB Staff

There have been several changes in the Staff during the year. Frank E. Pellegrin, formerly our Director of the Department of Broadcast Advertising, last Summer was commissioned a Captain in the Army and assigned to the War Department Radio Branch, Public Relations Division, under Lieut. Col. Edward M. Kirby, who was formerly our Director of Public Relations. Lynne Smeby, formerly our Director of Engineering, accepted a position with the War Department as a civilian Consultant Engineer.

These vacancies were filled by the appointment of Lewis H. Avery as Director of the Department of Broadcast Advertising and Howard Frazier as Director of Engineering. Willard Egolf was appointed Assistant to the President, assuming the duties formerly performed by Lieut. Colonel Kirby, and Walt Dennis was appointed Chief of the NAB News Bureau. We believe the NAB has been extremely fortunate in securing the services of these men as members of our Staff.

Post War Activity

It is to be hoped that by the time we meet again next year this world conflict may be over. But with the armed conflict over, radio will face its greatest test and its most promising opportunity. For the first time in the history of the world the microphone will be at the peace table and with it there public opinion will play an even more important part than ever before. The war, which will have been fought and won by armed might on the land, on the sea and in the air, must again be fought and won in the minds of men and there the conflict will be most severe; there we must fight for a mutual understanding between ourselves and our defeated enemies—if we hope for any lasting peace. Radio more than any other force is most capable of rendering service to mankind in this conflict—a service which will be in every sense a true public service.

We in radio have a great mission, not only for ourselves, but for mankind. Another opportunity like this one will not come for many generations. May we realize it and put our faith and effort in doing the job which lies ahead of us.

Respectfully submitted,

NEVILLE MILLER,
President.

Secretary-Treasurer's Office

The eleven and one half months since the Cleveland Convention have been busy and in some respects trying ones for the executive, administrative and clerical staffs at NAB. Operating in Wartime Washington, overcrowded in both office space and living accommodations, has not made our lot an entirely pleasant one.

RESIGNATIONS

Three resignations from our Administrative Staff have occurred. Ed Kirby, Public Relations Director from 1938, who had been on loan throughout 1941 to the War Department, resigned to accept a Lieutenant Colonelcy. He continues his work as Chief of the Radio Branch of the War Department's Bureau of Public Relations. Shortly thereafter Lynne Smeby took leave to assume a highly impor-

tant and confidential role in a civilian capacity with the Signal Corps. In the latter part of June Frank Pellegrin who joined the staff in April 1941 as Director of the Department of Broadcast Advertising, became Captain Pellegrin, AUS. He is now Administrative Assistant to Colonel Kirby at the War Department.

REPLACEMENT

Replacing these experienced and capable staff executives presented a problem of major proportions. We have, however, been extremely fortunate in recruiting from the ranks of the industry worthy successors for each of them. Willard Egolf, with the title of Assistant to the President, takes over the work formerly performed by Colonel Kirby with some additional duties in the fields of legislative contacts and press relations. With eleven years of practical experience as a broadcaster, a legal education and a broad background of dealing with civic and political matters, Egolf comes to his new duties well equipped. He has been provided with an experienced press relations man in the person of Walt Dennis, now Chief of NAB's Press Bureau.

To take up the task where Captain Pellegrin left off Lewis H. Avery was chosen. Seventeen years of active association with every phase of the commercial aspects of radio ably qualify him to carry on as head of the Department of Broadcast Advertising. Howard S. Frazier, named as Smeby's successor, is a veteran radio engineer whose experience spans the whole life of broadcasting. The industry is fortunate to secure the services of these men and NAB will continue to render a high quality of service through these as well as other departments.

CLERICAL STAFF LOYAL

In the face of tempting offers in government employment our clerical staff has remained 100 per cent loyal. Not a stenographer or clerk has been lured by the higher salaries offered in many of the government offices. For this we are sincerely grateful to them. One of our messengers, George Many, joined the Army in the Fall and is now serving in the Aviation Corps. Charles Dodge, who had been on the clerical staff as a messenger and a clerk in the Research Department, is now an Army Flying Cadet.

ORDERED TO MOVE

Near tragedy struck when in early November we were notified that the Reconstruction Finance Corporation had taken over the Normandy Building in which our headquarters were located. We were ordered to move within thirty days. Space in Washington office buildings, especially in the dimensions required, was non-existent. The Finance Committee, cooperating with the Secretary-Treasurer, received Board approval by a mail referendum to purchase the property at 1760 N Street, Northwest. This is a fine appearing, substantial building which lends itself admirably to our use. Some remodeling and repair work has been done; we are settled in our new home and what looked like a tragedy has really proven a blessing in disguise. Our new quarters are more efficient than our old ones and a material reduction in overhead operating expense has been accomplished.

WAR WORK

In common with the radio industry which it serves NAB has dedicated itself to an all-out war effort. The government agencies charged primarily with the many activities incident to wartime operation and civilian morale have leaned heavily upon us for consultation and advice. The managements of radio stations likewise turn to us for assistance in many of their problems. The NAB staff has kept abreast of these ever-growing demands. In the reports of the several departments will be found information as to the detail of this work. We feel that we can say with becoming modesty that the NAB staff has established and is maintaining with all of the essential war agencies contacts based upon respect and confidence. We are prepared to serve the membership in the effective discharge of their wartime responsibilities and in meeting the many operating problems which beset them.

NEW YORK OFFICE

To more effectively care for the interests of the industry in meeting the challenge presented by the A. F. of M. recording ban NAB established a branch office at 535 5th Avenue, New York. Serving primarily as headquarters for our Legal and Public Relations Counsel in the Petrillo matter it is also used as headquarters for the Retail Promotion Committee and Mrs. Dorothy Lewis, NAB Coordinator of Listener Activity.

PERSONNEL

The complete roster of NAB employees follows:

Executive Staff:

Neville Miller, President. C. E. Arney, Jr., Secretary-Treasurer.

Administrative Staff:

Lewis H. Avery, Director, Broadcast Advertising.
Walt Dennis, Chief, News Bureau.
Willard Egolf, Assistant to the President.
Howard S. Frazier, Director of Engineering.
Joseph L. Miller, Director, Labor Relations.
Paul F. Peter, Director of Research.
Russell P. Place, Counsel.
Everett E. Revercomb, Auditor.
Helen H. Schaefer, Research Assistant.
Arthur Stringer, Director, Promotion and Circulation.

Secretarial, Clerical and Part Time:

Ella P. Nelson, Secretary.
Mildred M. Ramsay, Secretary.
Geraldine Finnegan, Stenographer.
Jane A. Fry, Stenographer.
Loretta J. Kealy, Stenographer.
Hester M. Love, Stenographer.
Helen J. Morris, Stenographer.
Grace H. Walsh, Stenographer.
Cordelia O. Paquet, Typist.
Maisie Swartwout, Switchboard Operator.
Mary G. Lucas, File Clerk.
Kathryn Donahue, Bookkeeper.
George C. Stuart, Clerk and Messenger.
Elliott Irving, Clerk and Messenger.
Lynne Lamm, Reporter.
Wesley Hayes, Janitor.

New York Office:

Carl Haverlin (part time), Supervisor.
Dorothy Lewis, Coordinator, Listener Activities.
Constance Mendel, Stenographer.
Marjorie Kryske, Stenographer.

MEMBERSHIP

On April 15, 1943, the membership of the National Association of Broadcasters stands at 524, composed of 505 active members and 19 associate members. The following tables show detailed analyses of the membership:

NAB Membership by Dues Classification

Class	NAB Members	
	May 1, 1942	April 15, 1943
A	94	76
B	67	70
C	84	93
D	47	51
E	58	56
F	28	33
G	28	30
H	30	24
I	22	19
J	9	16
K	11	7
L	5	8
M	6	4
N	3	3
O	7	7
P	6	7
Q	1	1
R	0	0

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NAB Members		
Class	May 1, 1942	April 15, 1943
S	0	0
T	0	0
U	0	0
V	0	2
W	0	0
X	0	0
Associate	19	19
Total	525	526

NAB Membership by NAB Districts

NAB Members		
District	May 1, 1942	April 15, 1943
1	41	34
2	34	34
3	27	27
4	54	54
5	47	49
6	30	37
7	22	25
8	21	20
9	25	23
10	34	35
11	25	21
12	19	19
13	23	20
14	23	21
15	21	25
16	23	24
17	31	33
FM	6	4
Networks	0	2
Associate	19	19
Total	525	526

NAB Membership by Network Affiliation as of April 15, 1943

		NAB Member-ship	Percent
Total Network Affiliates	560	372	66.4%
Blue	124	82	66.1%
CBS	121	95	78.5%
MBS	207	109	52.7%
NBC	140	105	75.0%
Less Duplicates*	—32	—19	
Independents	353	129	36.5%
Total Standard Broadcast	913	501	54.9%
High Frequency Educational		1	
Frequency Modulation		3	
Networks		2	
Associate Members		19	
Total NAB Membership		526	

* Duplicates:

Blue and MBS	13	9	NAB members
Blue and NBC	5	2	"
CBS and MBS	4	3	"
NBC and MBS	10	5	"

FINANCIAL

As in past years, the books and records of NAB have been audited by independent certified public accountants

and a copy of their report has been sent each NAB Director. There follows a statement of income and expense for the year ending March 31, 1943.

NATIONAL ASSOCIATION OF BROADCASTERS

Statement of Income and Expenses

For the Period, April 1, 1942, to March 31, 1943

Cash on Hand, April 1, 1942	\$ 59,929.87
(As reported at 1942 Convention)	
Less: Accounts Payable, March 31, 1942	5,118.90
	\$ 54,810.97

Income

Receipts from All Sources	\$315,628.55
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Expenses

Advertising Council	\$ 2,500.00
Annual Convention	4,014.76
Board of Directors Meetings	11,542.91
Building Expense	1,041.29
Committee Expenses	20,691.74
Dues and Publications	1,462.05
Furniture and Fixtures	1,974.71
Legal and Accounting Fees	6,225.00
Land and Building	33,554.15
Listener Activities	6,037.43
Miscellaneous	16,121.89
Musicians Controversy	54,224.01
NAB Reports	12,300.92
Office Supplies	2,595.92
Postage	3,231.73
President's Expenses	1,763.36
Printing	9,168.23
Rent	6,846.66
Salaries	122,548.84
Taxes	3,432.50
Tax Fees	7,221.33
Telephone and Telegraph	3,629.93
Travel	10,946.36
	343,075.72

Add: Accounts Payable, March 31, 1943	27,363.80
	9,634.69

Cash on Hand, March 31, 1943	\$ 36,998.49
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Respectfully submitted,

C. E. ARNEY, JR.,
Secretary Treasurer.

Assistant to the President

The office of Assistant to the President of NAB has been given a new definition. Government contacts and general administrative duties have been added to the primary responsibility of public relations. The new post was filled on March 1, 1943, by Willard D. Egolf, pursuant to the preparation of a Public Relations Plan by a special committee and its adoption by the Board.

In accordance with a resolution adopted at the July meeting of the Board, President Miller appointed a Committee consisting of himself as Chairman; Walter J. Brown, WSPA-WORD, Spartanburg, South Carolina;

Frank King, WMBR, Jacksonville, Florida; Leslie W. Joy, KYW, Philadelphia, Pennsylvania; Gilmore Nunn, WLAP, Lexington, Kentucky; Richard H. Mason, WPTF, Raleigh, North Carolina; and Edgar H. Twamley, WBEN, Buffalo, New York.

The Committee met at NAB Headquarters on September 11, 1942, with the following present: Neville Miller, Frank King, Gilmore Nunn, Richard H. Mason and Edgar H. Twamley, with C. E. Arney, Jr., acting as Secretary.

The past public relations activities of NAB were reviewed and discussed and the objects and purposes were outlined.

RECOMMENDATIONS

Detailed recommendations covering the establishment of more intimate relations with various trade groups, such as ANA, AAAA, RAM, AFA, NRDGA, ANPA, the Better Business Bureau and other organizations having many interests similar to those of NAB, were suggested.

In the field of women's groups, the work of Mrs. Dorothy Lewis, Coordinator of Listener Activity, was considered, and the Committee felt that this work should be continued and expanded. Active contacts should be established through Mrs. Lewis with the heads of all national women's organizations. Volunteer workers in various areas should be enlisted to assist in organizing councils and listener groups.

Selected broadcasters capable of interpreting radio's story and problems should be encouraged to appear before groups of various kinds at conventions and other meetings. Basic data should be furnished by NAB. This cooperation should extend to local broadcasters appearing before Rotary and other civic clubs.

The value of contacts with educational and religious groups was emphasized as highly important and worth steady development.

Labor problems should remain under the exclusive province of the Director of Labor Relations, consistent with NAB public relations policies. Preparation of material on political and legislative problems of the industry was defined as an important service to broadcasters.

METHODS

Adroit use of radio's facilities in telling its own story was recommended with both network shows and local programs, including transcriptions. Other media were given equal importance, including speeches, printed material and articles in both trade and consumer magazines.

PROJECTS

Under this heading, continuing effort was requested in compiling a statistical record of radio's service in the war and publicizing this record most effectively. This should be paralleled by a study of regular public service features such as agricultural, religious, educational and cultural.

VIGILANCE

General vigilance was urged, on behalf of radio as an instrument of public service without equal in America, frequently misunderstood, sometimes maligned and seldom given full credit for its contribution to the cause of a free people.

The Committee concluded by recommending that someone should be engaged to handle these activities and work begun at the earliest possible date.

ACTION ON REPORT

Acting upon the special Committee's report, the NAB Board of Directors, at the October 12-13 meeting in Chi-

cago, authorized President Neville Miller to appoint a subcommittee to assist him in the selection of a proper person not only to direct public relations but to participate in the maintenance of government contacts and handle some of the general administrative problems.

A sub-committee was appointed, consisting of Edgar Bill, WMBD, Peoria, Illinois; James W. Woodruff, Jr., WRBL, Columbus, Georgia; and Eugene O'Fallon, KFEL, Denver, Colorado.

This sub-committee met with President Miller for two days in Washington and later, interviewing candidates, for a day in Chicago, Illinois. Eligible men inside and outside of radio were considered. Thorough investigation and personal interviews resulted in the unanimous choice of Willard D. Egolf, then in his eleventh year as Commercial Manager of KVOO, Tulsa, Oklahoma. In addition, he was a graduate of the University of Oklahoma School of Law and member of the Oklahoma Bar Association.

Egolf joined NAB in Washington on March 1, 1943, and immediately organized the NAB News Bureau, placing at its head Walt Dennis, magazine writer and newspaper man of ten years' experience, with two and a half years' radio background as Promotion Manager at KVOO. Dennis makes the following report of News Bureau activities since March 1:

"POLICY AND OBJECTIVE: To insure radio fair and impartial treatment in the news. Vigilance is maintained over the sources of all news pertaining to the radio industry. This bureau is established to provide wire services, correspondents and radio news editors with news and statements reflecting the attitudes and policies of the broadcasting industry.

SUBSIDIARY DUTIES: Act as an information center; edit publications issued by NAB; write original articles on phases of the radio industry and NAB activities.

Since assuming the duties of this office March 1, 1943, I have made the following organization contacts through key personnel, mostly by personal calls:

1. New York and Washington staff personnel of the leading trade papers.
2. Staff executives of New York and Washington press associations, including the radio wire editors.
3. New York newspaper radio editors, including *Time* magazine.
4. Government and military press, radio and technical information personnel.
5. Radio network news editors, New York, Washington and Chicago.
6. Pertinent miscellaneous source contacts in related and other industries, news services and organizations.

This list will continue to grow as rapidly as contacts can be made.

In addition to the above, numerous services have been rendered to station and associate members. Constant relations with key personnel of news organizations and radio news personnel will be maintained, as a functional activity of this Bureau."

PROGRESS

In the thirty-day period since March 1, other Public Relations activities have embraced the following:

Survey of radio personnel now in the Armed Forces.

A thorough study of the Radio Council Plan. Cooperation with the Association of Women Directors in the furtherance of their organization, including the preparation and printing of their first bulletin, "The Beam." Collaboration with Mrs. Dorothy Lewis on "A Handbook for Radio Chairmen" and cooperation in the handling of

her tour of South and Southwestern cities. Issuance of the Luther Weaver speech, "How to Listen to the Radio."

Conferences with Dr. Frank C. Goodman, Executive Secretary of the Federal Council of Churches of Christ in America, and representatives of other religious and educational organizations in Washington and New York.

Preparation of material for NAB Reports. Analysis of NAB publications.

Meetings with Officers and Directors of the Advertising Federation of America, in New York.

Meeting with the Peabody Awards Committee in New York and handling of all news releases, followed by conference on plans for coming year.

Participation in the formation of the Program Managers' Executive Committee and assumption of duties as temporary Secretary for this Committee.

Plans for attendance at ANPA Conference in New York City April 20-22.

Participation in plans for the Ohio Conference of the Institute for Education by Radio, at Ohio State University, April 20, May 1-3.

Handling all NAB news releases, as well as publicity, statements and biographies regarding the NAB War Conference, April 27-29, in Chicago.

Listener Activity

The work of Mrs. Dorothy Lewis, Coordinator of Listener Activity for NAB, falls into several categories, as follows:

1. Contact is consistently maintained with national organizations, particularly women's groups, to provide service and suggestions in the use of radio time and to educate in proper listening habits and program evaluation.
2. Supervision of the Association of Women Directors of NAB, organized at the Cleveland NAB convention in 1942. This group is proceeding toward complete national organization with only four districts yet unorganized. A quarterly bulletin is published, first issue of which was released in April, 1943.
3. The development of radio councils throughout the country continues. Mrs. Lewis has traveled extensively within the past year, strengthening existing units and organizing new councils.
4. Children's programs and audience reactions to same are now thoroughly documented by the NAB, which has built up complete files and information on the subject through the Listener Activity division. This work continues unabated through contacts with educators, agencies handling the program, listener groups, surveys in schools, networks and other radio organizations and qualified individuals.
5. An important phase of the Listener Activity program is the personal contact with civic club and organization leaders as well as radio station personnel throughout the United States and Canada.
6. Several publications are under preparation by the Listener Activity department, including a radio handbook for radio chairmen of lay groups and civic organizations. Also proposed are pamphlets offering source material for radio talks and procedures for radio councils.
7. This department has compiled a list of approximately 150 speakers on radio subjects in the 17 NAB districts. These speakers are available for any talks before civic groups, schools, etc.

Principal objective of this department for 1943 is to continue the program of education of the listening audience with principal emphasis on program evaluation, to report on audience reactions and service to all those groups or individuals wishing aid in using radio, when such use is in the public interest.

Department of Broadcast Advertising

A review of the activities of the Department of Broadcast Advertising during the past year begins properly with a deserved tribute to Frank E. Pellegrin who, prior to his appointment as a Captain in the U. S. Army, served as Director from April 1, 1941, to July 3, 1942.

Perhaps the outstanding achievement of his regime was the publication of "A Manual of Radio Advertising," which shall stand long as a token to Captain Pellegrin's abilities and contributions to the broadcast advertising field.

This publication has been widely heralded as the first authoritative work of a practical nature on the application, principles and use of broadcast advertising. It is being widely used as a text in schools and universities.

Dozens of station managers and sales managers have reported how the NAB "Manual of Radio Advertising" had been used effectively to sell radio as a basic advertising medium. They repeatedly declared that with the fundamentals thus established in the advertiser's mind, it is relatively easier to interpret the station's local story.

Many specific sales have been reported in which the Manual has been given credit. Typical of comments was this statement of one station sales manager: "I know your 'Manual of Radio Advertising' made it possible for us to get this account on the air, so again we say—many thanks for the splendid job you have done!"

Not only did Captain Pellegrin conceive and publish this valuable work, but he also produced considerable other useful material as well as maintained constant contact with individual advertisers, advertising agencies and their associations.

During the period from July 3 to October 1, 1942, the Department was without a full-time director. Its activities at that time were planned and supervised by C. E. Arney, Jr., Secretary-Treasurer, while Miss Geraldine Finnegan, who had served as secretary for Captain Pellegrin, maintained the routine correspondence with radio stations, advertisers and advertising agencies. All requests for NAB Sales Helps were promptly filled so that NAB member stations were supplied with the day-to-day assistance which the Department is established to provide.

At the NAB Annual Convention in Cleveland, two resolutions were passed unanimously: one condemned the efforts of some organizations and movements outside the government to obtain the free use of broadcasting facilities; the other urged member stations to deny the use of their facilities to advertisers and advertising agencies seeking to place business on a contingent, guaranteed or per-inquiry basis. Copies of these resolutions have been mailed to all who attempted to infringe the standards of good business practice the industry thus sought to establish.

STANDARD CONTRACT FORMS: The Annual Report for 1942 stated that a new standard contract form had been negotiated with the AAAA and awaited approval of the NAB Board of Directors. Following this approval, two forms of the recommended contract were prepared: one for advertising agencies; the other for advertisers who

do not employ advertising agencies. Mats of both forms were mailed to stations for convenience and economy in local printing. During the year an ever-increasing number of radio stations adopted the standard contract form to the benefit of advertisers, advertising agencies and stations.

WHAT RADIO BUYERS WANT TO KNOW: Through the generosity of Dr. Herman S. Hettinger, Associate Professor of Marketing, Wharton School of Finance and Commerce, University of Pennsylvania, a factual study of agency and advertiser desires in station research, together with some arresting and inescapable conclusions, was released to NAB member stations on July 1, 1942. Unfortunately, circumstances made it impossible to provide the desired follow-up of this material.

In order that broadcasting executives generally might be apprised of the facts customers want to know about radio stations before spending their money, a discussion of this publication was included on the agenda for the NAB District Meetings. That the industry is now aware of the significance of this study is clearly evident from the fact that more than 1500 copies have been distributed and the demand continues little abated.

SALES MANAGERS EXECUTIVE COMMITTEE: To bring the new Director up to date on the activities of the Sales Managers, immediately prior to his association with NAB, the Chairman of the Committee called a special two-day meeting in Chicago on September 23 and 24, 1942. Special thanks are due each of the following members of that Committee for his advice and assistance during the service of the present Director in the period covered by this report:

John M. Outler, Jr., Chairman, WSB, Atlanta, Georgia
Frank R. Bowes, WBZ, Boston, Massachusetts
Donald D. Davis, WHB, Kansas City, Missouri
Dietrich Dirks, KTRI, Sioux City, Iowa
George H. Frey, NBC, New York, N. Y.
Arthur Hull Hayes, CBS, New York, N. Y.
William Malo, WDRC, Hartford, Connecticut

DISTRICT MEETINGS: In company with President Neville Miller, the Director attended 18 meetings in the 17 NAB Districts, starting in Philadelphia on October 19, 1942, and concluding in Boston on December 10, 1942. For this series of District meetings, two booklets were prepared: one contained four charts on the growth of radio ownership and broadcast advertising, and four tabulations of the distinctive advantages of radio as an advertising medium; the other contained summaries of eight topics of discussion at the sales meetings held in conjunction with these District meetings.

In some Districts these sales meetings were held as a part of the general district sessions; in others, they were conducted simultaneously with the general sessions. In each instance, the Director is sincerely indebted to the following District Chairmen of the Sales Managers Committee for their counsel and help in the organization and conduct of these meetings:

Kingsley F. Horton, WEEL, Boston, Massachusetts
Charles F. Phillips, WFBL, Syracuse, New York
John E. Surrick, WFIL, Philadelphia, Pennsylvania
J. Dudley Saumenig, WIS, Columbia, South Carolina
John M. Outler, Jr., WSB, Atlanta, Georgia
J. C. Eggleston, WMC, Memphis, Tennessee
William I. Orr, WBNS, Columbus, Ohio
J. B. Conley, WOWO, Fort Wayne, Indiana
James F. Kyler, WCLO, Janesville, Wisconsin
Sam H. Bennett, KMBC, Kansas City, Missouri
Barney J. Lavin, WDAY, Fargo, North Dakota
Clark A. Luther, KFH, Wichita, Kansas
Jack Keasler, WOAI, San Antonio, Texas
W. E. Wagstaff, KDYL, Salt Lake City, Utah

Wilt Gunzendorfer, KSRO, Santa Rosa, California
Charles A. Storke, KTMS, Santa Barbara, California
W. B. Stuht, KOMO-KJR, Seattle, Washington

CO-OPERATION WITH OTHER TRADE GROUPS: Since the conclusion of the District meeting tour, the Director has continued the efforts begun earlier to co-operate with and enlist the active support of various trade associations and groups in the interests of broadcast advertising. These contacts have included the American Association of Advertising Agencies, the Association of National Advertisers, the Advertising Federation of America, the National Retail Dry Goods Association, the Radio Executives Club of New York, the Chicago Radio Management Club, the New York State Bankers Association, etc.

Included in this co-operation has been the preparation of a digest on broadcast advertising for incorporation in a Public Relations Manual now being prepared by the New York State Bankers Association for distribution to its 850 members; talks before a regional convention of the AFA and the Indianapolis Advertising Club, etc.

Through the provision of sales promotion material and success stories, the Department has assisted various trade papers in other fields to present up-to-date stories on the use of broadcast advertising by many types of accounts.

CO-OPERATION WITH GOVERNMENT AGENCIES: Where such co-operation would further the war effort, and in the interests of broadcast advertising, the Department has maintained close relations with the Office of War Information, Office of Censorship, Department of Commerce, Federal Trade Commission, etc.

COVERAGE MAPS: Just prior to the start of the NAB District meeting tour, Paul F. Peter, NAB Director of Research, released the "Recommended Standards for the Determination of Coverage Maps" tentatively approved by the Research Committee. At each of the meetings, these standards were presented for an extended discussion, culminating in a show of hands on the acceptability of the recommendations.

Since this project originated with the Time Buyers Committee of the AAAA and the President of the Radio Executives Club of New York, the Director, following the District meetings, informed this group of the approval of these standards by an overwhelming majority of the station executives to whom they had been submitted. As a result of this meeting, the AAAA agreed to provide a seal or stamp of approval of this method of determining coverage maps.

Meanwhile, the project was referred to Howard S. Frazier, NAB Director of Engineering, and the NAB Engineering Committee. This group recommended certain changes which were incorporated in the final draft submitted to the Sales Managers Executive Committee at its meeting in New York on March 9, 1943, and to the Research Committee at its meeting in Washington on March 31, 1943. From the latter meeting came a further slight modification and final approval of the standards. The Research Committee also authorized the preparation of sample coverage maps (day and night) based on these standards and the issuance of a booklet outlining the method of compiling and computing such maps. It is hoped that this material will be available for distribution at the NAB War Conference.

Industry-wide recognition should be given the following members of the group through which this project was initiated, in appreciation of their co-operation and counsel in the establishment of these standards:

John Hymes, Foote, Cone & Belding, Chairman
Miss Linnea Nelson, J. Walter Thompson Company
Charles Ayers, Ruthrauff & Ryan, Inc.
William Maillefert, Compton Advertising, Inc.
Carlos Franco, Young & Rubicam, Inc.

Thomas H. Lynch, William Esty Company, President, Radio Executives Club of New York and representative of the non-AAAA agencies

SALES CONTACTS: Utilizing contacts already established, the Director continued the campaign to gain greater recognition of broadcast advertising in fields in which the medium is used to a limited extent. Some of these efforts were of a confidential nature and can not now be disclosed, although it is hoped and believed that they will prove increasingly productive in the near future. Full details will be released in the "NAB Reports" when the time is expedient.

TALKS: The present Director spoke on various phases of broadcast advertising before the Regional Convention of the AFA in Boston, the Indianapolis Advertising Club and the Retail Advertising class at Ohio State University. In addition, he presented a luncheon talk on "Good Taste in Radio Advertising" at several of the District meetings.

PER-INQUIRY AND FREE TIME: When an analysis disclosed that the number of per-inquiry offers and free time requests received by radio stations during a six-month period in 1942 was substantially above the number of such unethical approaches in the same period of 1941, a somewhat different attack was decided upon. In the "NAB Reports" all such offers and requests were treated facetiously and sarcastically.

The immediate result was a doubling and quadrupling of the number of such attempts reported to the department and, favorably, the conversion of several such efforts to standard trade practice.

SALES MANUAL FOR LOCAL ACCOUNTS: Recognizing the special and serious problems faced by radio stations dependent for the most part on local business, the Sales Managers Executive Committee, at its meeting in New York on March 9 and 10, 1943, instructed the Director to prepare as rapidly as possible a Sales Manual for Local Accounts. This is now in production and a final draft is planned for submission to the Committee at its meeting preceding the NAB War Conference. The finished publication should be available within a short time.

RETAIL PROMOTION COMMITTEE PLAN: Acting on a resolution of the Sales Managers Committee, passed at the NAB Annual Convention in 1942, the NAB Board of Directors authorized the appointment of a Retail Promotion Committee (originally termed Department Store Clinic Committee) to investigate the present use of broadcast advertising by department stores and leading retail establishments, and to recommend ways and means of increasing the acceptance of radio in this field.

The Committee (which was later augmented to bring in non-member representatives) includes:

Paul W. Morency, WTIC, Hartford, Connecticut, Chairman
Robert E. Bausman, WISH, Indianapolis, Indiana
Gene L. Cagle, KFJZ, Fort Worth, Texas
William Crawford, WOR, New York, N. Y.
Dietrich Dirks, KTRI, Sioux City, Iowa
John Esau, KTUL, Tulsa, Oklahoma
Sherman D. Gregory, WEA, New York, N. Y.
Kenneth K. Hackathorn, WHK-WCLE, Cleveland, Ohio
Arthur Hull Hayes, CBS, New York, N. Y.
Walter C. Johnson, WTIC, Hartford, Connecticut
C. L. McCarthy, KQW, San Francisco, California
John M. Outler, Jr., WSB, Atlanta, Georgia
Oliver Runchey, KOL, Seattle, Washington

After a preliminary investigation, the Committee selected Sheldon R. Coons, distinguished business counsel, to make the study and prepare the presentation. An outline of the project and a schedule of the proposed cost of participation for radio stations was submitted to the NAB

Board of Directors at a meeting in Chicago on September 24, 1942, and approved unanimously. The campaign to raise funds was launched on October 30, 1942.

In essence, the Retail Promotion Committee Plan is designed to finance and present a study into the problems of retail selling, retail distribution and the part radio advertising may play in their solution.

It will be presented as a dramatic, four-hour Master Showing employing:

- motion slide films
- animation
- sound motion pictures
- transcriptions
- charts
- supplementary exhibits
- printed material for distribution

It will be shown at joint meetings of the owners and managers of retail establishments and the executives and salesmen of participating radio stations.

Where it is not feasible to present the Master Showing, complete presentations in Jumbo Easel form will be available for similar meetings. Every participating station will receive a desk presentation which will be an exact photographic reduction of the Jumbo Easel form.

In both the study and the presentation, Mr. Coons will draw upon sources of unquestioned stature—men known to all in advertising, business, government, labor, management, retailing and broadcasting. All to the end that there shall be presented to the retail industry and broadcasters alike a sweeping compilation of such authoritative opinion and verifiable facts as to show conclusively how the broadcasting industry may serve the retailer.

Many leaders in the industry have termed this project the most constructive activity ever undertaken by broadcasters. Certainly it is the first industry-wide effort to sell the medium on a thoroughly sound and constructive basis.

For the tremendous energy and unlimited time that Chairman Morency has devoted to the development of this project, broadcasters will long be indebted. With the goal in sight, the entire committee hopes to raise, at the NAB War Conference, the additional funds required to complete the study and presentation.

To assist Chairman Morency in the campaign for funds, the Director has devoted more than a majority of his time since the conclusion of the District meetings. To those who are closely associated with the project, no other activity in the commercial phase of broadcasting has ever possessed either the appeal or the possibilities of the Retail Promotion Committee Plan.

THE NECESSITY FOR SALES: Elsewhere in this Annual Report you will find ample evidence of the all-out effort of broadcasting stations to help in every way possible in the successful prosecution of the war. But such efforts are necessarily contingent upon sufficient income to insure continued operation of each and every radio station.

Today, more than ever before, radio stations need continued and, if possible, increased income. The Department of Broadcast Advertising is dedicated to this task as its contribution to the war effort. To that end, individual radio stations have co-operated unstintingly. For such co-operation, the Director hereby extends his sincere thanks.

The report of this Department would be incomplete without an expression of appreciation for the complete co-operation of the entire NAB staff. Particularly helpful to the new Director was the special assistance given him by President Neville Miller, Secretary-Treasurer C. E. Arney, Jr., and Director of Research Paul F. Peter.

Respectfully submitted,

LEWIS H. AVERY,
Director of Broadcast Advertising.

Engineering Department

The NAB Engineering Department is now devoted almost exclusively to industry problems of a technical nature created by the war. These activities include the conservation of tubes, spare parts and other materials essential for operation; the recruiting of competent technical personnel from sources outside the industry, the maintenance of home receivers and direct assistance to stations with materiel and personnel problems. The normal work of the Department has been continued along with the wartime problems.

BOARD OF WAR COMMUNICATIONS

Neville Miller is chairman of the Domestic Broadcasting, Committee IV and a member of the International Broadcasting, Committee VI and Communications Liaison Committee for Civilian Defense, Committee XII. The Director of Engineering serves as alternate and technical advisor for the NAB president on these three committees. The work of all Board of War Communications' committees is confidential; therefore, this phase of the Engineering Department's activities cannot be reported. However, it can be said that much work has been done for the benefit of the nation and the broadcast industry.

TECHNICAL MANPOWER

It is anticipated that losses of the industry's technical manpower will be one of the most serious problems to be faced by the industry in the near future.

For many months this Department has been preaching the wisdom of training women and men, who because of age or physical fitness are not subject to military service, as replacement technicians and operators. The Executive Engineering Committee has not considered it advisable to undertake an industry operator training program as the operating practices of individual stations vary widely. Assistance and advice concerning the training problems of individual stations are always available from NAB.

The British Broadcasting Corporation has been extremely cooperative by informing NAB of their experience with technical personnel problems under wartime conditions. Recently the NAB Engineering Department, with the cooperation of the American Radio Relay League, inaugurated a campaign to recruit men and women possessing radio operator licenses or other qualifying experience for technical positions in broadcast stations. Applicants have already been registered from 37 states and the District of Columbia. Upon request, the names of registered persons are forwarded to stations. NAB makes no investigation of the registrants nor does it act as an employment agency. This function is merely that of an intermediary to bring the employer and the volunteer replacement technician together.

PRIORITIES AND MATERIALS

Conservation measures instituted by cooperative action of WPB, FCC and BWC together with the exchange of surplus materials, as implemented by the FCC catalog of surplus equipment and the NAB Swap Bulletin, have made possible the continued operation of the industry with a minimum drain upon the nation's stock pile of vital materials. So far as is known by NAB, no station has been off the air for longer than a brief period due to a lack of replacement tubes or parts.

The NAB Swap Bulletin is mailed to all standard broadcast stations regardless of NAB membership. Likewise,

the columns of the Swap Bulletin are available to all broadcasters. Thirty-three issues of the Swap Bulletin have been published and some of the statistics are interesting. A total of 449 items wanted by 279 stations were listed. The "For Sale" columns offered 1,560 items from 272 sellers. Through the joint NAB-ARRL appeal to amateurs for the sale of their transmitting tubes to broadcasters, 1,111 transmitting tubes were made available to the industry.

The delivery of necessary replacement materials to broadcasters has been expedited by the granting of the preference rating AA-2X which is comparable with the priorities accorded military requirements.

MAINTENANCE OF HOME RECEIVERS

There is a growing realization that the effectiveness of broadcast station operation is dependent upon the continued maintenance of home receiving sets. Although not serious at the present time, this problem has been aggravated by the loss of substantial numbers of radio service mechanics to the armed services and other industries, as well as the temporary shortage of some replacement parts and tubes. The Engineering Department has devoted much of its efforts during recent months to this phase of the industry's wartime technical problems. This work is being carried on in close cooperation with governmental agencies involved and other NAB departments.

RECORDING STANDARDS

The work of the Recording and Reproducing Standards Committee has been suspended for the duration of the war. However, sixteen of the most important items of standardization have been approved by the NAB Board of Directors in accordance with the Committee's recommendations. The Engineering Department is constantly encouraging the wide-spread use of the standards which have already been adopted by many recording organizations, governmental agencies and broadcasters.

GENERAL

Among the varied activities of the Engineering Department, the following are worthy of special mention. Publication of a directory of tube repairing facilities, priority instructions to broadcasters, the purchase by broadcasters of transmitting tubes from amateurs, relaxation of FCC operator requirements, a continuous review of technical publications with reading recommendations for broadcast engineers and executives, selective service problems and the investigation of new broadcast equipment developments.

EXECUTIVE ENGINEERING COMMITTEE

John V. L. Hogan, Chairman, WQXR
Franklin M. Doolittle, WDRC
G. Porter Houston, WCBM
E. K. Cohan, CBS
O. B. Hanson, NBC
Howard S. Frazier, NAB, ex-officio

Respectfully submitted,

HOWARD S. FRAZIER,
Director of Engineering.

Labor Relations

Since we last met, we have seen the most drastic changes in labor relations since the right to strike was established a hundred years ago.

The whole field of relations between men and management is now under the control of the federal government.

Collective bargaining is only a sham. Either side in labor negotiations can end them at will, knowing that compulsory arbitration must follow. And even if a bona fide collective agreement is arrived at, it must be submitted to the federal government for approval.

Wages and salaries have been "stabilized". That means "frozen", with some little leeway.

Labor is forbidden to strike.

Not only does the government now fix maximum hours of employment (without penalty) but also tells management just how long its men shall work.

Some headway has been made toward "freezing" men in their jobs if essential to the war effort, and labor conscription within the coming year is the probable development which will complete the governmental grip on this field.

All this is for the best. To fight a regimented economy effectively, we must regiment ours. If we want to be free men in the world of the future, however, we must be ready to rid ourselves of this regimentation once the war is won.

In so doing, if management is wise, it will seek the support and cooperation of organized labor. Most labor unions, like management, are chafing under virtual bureaucratic dictatorship. They will be ready and willing to help management restore economic freedom—if management does not try to define economic freedom as unbridled freedom for management and serfdom for labor.

II

The past year, likewise, has been of unprecedented importance in radio's own labor relations. A start was made toward determining whether radio was responsible for the permanent maintenance of those members of the American Federation of Musicians who could not make a living with their instruments.

James C. Petrillo, president of the musicians union, started the ball rolling when, in June, 1942, he announced to his convention that A. F. of M. members would make no recordings after August 1. In calling this strike, Mr. Petrillo defied the President of the United States and broke labor's pledge of no strikes for the war's duration. That apparently troubled Mr. Petrillo not at all. Nor did it bother him to turn down the pleas of Army, Navy and Marines for records for our soldiers abroad. Until forced to do so by a Senate committee in February, Mr. Petrillo would not even say what he wanted the recording companies to do, to permit the resumption of recording. Under the committee's pressure, he finally stated that he wanted the recording companies to contribute cash to a union-managed "unemployment fund". This they refused to do.

Sooner or later, the issue will be decided, and recording will be resumed.

Whatever the decision, it likely will determine in the long run whether the private WPA for musicians which is now maintained in many radio stations must be continued. The sooner this question is decided, the better for all concerned.

III

I have done my usual chores during the past year to the apparent satisfaction of most of the members. These have included:

(1) Keeping the entire membership advised of pertinent developments in the field of labor relations.

(2) Assisting the industry and individual stations in applying the multiplicity of labor laws, rules and regulations to their operations.

(3) Helping individual stations in their dealings with labor unions.

(4) Keeping both labor union officials and governmental officials dealing with labor advised of radio's labor problems and obtaining their help in solving them.

(5) Dealing with the still troublesome problems which arise from labor's desire to reach the American people by radio.

Along with this routine work (if labor relations work can ever be called routine), I have spent much of my time on the A. F. of M. problem. The balance has been devoted to the war effort. Last August Robert Patterson, Assistant Secretary of War, asked me to handle the labor relations in a Boston munitions plant for several weeks. This assignment was successfully completed. I have also been working with the employers' group at the National War Labor Board with the thought that, in so doing, I could be of assistance to radio both directly and indirectly in helping to effectuate the national wage stabilization program. I wish to thank the Association for permitting me to undertake these governmental assignments.

IV

The Labor and Wage and Hour Committees of the Association have been extremely helpful during the past year. I could not close this report without a special note of appreciation for the advice and guidance I have received from their good Chairmen, Ralph Brunton and C. T. Lucy.

Respectfully submitted,

JOSEPH L. MILLER,
Director of Labor Relations.

April 10, 1943.

Legal Department

I

Following the Cleveland Convention, hearings on the Sanders Bill to amend the Communications Act were resumed May 19, 1942. The reported testimony, comprising 1058 pages, should be of great value to the Interstate and Foreign Commerce Committee in future deliberations. In January, 1943, Representative Holmes (R-Mass.) introduced in the 78th Congress a bill virtually identical with the Sanders Bill, and in March Senators White and Wheeler jointly introduced a bill which also included the recommendations of the Federal Communications Bar Association, but went even further and included, among other provisions, the three proposals advanced by NAB at the hearings on the Sanders Bill last year. NAB had endorsed in principle the Bar Association's recommendations. There is a distinct possibility, it is generally believed, that the present Congress will amend the Act.

Also on the Congressional front are three bills which would prohibit the advertising of alcoholic beverages. The Johnson and Capper Bills in the Senate, and the Culkin Bill in the House, were referred respectively to the Senate Interstate Commerce Committee and the House Interstate and Foreign Commerce Committee, where they now remain. Hearings have not been scheduled, and appear unlikely to be. NAB, as in the past, is opposed to these measures.

Executive Resolution "E", the adoption of which by the Senate would make the United States party to the International Copyright Convention without prior revision of our domestic copyright law, remains dormant in the

Senate Foreign Affairs Committee. A continuing threat to broadcasting, its chances of being reported out at this session are believed to be slim.

Forty-three state legislatures have been in session during 1943 to date, and Alabama will meet in May. Twenty-one have adjourned sine die. In nine states bills to bar liquor advertising on the radio were introduced, of which seven were killed or died, and two are still in committee. North Carolina and Washington enacted libel laws favorable to broadcasting. Several bills objectionable to radio are buried in committee or have died with the close of the session. Broadcasters appointed by NAB to serve as legislative contacts in the various states have been most helpful.

II

Preparation of the NAB Selective Service Handbook and Supplements, correspondence with stations relative to occupational deferment of key men, and contact with National Headquarters of the Selective Service System, have consumed considerable time and effort. Activity and Occupation Bulletins issued by headquarters for the guidance of local boards have not prevented induction of many key employees in broadcasting, although the industry as a whole, it is believed, has been accorded reasonably fair treatment. The training of women, men over 45 and men in 4-F remains, as NAB has repeatedly stated, the safest course to pursue in order to insure sufficient manpower for continued operation. With the drafting of fathers imminent, the picture daily looms more grim. Under the law the local boards, subject to the right of appeal to the Boards of Appeal, have the power to determine all claims and questions relative to occupational deferment. Under the Selective Service System's basic policy of decentralization, the power of State Directors seems to be increasing with corresponding reluctance on the part of the Director of Selective Service to intervene in occupational cases. Employers have no right under the law to appeal to the President in occupational cases. General Hershey and the State Directors have the authority in their discretion to take such appeals, an authority they exercise only infrequently. The local boards, at the grassroots, are virtually all-powerful, and are seldom reversed if they have observed procedural regulations. Counsel has been of some help in a number of cases where stations requested investigation by headquarters; but the prospects for the future appear less bright.

III

The principal task performed by the Code Committee was the clearing up of a misunderstanding between the Cooperative League of the U. S. A. and certain stations with respect to the purchase of time by the League. The committee has met twice since the last report.

In November, the Federal statutory three-judge court in New York dismissed the network suits against the Government to enjoin operation of the FCC's network regulations. The cases were dismissed on the merits without taking evidence. The Supreme Court's decision on the networks' appeals is expected shortly.

Contacts with OPA, WPB, WMC, Selective Service, and other Government agencies have been maintained. Relaxation of the gasoline regulations to make engineers and technicians eligible for Class C coupon books for driving necessary to the installation and servicing of temporary remote-control pickups was secured. Efforts to secure similar relaxation for other workers in the industry were unsuccessful. Correspondence with stations and their attorneys on various and sundry matters, and

consultation with members of the staff have consumed considerable time.

RUSSELL P. PLACE,
Counsel.

April 10, 1943.

Promotion and Circulation

This department continues to be almost wholly concerned with government departments. It operates in the belief that broadcasting is the medium of mass communication which can do most to inform, instruct, persuade, inspire and bring a moment of relief through entertainment to all those millions who are holding the home front. If the home front is breached, the war front collapses.

By their actions broadcasters signify that they realize this nation is fighting for its very existence and that it needs every help within their power to give.

The industry provides a tremendous amount of support to the nation's war effort. As calculated by the NAB research department it amounted to 5,556,000 announcements and 601,000 programs of local origination in 1942.

Elmer Davis, director of the Office of War Information, officially reported radio's contribution another way. On March 26, 1943, he stated that \$86,900,000, divided, \$71,570,000 for time and \$15,330,000 for talent, was the dollars and cents value of the over-all radio effort of bringing war information to the public.

To continue to do so much in the future will necessitate both courage, aggressiveness and ingenuity on the part of the industry. Ability will depend on three factors—men, materials and money.

MANPOWER

Stations which have not yet safeguarded their operation by placing women, over-age men and 4-Fs in key spots are faced with sizable difficulties now, larger ones in a few months. Paul McNutt said it all last January 4: "Employers must accustom themselves to the fact that, as the war goes on, the armed services will almost certainly claim every replaceable male employee of military age and fitness in every industry, regardless of essentiality."

By acting promptly stations have one last chance to secure dependable replacements for the duration. It is our feeling that some measure of relief may be afforded by checking lists of nearby students who have been enrolled in the ESMWT-NAB "Fundamentals of Radio" courses. Not all have entered the armed forces because men and women of all ages and physical fitness were and are among the students. Chief engineers and managers report that graduates make excellent technicians. For institutions to contact, consult NAB REPORTS of April 2, 1943 and the Annual Report issue of NAB REPORTS, May, 1942.

For the next fiscal year the ESMWT program has received the blessing of the Bureau of the Budget. Officials believe it will receive Congressional approval. To get a course repeated or started consult the ESMWT Institutional Director at nearest school. Conditions demand that students should be women and men not required by the military. Ignore any prejudice about employing women. They are doing an excellent job for BBC and an ever increasing number of American stations. Signal Corps schools are full of them; they will work on sets more intricate than standard band transmitters.

MATERIEL

Frank McIntosh, assistant director, Radio & Radar Division, WPB, is coming to the Chicago War Conference to tell the industry about transmitter and receiver tubes and parts, what he expects to happen during the forthcoming twelve months and what he envisions for post war radio.

The March-April tube survey undertaken by NAB for Radio & Radar was reported "excellent and most helpful" by WPB.

After the War Conference another check will be made as to the supply of radio repairmen. They have been declared essential to the war effort in Selective Service Occupational Bulletin No. 42, December 22, 1942, and again in Activity and Occupation Bulletin No. 31, effective March 1, 1943.

Over ten thousand copies of a folio dealing with this matter were distributed by NAB with the help of broadcast stations, jobber and service associations and set manufacturers. At this writing it would seem that the radio service operation must be streamlined in areas where a sufficient flow of work would permit a breakdown of the service job. Radio repair will also receive study at the War Conference.

Already "coverage" conscious, broadcasters apparently must go all the way and become "circulation" conscious. Unless individual sets (circulation) are maintained in repair, the war effort will suffer. Specifically we mean that Mr. Morgenthau's continuous bond sales will flop, that Chester Davis' food program will suffer, that home front morale will deteriorate.

WITHOUT RADIO, MORALE SUFFERS

What actually happens to the morale of families, deprived of accustomed news and other broadcast services, was demonstrated this spring when many farm families were unable to buy radio batteries. Large numbers became resentful, uncooperative and disgusted. The state legislatures of North Dakota, South Dakota, Nebraska, Minnesota, Iowa and Indiana were "up in arms" and memorialized the Congress of the United States to lift restrictions on the manufacture of radio batteries. The Illinois House unanimously adopted the battery resolution on March 31 and it has been referred to the Senate Executive Committee. There were speeches in Congress.

One investigator summed up the farmer's feeling as follows:

"Inasmuch as farmers depend upon the radio, in many instances solely, for news and for current market information and other information pertinent to their work, it would seem extremely important that their radios be kept operating. The increased interest in government regulation affecting farming and the marketing of farm products, at this time particularly, enhances such desirability. As one listener puts it, 'radios are an absolute necessity for farm welfare.'"

Another said: "We had a similarity of reports regarding farmers' feelings over the situation of shortage of batteries for radio sets. First, farmers consider radios a necessity not a luxury. Some appeared to be tolerant because of the war situation. Others were discouraged and some seemed to be disgusted."

Another reported: "Virtually all replies indicate radio as one of the major factors in keeping up morale."

Direct statements by farmers were more pungent. Said one: "I could get along without sugar or coffee, I could even go barefooted, but when we can't get batteries for our radio, it is just terrible."

Another stated: "Have a boy in service. Are up early to hear the news. We would feel like working harder if we had the use of our radio."

And another: "What will us farmers do without a radio? No hog market, no chicken, egg, grain markets of any kind. And no news."

It is unfortunate that farmers were the unwilling guinea pigs whose reactions, when deprived of broadcast service, aroused such public indignation. But this experience has clearly demonstrated to all the importance of maintaining a radio in every American home throughout the emergency.

Respectfully submitted,

ARTHUR STRINGER.

Research

There is considerable progress to report on the research activity of the NAB since the Cleveland Convention in May 1942. The NAB Research Department, under the direction of the NAB Research Committee, has completed its study of Station Coverage and is preparing a publication of its recommendation on the subject. This will be mailed to the membership as soon as it is printed. The title of the publication will be "How to Determine Station Coverage".

The Research Department has also completed its tabulations and calculations of Census data to be included in the "NAB Market Data Handbook for Broadcasters". Copy for the book is in the hands of the printer and will be sent to NAB members as soon as the printing is completed.

The Research Department has held to a minimum the number of questionnaires addressed to stations from the Association consistent with the handling of the problems facing the industry. Also, NAB has exerted its efforts to dissuade outside organizations from conducting surveys addressed to broadcast stations. Recent conferences have been held with FCC and Bureau of the Budget personnel on the subject of questionnaires addressed to stations and forms required by FCC from stations. The FCC has recently announced that it is now in the process of revising its forms. It is hoped that the FCC efforts along this line will result in material savings of employee time and station expense in keeping records, preparing applications, and answering questionnaires.

There were two surveys addressed to broadcast stations during the past year by the NAB Research Department which were of particular importance. These were the questionnaires on use of musicians by broadcast stations and a survey of the manpower situation in the industry.

In the following paragraphs, the principal or time consuming tasks handled by the NAB Research Committee and the Research Department are discussed by subject matter.

STATION COVERAGE

Station Coverage has been a topic for discussion in the ranks of broadcasters, advertising agencies, and advertisers for almost as many years as there has been advertising use of radio. There has been a growing dissatisfaction on the part of agencies and advertisers with the coverage claims stations have been making because there has been no consistent definition as to just what station coverage means and there has been no uniformity in arriving at coverage claims. Also, there has been a failure in most cases to clearly set forth how coverage claims were arrived at to give some clear indication as to the value of the claims.

The Radio Executives Club of New York in conference with the NAB Sales Managers Executive Committee sug-

gested that NAB prepare a standard coverage specification. The Time Buyer members of the REC stated their complete satisfaction with a coverage method defined as a physical determination of area served by stations, measured through the use of audience mail analyses and signal strength surveys, and accompanied by market data to evaluate the service area.

The NAB Sales Managers Executive Committee asked the NAB Research Committee to undertake a study of the Time Buyers proposal and prepare a recommendation which could be sent to all stations setting forth the need for standardized coverage claims, the definition of Station Coverage most desired in the field of radio advertising, and, the methods recommended with suggestions to aid stations in applying methods.

The NAB Research Committee participated in a survey conducted by Herman S. Hettinger of the Wharton School of Finance of the University of Pennsylvania, addressed to advertising agency and advertiser executives. The summary of the findings of the results of this survey was published in July 1942 by the NAB under the title, "What Radio Buyers Want To Know". The interest of the Research Committee in the survey was to determine the attitude of agencies and advertisers on the specific question of Station Coverage. Dr. Hettinger's survey demonstrated that the views of the Time Buyer members of the Radio Executives Club of New York were in perfect agreement with the views held by agency and advertiser executives across the country. Findings indicated that coverage ranked high in the list of information desired, figured strongly in the factors listed as important in the purchase of station time and, in answer to the question as to the type of coverage preferred, audience mail ranked first and field intensity studies ranked second. It should not be overlooked that in answer to the question on type of coverage preferred, a substantial number answered such, as "conservative and uniform coverage data", "standardized data", and, "accurate factual data".

The characteristic view within the advertising fraternity seems to be one of reasonable tolerance in the matter of definition of station coverage and method employed to determine coverage so long as the objective of standardization is attained. NAB is anxious to contribute to this end because the broadcast advertising industry will gain materially if the purchase of station time can be simplified and the reasonable requests of the advertisers and agencies met.

The NAB recommendation on Station Coverage is now in the hands of the printer and will be distributed to member stations and advertiser and agency organization executives in the very near future. The booklet will contain a recommendation on method of determining the station coverage area, and the manner of handling the calculation of the market data used to interpret the coverage area. Also included will be a sample station coverage presentation including a demonstration of maps, titling, and copy. The Time Buyers Committee of the American Association of Advertising Agencies has agreed to work with the NAB on the Station Coverage presentation and authorized the use of the 4A Stamp of Approval on the presentation format. The recommendation will also include a discussion of procedure on method, handling of figures, printers specifications, etc., designed to aid the station in using the recommendation.

The essence of the recommendation as to method is as follows: Station Coverage is defined as the physical limits of the area served as demonstrated by actual listening. The half millivolt signal strength contour is used to give evidence of the deliverance of signal to show where the station can be heard to the extent of one-half millivolt signal. Audience mail is used to establish the actual coverage area since audience mail reflects the location of

actual listeners. The coverage interpreted from audience mail analysis by county is in terms of market data consisting of population, number of families, number of radio families and selected retail sales data. Under this definition, the physical area of a station's coverage is determined without reference to audience competition. The measurement represents a potential in service in that it assumes that under ideal conditions the station is capable of serving all radio families within its primary area. In other words, the method produces only the physical limitations of station service without reflecting audience competition. (NAB is currently studying the problem of audience measurement and will prepare a recommendation on that subject later on.)

METHOD

SIGNAL STRENGTH: The NAB Engineering Committee prepared a recommendation on the subject in 1940 under the title, "National Association of Broadcasters Recommendation for Field Intensity for the Purpose of Estimating Field Contours of a Broadcast Station in the Regular Broadcast Band."

In the introduction of the report an objective of the recommendation is stated, "that the interpretation and presentation of such measurements might be such that the work of one engineer might readily be compared with that of another, and the claims of one station compared with those of another, it is desirable to have a uniform practice of procedure for doing this work". It is recommended here that the engineering procedure for measuring field strength, as set forth in the report mentioned above, be followed. It is highly desirable that the station complete a signal strength survey report as prescribed because of its engineering value and also its value to management in effectively gauging the efficiency of physical equipment used in radiating a signal. Such a report will also serve as substantiating material for the signal strength data drawn from it in this coverage method.

For the purpose of the recommendation, signal strength measurements are used to show where the station may be heard within a standard of signal intensity. The signal strength data used will not be directly related to audience mail analysis, but will serve as an orienting factor.

The signal strength measurement findings employed in this coverage recommendation are confined to the .5 millivolts per meter contour ground wave. Such measurements are made in the daytime and therefore the half millivolt contour will be presented on the daytime coverage map and will not appear on the night-time map. It is fully realized that the arbitrary standard of .5 millivolts per meter is not a true criterion of effective coverage. However, the uniform information for all stations will be valuable for the advertising fraternity on the physical radiation of signals. And, more important in this recommendation, the half millivolt contour will enable better understanding of the commercial coverage claim as produced by audience mail.

The descriptive material to be used in conjunction with signal strength should include: date of the survey, name of the engineer and his qualifications, description of the method used, setting forth what portions of the data were obtained through actual measurement and which were arrived at by calculation, and the total number of field strength readings taken.

AUDIENCE MAIL: Audience mail analysis is used to introduce the factor of actual listening. Interpretation of audience mail is confined to a geographic examination of its distribution by county. Audience mail analysis is capable of showing the where of listening audience but is not offered to indicate, to any degree, the amount of listening or the relative popularity among stations. The

number of pieces of mail analyzed will have no significance beyond the specification that a sufficient amount of mail be used to insure an adequate statistical sample. Mail will be analyzed as to the county from which it is sent. Mail which cannot be identified positively as to the location of the writer will not be used in coverage calculation. Similarly, mail for coverage calculation will be confined to that which can be identified to specific programs.

Audience mail analysis will be confined to that which is drawn in response to programs originated by stations. This specification is made because the recommendation aspires to produce coverage claims of individual stations. It has been clearly demonstrated in network research that there exists differences in the coverage of individual stations when carrying network programs as compared to their coverage for locally produced programs. It is obvious, therefore, that there must be separate calculations for the two. This recommendation is confined to individual station coverage and will, therefore, have its commercial value confined to matters of national spot business and local business claims.

Separate analyses of audience mail addressed to day programs and night programs are to be made to produce separate day and night coverage maps. It is obvious therefore that the identification of the program producing the mail response must be positive. The segregation of day and night will be based on the hour of average sunset as set forth in the FCC Standards of Good Engineering Practice.

Audience mail used for coverage calculation may fall into one of two broad classifications. An identification of the type used is to be presented on the face of the coverage map. The two types of mail are: 1. Cumulative Mail—that received over a period of time to all locally produced programs during the day (or night) which can be definitely identified to programs; and, 2. Mail Produced by Special Offers—a concerted drive for mail by offering an object of no intrinsic value through announcements spotted at various times during the day (or the night).

Coverage maps produced by the two methods, under ideal conditions, will not differ materially so long as there is a sufficient volume of mail to constitute an adequate sample and the appeals to the audience contain no bias which would cause a higher degree of response from any segment of population.

The use of Cumulative Mail should minimize the effect of any bias because of the averaging influence of response to all programs over a period of time.

Special Offer Mail has the advantage of ease in handling since each response is quickly identified, contains a return mail address, can be tailored in the spotting of announcements to insure a representative sample of the time period measured (before or after sunset). The sample can be developed in a relatively short time by a concerted station campaign. Disadvantages of the Special Offer analysis lie in the possibility of producing bias if great care is not exercised in the matter of selecting the object offered and the volume of mail may not be as large as could be expected in response to all programs over a period of time.

If Special Offer Mail is to be used, particular care must be taken in setting up the entire campaign for audience mail. The two items to be offered must be selected for clear differentiation since one will be offered during the daytime (before sunset) and the other during night-time operation (after sunset). In this way, separate samples will be accumulated for calculating day and night maps. In the spotting of the announcements of the offers, care must be taken to distribute the announcements as evenly as possible over the full period measured. Care must also be taken to avoid use of network

program adjacencies since this will tend to restrict the area measured.

ANALYSIS OF COVERAGE: Coverage is analyzed by relating the count of mail received from each county to the 1940 Census figures of radio families within each county. The number of letters received is divided by the number of radio families and pointed off decimally to reflect mail per thousand radio families. As an illustration, if 625 letters are received from a given county having 5,000 radio families, the calculation takes the form of dividing 625 by 5,000, producing a .125 result. By moving the decimal point three places, the index of response becomes 125 letters per thousand radio families.

The home county, or specifically the county in which the station's principal studios are located, will be used as the base for evaluating the response of all other counties from which mail is received. The evaluation takes the form of calculating the percentage relationship of each county to the home county; that is, by dividing the response index of each county by the response index of the home county.

The degree of coverage of each county is gauged on the percentage relationship each county bears to the home county. Primary coverage of a station may be defined as that area or those counties in which the station has a strong signal and a substantial audience at all times. The radio time buyers have indicated their desire for a three group classification of the degree of coverage; the first group to consist of those counties having an index relationship 50% or greater than the home county; the second classification—those counties having 25 to 50%; and, the third, 10 to 25%. These will be termed "Intense", "Excellent", and "Good", respectively.

Experience in the industry indicates that primary coverage extends to those counties having 25% or greater relationship to the home county. Primary coverage, therefore, is divided into two parts—"Intense" and "Excellent". Secondary coverage is that mentioned above as "Good"—counties having 10 to 25% relationship to the home county.

The classifications of coverage, then, are as follows:

Primary—Intense	50% or greater
Primary—Excellent	25% to 50%
Secondary—Good	10% to 25%

A substantial volume of letters should be used for the audience mail coverage analysis. No minimum count of mail can be prescribed, since there are too many factors involved which would control the amount of mail received by stations. Among these factors are the classifications of stations; the population of the area served; and the responsiveness of the audience, which is coupled with the appeal for mail the station has made in the past to develop responsiveness, etc.

The safest test of sample adequacy which can be offered at this time is that point in audience mail analysis when additional quantity of mail does not alter the coverage classification of individual counties. This procedure can be followed without undue hardship by progressive analysis—analyzing the mail at intervals during the period selected for accumulating the sample.

MARKET DATA

In conjunction with the Station Coverage Recommendation, NAB is preparing a Market Data Book for Broadcast Stations which will contain basic information for station use. Prior to the Cleveland Convention, the Research Department presented in the NAB REPORTS, the Census figures of 1940 count of families, percent radio ownership, and radio families for several states which had been completed by the Bureau of the Census by that

time. Following the Convention, this work was completed for all states and presentation in the REPORTS included such information for each state, by county and by cities of 25,000 or more population. It was necessary for the Research Department at the direction of the Research Committee to calculate projections of the radio family figures since the Census was not complete in coverage of all families.

The Market Data Book will contain the radio family figures for each state and county with separate figures for urban, rural non-farm and rural farm families. Also, for each state will be presented a complete list of all urban places having population of 2,500 or more. Census figures of population by county and city will be included. In the same detail, figures from the Retail Census of 1939 will be given showing the number of stores and sales in dollars for total retail trade, with separate figures for the food group, the general merchandise group, the apparel group and drug stores. These four classifications on retail business are included in the Market Data Book because of their commercial significance in broadcast advertising.

Information in summary form will be presented in the book to show the growth of radio families since 1923 and a discussion of the relationship of radio families to total receiving sets in use. There will also be a summary section presented on the change in civilian population from the Census date, April 1940 to May 1942. This will be given in detail by state and metropolitan districts. There will also be a section devoted to metropolitan districts giving the complete information of radio family population and retail trade figures.

Copy for the Market Data Book is now in the hands of the printer and every effort is being made to distribute it to the membership and to advertiser and agency executives as soon as possible.

MANPOWER

The importance of the problem of manpower to operate the industry compelled NAB to address a questionnaire to all stations in September of 1942. A similar questionnaire had been sent to all stations on the subject of selective service in May 1941 but was confined to technical personnel. The drains of manpower from all departments of radio operation necessitated our having available information on all classes of employees.

The manpower questionnaire was sent to 919 broadcast stations. Replies were received from 667 stations, representing a 73% response.

The survey shows that on October 19, 1940, the average station employed 22.5 persons. On September 15, 1942, the station average had dropped to 21.1. The employment of men by stations dropped from the average of 18 to 16. Employment of women rose from 4.4 to 5.0. In the two-year period, all station employment decreased 6.2%, with a 10.9% decrease for men and a 12.9% increase for women.

In the two-year period, 26.2% of the number of men employed by stations were lost to the armed services. Roughly, two-thirds of those going into the armed services enlisted or were ordered to active duty in reserve capacities. About 35% were drafted.

Considerable concern has been expressed over the migration of employees within the industry to other stations, other civilian employment, as well as to the armed services. The survey shows that the number of persons leaving stations between October 19, 1940, and September 15, 1942, represented 69.5% of the personnel employed at October 19, 1940.

On September 15, 1942, 64.4% of all persons employed by stations were in draft ages 20 to 45 years. In addition, boys of ages 18 and 19 constituted 4.3% of all employees, bringing the present percentage within draft age

to 68.7%. A selective service classification of those within ages 20 to 45 years on September 15th as expressed in percentages shows men classified in 1A or 1B to be 9.0%; those in 2A or 2B, 2.3%; those holding reserve commissions or awaiting call, 1.3%; classification 3A, 67.6%; classification 3B, 1.5%; classification 4, 9.5%; and not yet classified, 8.8%.

Stations classified as essential men to their operation only 19% of their employees. In terms of average employment per station, only 4 of 21 were listed as essential. In terms of actual figures as reported in the survey, 608 stations showed total employment of 12,821 and listed as "necessary men", 2,464. Of this number, 150 were in Selective Service classification 1A, 116 were in 2A or 2B and 1,958 in 3A or 3B. Approximately 67% of the men in 3A and 3B have dependent children. Thus it can be readily seen that a request of the industry to National Selective Service for deferment of essential employees involves an exceedingly small number of registrants.

A subsequent analysis of the questionnaire made to reflect the number of persons between the ages 37 to 45 showed that 20.5% of "key people" in radio stations were affected by the Selective Service order restricting the drafting of men in that group.

The Research Department is currently preparing a simplified questionnaire to revise the information since manpower is probably the most acute problem facing the industry today. A minimum of information will be required of stations to reduce the burden placed on them. However, it is imperative that full cooperation be given NAB in this matter.

MUSICIANS

The Research Department has devoted much time to the collection of information needed in treating the problem of the musicians' ban on music recording. A questionnaire on employment of musicians in the industry was sent to all stations July 13, 1942. The survey produced valuable information, some of the results of which have been presented in the NAB REPORTS. No complete report has been made, since the developments in the musicians' problem have been such as not to warrant such use of the information.

The Research Director attended the Congressional Hearings of the A. F. of M. and has made studies of the factual claims set forth in testimony by Mr. Petrillo and Mr. Padway. Advisability of some consumer research was indicated in the testimony and the Research Department has undertaken surveys to develop the actual facts on the subjects.

WAR EFFORT

The NAB Research Department has cooperated in developing information on the extent of radio's contribution to the War Effort. An average of better than 500 radio stations have consistently submitted reports on the programs and announcements carried on behalf of the War Effort each month since the Fall of 1941. The Research Department has made the analyses of the reports. The results of these analyses have been published in the NAB REPORTS. A projection of industry totals from the tabulations of nine months of 1942 shows that stations broadcast approximately 5,556,000 announcements and 600,000 programs for the entire year as their contribution to the War Effort. This represents station contributions only and does not reflect the contributions by networks and individual advertisers.

The Research Department has worked closely with the Office of War Information in matters of research on War Effort broadcasting.

EXCESS PROFITS TAX

The Research Department undertook to assemble as much information as could be made available for the use

of stations in calculating excess profits taxes. Information developed has been of value although it was found that there was serious limitation of possibilities in the absence of any information for the year 1936 from any official source. The tabulation of Broadcast Service Income (net profit before Federal Tax) was presented in the NAB REPORTS, page 59 of the February 12, 1943 issue and in the separately printed NAB Tax Bulletin of the same date.

Also in conjunction with tax problems, the NAB Research Department has cooperated with the firm Alvord and Alvord, Tax Lawyers, retained by NAB, in the matter of collecting information required for Congressional Hearings and the like.

48 HOUR WEEK

The Research Department assisted in the preparation of a Data Sheet and Instructions for its use to assist stations in critical labor areas in observing the 48-hour week to conform with the Executive Order of the President. This matter has been handled by the Labor Relations Department.

MISCELLANEOUS

The Research Department assisted the National Retail Dry Goods Association in preparing a questionnaire to its membership on the subject of retail advertising. In tabulating the results of this survey, the Research Department supervised an outside organization and cooperated with NRDGA and the Retail Promotion Committee in interpreting the results.

The Research Department cooperated with the Director of Engineering and the Director of Industry Promotion in collecting information on the problems of keeping radio stations in operation during the war period. Considerable time was spent in collecting data on battery sets in use in the United States and requirements of radio tubes and repair parts.

The Research Department assisted in the preparation of graphic charts of basic radio information for the use of the Director of Broadcast Advertising.

In addition to the work outlined briefly above, the Research Department has devoted increasing time to the furnishing of information to member stations and outside organizations on the subject of radio.

From the basic records maintained by the Research Department, there appears at the conclusion of this report, analyses of standard broadcast stations in operation April 1, 1943, showing the number of stations by operating classifications and by city size with membership in NAB for each.

The Association has advanced in matters of research during the past year and is planning now the research

requirements of the Association for the coming year. It appears that there are areas of broadcast operation which demand special attention from the standpoint of information which has been brought about because of the war.

Respectfully submitted,

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DIRECTOR OF RESEARCH

PAUL F. PETER

April 10, 1943.

STATION ANALYSES

	<i>Stations as of April 1, 1943</i>	<i>NAB Membership April 15, 1943</i>
Clear Channel:		
Unlimited (50kw)	45	38
Part-time (50kw)	4	4
Unlimited (5 to 25kw)	25	18
Part-time (5 to 25kw)	5	2
Regional Channel:		
Unlimited	266	186
Limited and Day	44	20
Part-time	19	9
Local Channel:		
Unlimited	425	205
Day and Part-time	30	8
Total Commercial, Operating in Continental U. S.	863	490
Non-commercial	34	4
Territorial	14	7
Construction Permits	2	0
Total Standard Broadcast Stations ..	913	501
High Frequency Education		1
Frequency Modulation		3
Total NAB Stations		505
Networks		2
Associate Members		19
Total Membership in NAB		526

Metropolitan Districts (1940 Census)	Operating Commercial Stations Continental U. S.		Non-Commercial Stations		Territorial Stations		Construction Permit Stations		Total Stations	
	Total	NAB	Total	NAB	Total	NAB	Total	NAB	Total	NAB
2,500,000 and over	66	31	5	1	0	0	0	0	71	32
1,000,000 to 2,500,000	52	28	1	0	0	0	0	0	53	28
500,000 to 1,000,000	51	36	2	0	0	0	0	0	53	36
250,000 to 500,000	100	67	4	2	1	0	0	0	105	69
100,000 to 250,000	127	93	2	0	7	4	1	0	137	97
50,000 to 100,000	52	35	1	0	1	0	0	0	54	35
City and Town										
25,000 to 50,000	120	71	1	0	0	0	0	0	121	71
10,000 to 25,000	204	98	9	0	0	0	0	0	213	98
Less than 10,000	91	31	9	1	5	3	1	0	106	35
Total Standard Broadcast	863	490	34	4	14	7	2	0	913	501
High Frequency Education										1
Frequency Modulation										3
Total NAB Stations										505
Networks										2
Associate Members										19
Total Membership in NAB										526