

### FCC PAYROLL AND EMPLOYMENT DATA

The FCC reports that more than 100 stations have failed so far to return their payroll and employment data requested two months ago. This data, when compiled, can be of invaluable help to all stations in labor negotiations, War Labor Board proceedings, and in other ways. For their own benefit, all stations should act promptly on the Commission's request.

### PEABODY AWARDS

Some five thousand listening-post committee members, from coast to coast, will on December 10 report their selections in the George Foster Peabody Awards of 1943 to Dean John E. Drewry of the Henry W. Grady School of Journalism, University of Georgia, through whose office the awards are made.

The reports of these listening-post committee members will be consolidated and passed along to the Peabody Advisory Board, headed by Edward Weeks, editor, *Atlantic Monthly*, which will make the final selections of the winners. This group will meet in New York in January for a preliminary canvass of the 1943 entries.

Bing Crosby's name appeared along with others of the Los Angeles area in a list provided by Mrs. Dorothy Lewis, New York, who as Coordinator of Listener Activity of the National Association of Broadcasters has quietly but effectively gone about the creation of these listening-post committees in some two hundred principal cities in most of the forty-eight states. Similar committees have been established through Dean Drewry's office in most of the state universities having accredited schools or departments of journalism.

"I am quite thrilled to know that some five thousand people will have worked on this listener evaluation project for the Peabody Awards this year, among them outstanding people in many areas," Mrs. Lewis recently wrote Dean Drewry. "Letters keep coming in telling me of the great interest of the community and of local stations in this whole project as it has been set up with the listening groups."

Although December 10 is the closing date for 1943, entries have been arriving in Athens for some weeks, Dean Drewry reports.

### EDUCATION BY RADIO INSTITUTE SET

I. Keith Tyler, Director of the Institute for Education by Radio, Ohio State University, announces the Fifteenth

Institute for Education by Radio to be held at the Deshler-Wallick Hotel in Columbus, May 5-8, 1944. As in past years, the annual exhibition and citations of educational radio programs will be made in connection with the Institute. The closing date for entries in this exhibition has been set as March 15, 1944. Specifications and entry blanks may be obtained by stations, educational organizations and regional networks on request to Dr. Tyler at the Ohio State University, Columbus 10, Ohio.

### EDUCATIONAL RADIO LISTING SERVICE

The Federal Radio Education Committee and the United States Office of Education have inaugurated a monthly Educational Radio Program Listing Service as an aid to teachers throughout the nation. On the first list, which has already been forwarded to all State Superintendents of Schools for distribution to local schools, 27 network programs are listed.

FREC, which is composed of 14 representatives of the radio industry and education, is convinced that many educationally valuable programs are not being fully utilized. An advisory committee of 4 educators has been set up to make the selections which will go onto the lists and the basic standards have been agreed upon by FREC. Each network recommends educational programs for selection. Following selection, the list is mimeographed and sent to State Departments of Education with the caution that it should be carefully revised to fit local needs and should be supplemented by local and regional educational programs. Many radio stations will be interested in co-operating with educators in their community in making this program effective.

### A. E. R. REGIONAL CONFERENCE

The regional conference of the Association for Education by Radio was held at Stephens College, Columbia, Missouri, November 19, 20 and 21. The central theme was "The Responsibility of Radio in the New World." At the close of the sessions B. Lamar Johnson, Stephens College Dean of Instruction, presented the following summary:

"As I open my remarks I wish to express on behalf of Stephens College our pleasure in having had you guests on our campus during the past three days. You have brought much to us in both inspiration and information.

"Just this afternoon, in conversation with Major Kent, he remarked that this conference is the outstanding regional conference in the country and that it has more than justified its sponsorship by the Association for Education by Radio. I mention this because you have made this conference the success it has been.

"At the close of one of yesterday's panels the chairman stated, 'I have been asked to summarize this panel, but we have had so many ideas presented, so many suggestions

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THE NATIONAL ASSOCIATION OF BROADCASTERS

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## A. E. R. REGIONAL CONFERENCE

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made, that I hesitate to attempt a summary. The meeting is adjourned.

"After having attended meetings for three days I must say that I share the feeling of yesterday's panel chairman as I consider attempting a summary of the conference. I am almost tempted to announce now as we did yesterday, 'Meeting adjourned!'

"During this conference I observed one technique that I thought was notable—the use of a tea room as a part of seating space for the audience. I have attended the Boston 'pops' and listened to symphonic music as I enjoyed refreshments; I have seen the floor show at a night club as I ate a so-called supper; but never before have I attended a conference where a major part of the audience ate a late breakfast while listening attentively to a panel discussion—and where conferees sipped afternoon tea while listening to a speech. This technique might well be considered by other conference planners.

"In summarizing the conference I shall make no attempt to summarize each meeting separately. That will be done in the proceedings. Rather I shall mention five areas of discussion which have been of common concern and interest during the conference:

*"First, Should radio give the public what it likes or should radio give the public what it ought to have?"*

"Throughout the conference this issue has been discussed—in relation to children's programs and daytime serials, in relation to international relations and planning for the postwar world here at home. There seems to have been general agreement on this: 'Give the people the facts; the people can be trusted with the truth.' But repeatedly the point has been made different people interpret facts differently.

"As I leave this conference I am conscious of no clear-cut agreement on answering this question. The suggestion has been made that we should do both—give the public what it likes and what it should have. Time after time the point has been made that if we wish to present educational programs on postwar issues, for example, we must use the best showmanship possible, otherwise we shall have no listeners.

*"Second, Should training for careers in radio stress general education or specific training in radio techniques?"*

"Employers in radio want everything. They demand a sound general education including citizenship understanding, health, ability to communicate effectively, ability to get along with people; they want some technical training in the field of radio; they recommend the ability to type and take dictation; and some suggest the value and need for home economics training. The student who seeks a career in radio may be perplexed by the multiplicity of demands placed on her. Essentially, however, this conference has said to the student, 'If you are interested in radio get a good general education, work hard. You will need

to work hard when you begin your career. You must work hard now to get a sound general education, some technical training and, if possible, stenographic training.'

*"Third, Is there opportunity for employment in radio?"*

"On the one hand we have had reports of the immediate need for workers in radio. On the other hand, we have learned that in normal peacetime there are throughout the nation only 500 openings a year in radio—and not all of these offer opportunities for new workers in radio, for some of these openings simply represent personnel changes within the industry. Against this background of possible positions in radio we must consider the future possibilities of FM and of television. Expansion in these fields may well offer significant employment opportunities in the New World.

"In speaking of education for radio we need to recognize that education for a career in radio is only an aspect—and that a small aspect—of radio education. We need to teach boys and girls to understand the place of radio in America and world life. We need to educate our boys and girls in radio listening, just as we aim to teach them reading habits in our Literature courses. I have a feeling that this point on the importance of radio in general education may have been underestimated in the sessions of this conference.

*"Fourth, The local radio station is the basic unit of radio. Community cooperation is necessary if radio is to make its maximum contribution."*

"Among the agencies which can best cooperate with radio, and with which radio can best cooperate, is the newspaper. The press can do much in the education of listeners. In a panel discussion yesterday I feared a conflict between a representative of journalism and a member of the clergy. An agreement was, however, reached that both radio and the newspapers have important functions to serve and that cooperation between them is essential. During the conference regret has been expressed over the fact that in some sections of the country newspapers fail to list radio programs. On the other hand, and more frequently, examples of splendid radio-newspaper cooperation have been cited, as in Omaha, for example.

"Listening groups in cooperation with the local station can actually produce programs which fill a local need. This morning, for example, we heard of a junior league group in Oklahoma which is producing some outstanding children's programs.

"Throughout the conference I have been impressed by the growing importance of radio councils as a means of providing community cooperation. The suggestion has been made that the radio council can educate listeners, can advise the station management regarding the improvement of the programs, and can publicize selected programs.

*"Fifth, Is television just around the corner?"*

"The presentations of Commander Eddy and of Mr. Shayon both point forward to a not distant day when television will be a reality. Mr. Shayon predicts that: 'Ten years from today large scale commercial color-vision television will be as normal a part of our lives as are films or sound broadcast now.'

"Commander Eddy emphasized the value of television to education and suggested the possibility of centralized education from central stations. Though there was at the conference some disagreement on the future of television, I should say that there was general optimism regarding the development and the importance of television.

"If I were to select two quotations which best give contrasting spirits of this conference I should first quote Mrs. Miller who in a panel yesterday stated: 'It is later than we think.' In that sentence Mrs. Miller summarized the concern which has motivated our consideration of postwar issues; the need for building a lasting peace; our recognition that we live in a world united by radio, by aviation and by the aspirations of mankind; our concern about breakdowns on our home front; juvenile delinquency; our wonderings about radio's role of leadership in the new world; our controversies regarding the interpretation of



facts; our fears that we may win the war on world battlefronts and lose the peace. Yes, it seems to me that Mrs. Miller has uttered a warning we need to heed—as educators, as broadcasters: ‘It may well be later than we think.’

“On the other hand there has been in our conference a spirit of optimism. Our conference has promised us new and improved tools with which to fashion the New World. Perhaps this hope was best represented by Mr. Shayon’s address of last evening: ‘In the new world radio will be a superior instrument. A servant of man—freed from physical limitations—endowed with sight as well as sound, serving still the spirit of enterprise but serving still more the public welfare—making all men neighbors—and enriching their days and nights with entertainment, information, and enlightenment—this is the vision in the New World to which radio looks ahead.’

“These sentences and the entire conference fill us with both a feeling of hope and of responsibility. Before we have quite learned to utilize to its utmost the tool of radio, civilization is having placed in its hands a new tool—a new art—television.

“As I leave this conference I feel that those of us in education, those of us in radio, and those of us in the united field of radio education face new opportunities which we dare not fail to recognize. Radio needs education; education needs radio. America and the world need radio and education.”

## HOUSE SELECT COMMITTEE APPROPRIATION

Acting upon the request of the House Select Committee to investigate the Federal Communications Commission, the House last week passed an additional appropriation of \$50,000 with which to carry on investigating activities. The bill was passed without debate.

## MAKE SURE OF WAR DEPT. OK

When approached by an outside party on a deal to broadcast a military program from a distant point, with costs including line charges to be paid by donations from local merchants, stations should make sure that the Radio Branch, Bureau of Public Relations, War Department, Washington, D. C., has given approval in writing.

In such cases—pickup from a distant point, costs to be defrayed by donations and involving a third party—there is more than a possibility of embarrassment to the broadcast station.

If in doubt about any such deals communicate directly with the Radio Branch, War Dept., Washington, or with NAB.

The suggestions above do not apply when the station itself develops such a program.

## KLAUBER TO OWI

Edward Klauber, for thirteen years a prominent figure in the broadcasting industry when he served as Executive Vice President of CBS, has been appointed Associate Director of the Office of War Information. This post has been vacant since the resignation of Milton S. Eisenhower who assumed the presidency of Kansas State College.

Mr. Klauber, a veteran newspaper and radio man, began his career on the *New York World* in 1912. In 1916 he joined the staff of the *New York Times* where he remained for nearly thirteen years as reporter, re-write man and news executive. He resigned as night editor of the *Times* in 1928 and then went into the advertising and public relations field before joining CBS in 1930.

Mr. Klauber is a native of Louisville, Kentucky. He assumed his new post December 1.

## MINNESOTA BROADCASTERS MEET

Representatives of Minnesota radio stations and some from surrounding states are meeting in Minneapolis today (3). While the meeting will be general in character, its prime purpose is a means whereby closer contact between the Northwest Radio Council and the radio stations of that area may be established.

Mrs. George B. Palmer, Chairman of the Radio Committee of the Minnesota Federated Women’s Clubs and prominent in the General Federation of Women’s Clubs radio affairs, will outline the aims and objectives of the Radio Council.

Dorothy Lewis, NAB Coordinator of Listener Activities, will also speak upon the functions of radio councils and a number of women program directors will be on hand. An interesting meeting is expected. A full outline will be given in next week’s NAB REPORTS.

## DISTRIBUTE INCOME TAX FORM W-2

The Bureau of Internal Revenue has asked NAB to remind stations of the importance of early distribution of Form W-2 to employees. This form is a statement showing total wages paid during the calendar year 1943 and the amount of income and victory tax withheld from such wages under the provisions of the new “pay-as-you-go” income tax plan.

January 31 is the deadline for distribution of the forms to employees and for the filing by the employer of duplicates, together with the employer’s quarterly report of taxes withheld (W-1), with the Collector of Internal Revenue in the employer’s district.

Early distribution helps employees determine their personal income taxes.

## 1944 ELECTRONIC NEEDS CONSIDERED

Reports on electronics equipment since January 1 and the program to meet increased requirements for 1944 were discussed at a recent meeting of the Radio and Radar Industry Advisory Committee with WPB representatives. Progress of scheduling operations on vacuum tubes, test equipment and electrical indicating instruments were outlined by representatives of the WPB Radio and Radar Division. Ray C. Ellis, Division Director, was government presiding officer.

## BOOK ON RADIO REPAIRS ISSUED

“Radio Listeners Guide, an Aid to Better Reception,” is the title of a 62 page booklet written by Fred D. Rowe. Mr. Rowe has been associated with the Pacific Radio Institute in the San Francisco Bay area for the past 14 years locating various types of interference on receiving sets.

Mr. Rowe has covered such subjects as how broadcasting is done, installation notes, tuning of radio, determining causes of radio set noises, how to locate interference sources, simple service problems and questions and answers. Under present conditions when many listeners find it difficult to obtain the services of a competent radio repairman, it is believed this publication may be particularly helpful to radio listeners.

A. E. Rowe and Company, Inc., 660 Mission Street, San Francisco 5, California, is the publisher. Broadcasters may purchase individual copies at \$1.00 each. Quantity discounts to broadcasters are as follows: two to ten copies—70 cents each, eleven to one hundred copies—60 cents each, over one hundred copies—50 cents each. The retail price is \$1.00.

## FEDERAL COMMUNICATIONS COMMISSION DOCKET

### HEARINGS

The following broadcast hearings are scheduled to be heard before the Commission during the week beginning Monday, December 6th. They are subject to change.

#### Monday, December 6

KCMO—KCMO Broadcasting Co., Kansas City, Mo.—Modification of license; 1480 kc., 5 KW, unlimited, DA-night.

#### Wednesday, December 8

##### Further Hearing

To Be Heard in the Offices of the Commission, Washington, D. C.

WFTL—Ralph A. Horton (Assignor), The Fort Industry Co. (Assignee), Fort Lauderdale, Fla.—Voluntary assignment of C. P., and license of WFTL; and licenses of relay stations WAAD and WRET. 1460 kc., 250 watts, unlimited. Under C. P., 710 kc., 10 KW, unlimited, DA-night.

WFTL—Ralph A. Horton, Fort Lauderdale, Fla.—License to cover C. P., and authority to determine operating power by direct measurement. 1400 kc., 250 watts, unlimited. Under C. P., 710 kc., 10 KW, unlimited, DA-night.

WFTL—The Fort Industry Company, Fort Lauderdale, Fla.—Modification of license to move main studio from Fort Lauderdale, Florida (contingent upon granting of B3-APL-15). 1400 kc., 250 watts, unlimited. Under C. P., 710 kc., 10 KW, unlimited, DA-night.

## FEDERAL COMMUNICATIONS COMMISSION ACTION

### APPLICATIONS GRANTED

KFAR—The Midnight Sun Broadcasting Co., Fairbanks, Alaska.—Granted special service authorization to operate station on 660 kc. with 10 KW power, unlimited time, for the period ending no later than June 1, 1944, on condition that if objectionable interference is caused to the FCC monitoring station, the CAA radio system, Alaska Communications System, Army, Navy, Coast Guard, or other communications systems, and is not promptly eliminated, KFAR will return to its present assignment of 610 kc., with 5 KW power.

WWDC—Capital Broadcasting Co., Washington, D. C.—Granted extension of authority for waiver of Sections 2.53 and 13.61 of the Commission's Rules so as to permit operation of the synchronous amplifier by remote control from the main transmitter location, for the period December 1, 1943, to February 1, 1944, upon the same terms and conditions as the existing authorization for such operation.

WFNC—W. C. Ewing and T. K. Weyher, d/b as Cumberland Broadcasting Co. (Assignor), Cape Fear Broadcasting Co. (Assignee), Fayetteville, N. C.—Granted consent to voluntary assignment of license from W. C. Ewing and T. K. Weyher, d/b as Cumberland Broadcasting Co., licensee of station WFNC, to Cape Fear Broadcasting Company (B3-AL-380).

WSNY—Western Gateway Broadcasting Corp., Schenectady, N. Y.—Granted authority to make changes in automatic frequency control equipment (B1-F-254).

WRUF—University of Florida, Gainesville, Fla.—Granted special service authorization to operate unlimited time with power of 100 watts after sunset at Denver, and 5 KW until sunset at Denver, for the period ending February 1, 1944 (B3-SSA-87).

KPQ—Wescoast Broadcasting Co., Wenatchee, Wash.—Granted extension of special service authorization to operate on 560 kc., 500 watts night, 1 KW LS, unlimited time, for the period ending February 1, 1943 (B5-SSA-86).

### LICENSES GRANTED

Granted renewal of following relay broadcast station licenses for the period beginning December 1, 1943, and ending in no event later than December 1, 1945:

WODJ, Adirondack Broadcasting Co., Inc.; WEGD, WEGE, American Broadcasting Corp. of Ky.; WEOB, Ashland Broadcasting Co.; WEGG, The Atlantic Journal Co.; WBAR, WBAS, WEGM, WEGN, Bamberger Broadcasting Service, Inc.; WALM, WALN, WAUJ, WHAE, Courier-Journal and Louisville Times Co.; WAUY, WEQG, Evansville on the Air, Inc.; WEHN, Evening News Assn.; WHHC, Hampden-Hampshire Corp.; WEIF, Hildreth and Rogers Co.; WEIN, WEIO, WEIP, The Journal Co. (The Milwaukee Journal); KEJS, KGKO Broadcasting Co.; KEIH, KEII, KLZ Broadcasting Co.; KEIM, KTAR Broadcasting Co.; WALB, Larus and Brother Co., Inc.; KAOY, KEGL, KEGN, KEGO, KEGQ, Don Lee Broadcasting System; WEIT, WEIU, Loyola University; WEIY, Miami Broadcasting Co.; WEIZ, Miami Valley Broadcasting Corp.; KAOH, KEIS, KEIT, Midland Broadcasting Co.; WENU, WENV, Monumental Radio Co.; KEIW, KEIX, Eugene P. O'Fallon, Inc.; WIPP, Pennsylvania Broadcasting Co.; WEKI, WPEO, Peoria Broadcasting Co.; WERB, Pinellas Broadcasting Co.; KRQC, Queen City Broadcasting Co., Inc.; WEHT, WELT, Racine Broadcasting Corp.; KEGU, Radio Service Corp. of Utah; KEGV, Radio Station KFH Co.; WENP, WENQ, WENS, Radio Station WSOC, Inc.; WEKN, Rockford Broadcasters, Inc.; KEGX, Salt River Valley Broadcasting Co.; WEKO, WEKP, Scranton Broadcasters, Inc.; WEKQ, Allen T. Simmons; WEKR, South Bend Tribune; WEOC, South Carolina Broadcasting Co., Inc.; WJSN, The Sun Publishing Co., Inc.; KEGT, Tarrant Broadcasting Co.; KEHB, KEHD, Topeka Broadcasting Assn., Inc.; WEHU, WEHX, WJSM, WRPM, United Broadcasting Co.; WAUW, WLAC Broadcasting Service; WRBC, WELE, WBNS, Inc.; WELN, WDRC, Inc.; WEIJ, WEIK, WFBM, Inc.; WELY, WGAL, Inc.; WEMU, WEMW, The WGAR Broadcasting Co.; WAIF, WAIG, WELZ, WQHF, WGN, Inc.; WHPB, WHPR, WHP, Inc.; WENF, WENG, WJRB, WJR, The Goodwill Station; WENN, WENO, WPTF Radio Co.; WEOD, The Yankee Network, Inc.; WCZR, Zenith Radio Corp.; WAUH, Atlantic Coast Broadcasting Co.; WEGS, Donald A. Burton; WEGV, The Champaign News-Gazette, Inc.; WEGW, WEGX, Charleston Broadcasting Co.; KEHO, Inter-mountain Broadcasting Corp.; KDAS, KARM, The George Harm Station; WEOH, Richmond Radio Corp.; KEHS, WDAY, Inc.

Granted extension of following relay broadcast licenses upon a temporary basis only, pending determination upon applications for renewal of licenses, in no event later than February 1, 1944:

WRET, Ralph A. Horton; KEIQ, KEIR, Ben S. McGlashan; WEKF, Paducah Broadcasting Co., Inc.; WBLQ, Piedmont Publishing Co.; KIDN, Redwood Broadcasting Co., Inc.; WENL, Surety Life Insurance Co.; KEGZ, Symons Broadcasting Co.; KEHR, Donald C. Treloar; WBCZ, WHEB, Inc.; WMWA, WOKO, Inc.

WAEA—Joda Patterson, Ramon G. Patterson and Louise Patterson Pursley, d/b as WAOB Broadcasting Service, area of Chattanooga, Tenn.—Granted renewal of license for the period ending not later than October 1, 1944 (B3-PRY-132).

### MISCELLANEOUS

A. H. Belo Corp., Dallas, Texas.—Granted construction permit for new relay broadcast station (B3-PRE-438).

Great Trails Broadcasting Corp., area of Dayton, Ohio.—Granted license for new relay broadcast station (B2-LRY-291).

KNBC—National Broadcasting Co., Inc. (area of San Francisco, Calif.)—Granted construction permit to install new transmitter and to reduce power of relay station from 100 to 75 watts (B5-PRY-290).

KEJK—National Broadcasting Co., Inc. (area of San Francisco, Calif.)—Granted construction permit to install new transmitter (B5-PRE-434).

Voice of Longview (Portable-Mobile), (area of Longview, Tex.)—Granted construction permit for new relay broadcast station (B3-PRY-292).



KPQ—Wescoat Broadcasting Co., Wenatchee, Wash.—Granted modification of construction permit as modified, which authorized change of frequency, increase in power, installation of new transmitter and directional antenna for night use, for extension of completion date from December 1, 1943, to February 1, 1944 (B5-MP-1727).

WEKX-WEKZ—The Yankee Network, Inc., area of Boston, Mass.—Granted renewal of relay broadcast station license for period December 1, 1943, to not later than December 1, 1945; to operate with WNAC, Boston, Mass., instead of WNAC and WAAB, Boston, Mass. (B1-RRE-91), (B1-RRE-245).

WEKY—The Yankee Network, Inc. (area of Mt. Washington, N. H.).—Granted renewal of license for relay broadcast station WEKY for the period December 1, 1943, to not later than December 1, 1945; to be designated as a special relay broadcast station to be operated with high frequency broadcast station WMTW, Mt. Washington, N. H., instead of relay broadcast station to be operated with WNAC and WAAB, Boston, Mass. (B1-RRE-244).

The Commission placed in pending file the applications of Standard Broadcasting Co., Los Angeles, Calif., for construction permit for new FM station (B5-PH-146) and Allen B. DuMont Labs., Inc., to change from experimental to commercial operation its television station W2XWV (B1-PCT-21).

WEMZ—WHEC, Inc., area of Rochester, N. Y.—Cancelled license for relay broadcast station license in accordance with written request (B1-RRE-257).

KOBH—Black Hills Broadcast Co., Rapid City, So. Dak.—Denied petition requesting leave to amend its application for construction permit (B-192, Docket 6430) so as to substitute the frequency 1380 for 610 kc.

KEEW—Eagle Broadcasting Co., Brownsville, Texas.—Granted renewal of license for the period December 1, 1943, to December 1, 1945.

KVOE—The Voice of the Orange Empire, Inc., Ltd., Santa Ana, Calif.—Granted renewal of license for the period December 1, 1943, to December 1, 1945.

KBON—Inland Broadcasting Co., Omaha, Neb.—Present license extended upon a temporary basis only, pending determination upon application for renewal, for the period ending February 1, 1944.

KPAB—Laredo Broadcasting Co., Laredo, Texas.—Present license extended upon a temporary basis only, pending determination upon application for renewal, for the period ending February 1, 1944.

WDAE—Tampa Times Company, Tampa, Fla.—Denied special service authorization to operate on 770 kc. with 5 KW power, unlimited time, employing DA-night, for the period ending August 1, 1944 (B3-SSA-84).

WOOD—King-Trendle Broadcasting Corp., Grand Rapids, Mich.—Dismissed application (B2-P-3531) for construction permit to move formerly licensed 500 watt transmitter to site of new main transmitter to be used as an auxiliary transmitter, with power of 500 watts, employing DA-night.

WOCB—Harriet M. Alleman and Helen W. MacLellan, d/b as The Cape Cod Broadcasting Co., West Yarmouth, Mass.—Adopted order denying as in default the application for renewal of license of station WOCB. Applicants failed to appear at hearing designated on October 26.

KCMO—KCMO Broadcasting Co., Kansas City, Mo.—Granted petition for postponement of hearing, now scheduled for December 6, 1943, to January 7, 1944, in re application for modification of license to operate on 1480 kc., directional antenna night, 5 KW, unlimited. (Docket No. 6522)

Charles Swaringen, et al., d/b as Buckeye Broadcasting Co., Akron, Ohio.—Denied petition for leave to amend application for construction permit for new station, to request frequency 1260 kc. (instead of 1240 kc.) and daytime hours (instead of unlimited). Exception noted by counsel. (Docket No. 6559)

## APPLICATIONS FILED AT FCC

### 580 Kilocycles

WIAC—Enrique Abarca Sanfeliz, Hato Rey, Puerto Rico.—Voluntary assignment of license to radio station WIAC, Inc.

### 1280 Kilocycles

WDSU—WDSU, Inc., New Orleans, La.—Voluntary assignment of license and construction permit to E. A. Stephens, Fred

Weber and H. G. Wall, d/b as Stephens Broadcasting Company.

### 1310 Kilocycles

WCAP—Radio Industries Broadcast Co., Asbury Park, N. J.—License to cover construction permit (B1-P-3538) which authorized installation of a new transmitter.

WCAP—Radio Industries Broadcast Co., Asbury Park, N. J.—Authority to determine operating power by direct measurement of antenna power.

### 1340 Kilocycles

KAND—Navarro Broadcasting Association, J. C. West, President, Fort Worth, Texas.—Construction permit to move transmitter and studio from Corsicana, Texas, to Fort Worth, Texas.

### 1430 Kilocycles

KWKW—Southern California Broadcasting Co., Pasadena, Calif.—Voluntary assignment of license to Marshall S. Neal, Paul Buhlig, E. T. Foley and Edwin Earl, d/b as Southern California Broadcasting Co.

### 1450 Kilocycles

KLBM—Ben E. Stone, La Grange, Oregon.—Modification of license to change the location of the main studio to transmitter site (U. S. Highway #30, 1.3 miles from La Grande, Oregon).

### 1470 Kilocycles

WCBA—WSAN Lehigh Valley Broadcasting Co., Allentown, Pa.—Relinquishment of control of licensee corporation by Allentown Call Publishing Company through sale of 495 shares of stock to Royal W. Weiler, J. Calvin Shumberger, Sr., David A. Miller, Fred W. Weiler, Samuel W. Miller, Donald P. Miller and Miller Associates.

## MISCELLANEOUS

KPAK—Wichita Broadcasting Co., area of Wichita Falls, Tex.—Voluntary assignment of license to Wichita Broadcasters, a partnership, Joe B. Carrigan, Mrs. Joe B. Carrigan, P. K. Smith, Trustee, P. K. Smith, Mrs. Claude M. Simpson, Jr.

KWFR—Wichita Broadcasting Co., area of Wichita Falls, Tex.—Voluntary assignment of license to Wichita Broadcasters, a partnership, Joe B. Carrigan, Mrs. Joe B. Carrigan, P. K. Smith, Trustee, P. K. Smith, Mrs. Claude M. Simpson, Jr.

KTRG—KTRH Broadcasting Co., area of Houston, Texas.—License to cover construction permit (B3-PRY-291) which authorized construction of a new relay broadcast station.

W2XCB—Columbia Broadcasting System, Inc., area of New York, N. Y.—Modification of construction permit (B1-PVB-46 as modified), which authorized construction of new television relay station for extension of completion date from 1-7-44 to 7-7-44.

NEW—Spartanburg Advertising Co., Spartanburg, S. Car.—Construction permit for a new high frequency (FM) broadcast station to be operated on 43500 kc., with coverage of 26,600 square miles.

## FEDERAL TRADE COMMISSION DOCKET

### COMPLAINTS

The Federal Trade Commission has alleged unfair competition against the following firms. The respondents will be given an opportunity to show cause why cease and desist orders should not be issued against them.

Master Engravers Guild, et al.—A complaint has been issued alleging that Master Engravers Guild and Master Engravers Service Corporation, both of Paterson, N. J., and their 20 member

engraving companies, have entered into an agreement and combination to suppress and eliminate competition in prices and otherwise among and between themselves, and to monopolize for themselves the production, sale and distribution of etchings and engravings to be used for stamping and printing cloth, oilcloth and other like materials. Two individual respondents, Duncan C. McAllister, secretary of the two organizations of engravers, and George Stone, president of the respondent Guild, are named in the complaint. (5088)

**Washington Civilian Institute**, 129 W. Saratoga St., Baltimore, selling courses of study and instruction for preparing students for examinations for Civil Service positions, is charged in a complaint with misrepresentation. (5086)

**Stacy Williams Company, Inc.**; Claude Bennett, individually and as an official of Bennett Brokerage Company, Inc.; Bennett Brokerage Company, Inc., and Stacy Williams Company, Inc., all of Birmingham, Ala., are charged in a complaint with violation of the brokerage section of the Robinson-Patman Act. (5087)

### STIPULATION

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

**DeLong Hook & Eye Co., Inc.**, Clearfield and 21st St., Philadelphia, manufacturing and distributing metal fasteners, has stipulated to cease and desist from representing that its hooks and eyes, or its other products made of steel, are composed of brass or that they will not rust. (3759)

### CEASE AND DESIST ORDER

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

**S. Buchsbaum & Co.**, 243 East Huron St., Chicago, manufacturing and selling men's accessories under the trade name "Elasti-Glass," has been ordered to cease and desist from misrepresentation of the products. The Commission finds that the respondent, whose products include belts, garters and wrist watch bands made from a resinous material, a derivative of vinyl which is sold under the trade name "Vinylite," to which a plasticizer has been added, has represented that the products are made of glass, through the use of the trade name "Elasti-Glass." Use by the respondent of the term "Elasti-Glass," the Commission finds, conveys to members of the purchasing public the impression that such articles consist of common glass processed in such a manner as to give it elastic properties. (4450)

### FTC CASE CLOSED

The Federal Trade Commission has closed without prejudice the case growing out of the complaint against Retonga Medicine Co., Atlanta, Ga., which had been charged with misrepresenting the therapeutic properties of a medicinal preparation designated Retonga.

The Commission also vacated and set aside the findings of fact and order to cease and desist which it had issued in the proceeding.

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# Broadcast Advertising Bulletin

DECEMBER 3, 1943

\* \* \* \* \*

No. 7

1760 N St., N. W. NATIONAL ASSOCIATION OF BROADCASTERS Wash. 6, D. C.

## Treasury Department Offers 52 Programs For Local Sale During Fourth War Loan

**Several Series of 35 and 100 Word Announcements Also Available for Sponsorship; Audition Transcriptions and Sales Portfolios to be Mailed December 12**

The Treasury Department announces that several series of announcements and a variety of five-minute and quarter-hour programs will be available for local sale in support of the Fourth War Loan.

Moreover, a sales portfolio, containing a complete description of the programs and samples of the announcements, together with audition transcriptions of both the five-minute and quarter-hour programs, will be mailed to all radio stations not later than December 12, 1943. This will provide from four to five weeks for local station sales effort before the Fourth War Loan is inaugurated on January 18, 1944.

Thus, the recommendations of the NAB special committee, consisting of Irving G. Abeloff, WRVA; Stanton P. Kettler, WMMN, and Edward C. Obrist, WFIL (representing John E. Surrick, also of WFIL), together with Willard D. Egolf, Arthur Stringer and Lewis H. Avery, of the NAB staff, were adopted by the Treasury Department to facilitate the sale of more broadcast advertising to insure the success of the Fourth War Loan.

Here is the complete package:

1. Sales portfolio containing an open letter recommending the use of broadcast advertising in support of the Fourth War Loan; facsimile of a certificate, signed by the Secretary of the Treasury, for such radio advertisers; a description of the programs and samples of the announcements.

2. Twenty-six quarter-hour programs of the same high entertainment quality as the Treasury Star Parade, less the name stars.
3. Twenty-six five-minute programs of top-notch entertainment value.
4. Several series of live announcements, both 35 words and 100 words in length, to fit all types of availabilities.

### Now . . . It's up to You!

Large stations, medium-sized stations and small stations have been clamoring for government agencies and departments to cease their discrimination against radio, by providing mats for newspaper advertising without making comparable service available to radio stations. Last June, the Small Market Stations Committee unanimously passed a resolution calling on these branches of the government to provide parallel opportunities for the sale of broadcast advertising in support of the various home-front campaigns.

Such discrimination—at least as far as the Treasury Department is concerned—has ceased. Now it is up to the protesting stations to make full use of this material—to sell every announcement and every program to some local, regional or national advertiser—that the Fourth War Loan may have the widest support that any such activity has ever enjoyed.

You asked for it! Here it is! Now let's make the most effective use of this material.



## TREASURY DEPARTMENT

WASHINGTON (25)

November 30, 1943

War Finance Division

Gentlemen:

In response to your request, the Treasury Department has decided to make available for local sponsorship a series of one-minute live announcements; 26 five-minute and 26 fifteen-minute transcriptions.

These will be designed primarily for use during the Fourth War Loan Drive which begins on January 18 and ends February 15.

We would appreciate your cooperation in advising your membership, and also non-member radio stations, of the plans of the Treasury Department in making available these live announcements and transcriptions for sale to local advertisers.

The purpose of the Treasury Department in this project is to provide radio stations with the finest possible sponsorable material so that the messages of the Fourth War Loan may be broadcast during the best possible periods and thus result in stimulated War Bond sales.

Emerson Waldman, Chief of Radio for the War Finance Division, will give you full details on the sponsorable material which will be provided the radio stations for use during the Fourth War Loan.

Sincerely,

Vincent F. Callahan  
Director of Radio, Press  
and Advertising

National Association of Broadcasters  
1760 N Street, N.W.  
Washington 6, D.C.





## These Are for Sale

Here is a brief description of the sales portfolio you will receive soon after December 12, 1943. It will be impressive in both size and appearance. It will contain an open letter strongly recommending the use of broadcast advertising during the Fourth War Loan. It will include a facsimile of a certificate, signed by the Secretary of the Treasury, for radio advertisers who support the Fourth War Loan.

The portfolio will also contain a detailed description of the quarter-hour and five-minute programs, as well as both the 35- and 100-word announcements.

In other words, here is a sales tool comparable to anything and everything furnished other media by any agency or department of government. See that every sales person on your staff is equipped with one of these portfolios. See that he or she uses it to the best possible advantage.

**The quarter-hour programs will be designed to salute men and women working in industries contributing to the war effort. The entertainment will feature the most popular American songs of the twentieth century. The Treasury Department states that the entertainment quality of these quarter-hour programs will be identical in every respect to the Treasury Star Parade, but without name stars.**

**The five-minute programs will feature the war songs of the United States. These will include some of the most tuneful melodies and easy-to-remember lyrics ever written in America.**

While there may be minor changes or modifications in the content of these programs as they are put in production, there will be no change in the quantity or type of service available for local sale in support of the Fourth War Loan. The series outlined has been approved and is now in production.

Each of the quarter-hour programs will be 13½ minutes in length with a one-half minute musical "open-end" at the beginning and a one-minute musical "open-end" at the close.

Each of the five-minute programs will provide for a 30-second musical "open-end" at the beginning and a 30-second musical "open-end" at the close. Thus, there will be ample time on both quarter-hour and five-minute programs for local identification and appropriate commercial continuity.

## But Don't Stop There

**Don't feel that you have done your job when you have sold these Treasury Department quarter-hour and five-minute programs to local, regional or national advertisers. Take a look at your program schedule: what else have you for sale that could be adapted to a Fourth War Loan program?**

**What programs or features, which could well carry a message about the Fourth War Loan, are unsponsored on your station? Could you incorporate three or four of the announcements for different advertisers in each program and make a co-operative Fourth War Loan show?**

**Has each member of your sales staff all of the information about the Treasury Department programs, about announcement availabilities, about unsponsored programs or features on your station?**

## Whom Can You Sell?

You can and should sell every advertiser in your community—not only the present advertisers, but the past advertisers as well—those who have reduced or eliminated their advertising because of merchandise shortages or service restrictions. And don't forget that the opportunity to participate in the Fourth War Loan offers you an entirely new approach to advertisers who have never previously used radio. Don't leave a single prospect unsolicited in your drive for support of the Fourth War Loan.

To paraphrase Broadcast Advertising Bulletin No. 4, dated August 20, 1943:

Many State, County and Local War Finance Committees for the Fourth War Loan have solicited contributions from banks, clearing houses, manufacturers, distributors and retailers. These funds will be used to purchase advertising on a group basis to supplement the time and space contributions of all media. Be sure to cover these groups thoroughly and effectively. Be sure they are told what radio has done and is doing in support of the War Loans. Be sure they know how effective broadcasting has proved in the various government campaigns of war information.

As you probably know, the Third War Loan was organized on an entirely different basis from the Second campaign. This campaign, too, is aimed at the individual citizen. For that purpose, many changes have been made in the organiza-

tion and conduct of the effort. Therefore, if you received advertising in the Second or Third War Loans, don't automatically assume you will receive it again. Correspondingly, if you didn't obtain advertising in the last campaign, don't assume it can't be obtained this time.

The Fourth War Loan is even more completely an appeal to the individual. More than ever, the Treasury Department is looking to the subscription of the average citizen to put this campaign over the top. That's why the job to be done is greater than ever before. That's why you are being given more tools with which to do the job.

### **An Appreciation**

The entire broadcasting industry is indebted to Vincent F. Callahan and Emerson Waldman

of the War Savings Staff of the Treasury Department for their able and ceaseless efforts to have radio provided with every tool available to other media. As you examine the material for local sale, don't you agree that radio shares at least like opportunity with other forms of advertising?

And, again, it's up to you! The Treasury urgently needs the money sought during the Fourth War Loan to enable the Army, Navy, Marine Corps and Coast Guard to prosecute the war with every means at their command. When you stop to remember that broadcasting is the greatest means of mass communication the world has ever known, then you'll appreciate the part radio—both commercial and sustaining—must play in the Fourth War Loan.



# National Association of Broadcasters

1760 N STREET, N. W. \* \* \* \* \* WASHINGTON 6, D. C.

December 3, 1943

SPECIAL LEGISLATIVE BULLETIN

No. 25

## Glade Appears in Support of NAB Code

The Senate Hearings on the White-Wheeler Bill resumed on Monday, November 29, with Mr. Earl J. Glade, KSL, Salt Lake, Utah, past Chairman of the NAB Code Committee, as the first witness.

Present: Senators Wheeler, Chairman, White, Moore, Tunnell, McFarland, Stewart, Tobey, Reed, Hawkes.

Mr. Glade described the spirit behind the development of the Code to be a general desire on the part of the Industry to raise the standards of quality of broadcast practices and programs. He said the tentative Code had been adopted in the hope that the majority of the stations would approve its adoption. He pointed to the fact that there was nothing mandatory in the Code, but indicated the effect of the Code by citing the results in the reduction of time allotted to commercial announcements. He said the Code was designed to protect the American System of Broadcasting and that the accomplishments of the Code included: Reduction in volume of advertising copy; removal of unpleasant types of commercials, improvement in the quality of children's programs and the elimination of considerable "demagoguery over the air," by the adoption of the Controversial issues and non-sale of broadcast time for such issues, section. He called attention to the fact that we, as listeners, are inclined to criticize the industry on the basis of the poorer types of programs and commercials, to which Senator Wheeler agreed, but observed, "It is these small minorities doing what they shouldn't do which brings down the regulatory control over an entire industry."

Mr. Glade stressed the importance of the 7-10 P. M. time, and said that portion of the broadcast day should not be subject to quick changes.

Senator White asked what was his opinion of the controversial issues section of the proposed bill and Mr. Glade indicated that he would appreciate seeing that done by statute.

Mr. Glade favored a proposal by the Chairman that certain time for controversial issues be set up by the networks on their own option time.

### JUDGE SYKES TESTIFIES

Judge Eugene O. Sykes, former Chairman of the Federal Radio Commission and the Federal Communications Commission, appeared, first as an individual. He supported in principle the division of the Commission's functions as proposed

in the Bill, stating the different concepts between common carrier regulations and broadcast regulations, called for such a division. He opposed the Chairman's sitting as ex-officio on both divisions, pointing out that such division would result in a four-man body—subject to tie-vote. He said it would be helpful if the Chairmanship of the Commission and each division rotated annually and that he felt such procedure should be set up by Statute. He indicated that he agreed with the duties outlined in the Bill for the Chairman stressing the importance of the functions to be assigned to him.

Turning to the other provisions of the Bill Judge Sykes said he could not see any objection to the words "aggrieved" and "adversely affected" since they had been in the Act since 1927 and had caused no confusion. He said further that the Appeals and Intervention Section of the proposed Bill should be adopted. The Chairman agreed with Judge Sykes that anyone who had the right to appeal should have the right to intervene before the Commission.

Judge Sykes called attention to the trouble caused by Section 312 of the Act in connection with "revocation" and said that the Commission is confronted with the possibility of doing only two things in case of violations—either renew the license or revoke the license. He suggested some middle ground along the lines of "the penalty fitting the crime."

Senator Wheeler asked Judge Sykes what he thought of the Declaratory Judgments proposal and he said that while he had had no personal experience with it others seemed to think it a pretty good thing.

With reference to Section 8, Judge Sykes supported the objectives contained in the proposal and disagreed with Senator Wheeler that if the Section were written into the law, it would preclude the Commission from denying application for a license to one who had abused his privileges with programs "contrary to the public interest."

Judge Sykes next appeared for the Newspaper Committee, stating that there was little he could add to the testimony of the three other witnesses for the Newspaper Committee, but he did want to point out that the proposed wording was for the purpose of meeting an objective of non-discrimination against applicants because of the type of business in which the applicant was engaged, and pointed out that the provision related

only to lawful businesses. He said further that nothing in the proposal would preclude the Commission from considering the moral character of a licensee.

The Hearings were recessed until Tuesday, November 30, at 10:00 a. m.

### COMMISSIONER CRAVEN SUPPORTS LEGISLATION

The hearings continued on Tuesday, November 30 with Commander T. A. M. Craven, a member of the Federal Communications Commission, as the only witness.

Committee members present were Senators Wheeler, Chairman, White, Moore, Tobey, McFarland, Truman.

Commander Craven stated that the proposed legislation under consideration is sound but left certain aspects of the Commission's problems unanswered. He pointed to the fact that "no one can predict with accuracy either the technical course of future developments or the economics which will affect their progress" and pointed to the developments and demands for radio services coming out of the war, and said, "The real surge of recent inventive activities has centered around electronic research in the micro waves. This means that the present useful radio spectrum will be extended three hundred fold, thus making space not only for some sorely needed radio channels for domestic communications and broadcasting but also for some new uses of radio. While these will be short range uses, it will be possible to link radio stations to constitute a system. For example, it has been predicated that present-day telegraph trunk lines will be replaced by radio so that in the future we will no longer see telegraph lines strung on poles. The development of new circuits, new electronic tubes and new types of antennas has opened a wide vista for the peacetime application of electronics to all sorts of activities, including communications and broadcasting. To me, the most interesting development is that which includes what I shall term "wide band transmission." This research will facilitate television and electrical methods of transmitting quantities of printed matter. Frequency modulation is another recent development which will improve the quality of reception and extend the range of local radio stations as well as accommodate a larger number of broadcasting stations in the nation."

He said, "While we shall be faced with the same basic problems of economics and electrical interference in the future as we are today, it is obvious that we shall have new communication problems for Congress and the Commission. The present day limitations will be obsolete and forgotten. Therefore, it seems essential that we do not base long-term legislation upon what may appear to be an acceptable solution of today's minor radio troubles.

"This does not mean that we should hesitate or falter in enacting today new legislation setting

forth *guideposts* for the future. On the contrary, it seems all the more important that there be enacted now new legislation correcting the mistakes of the past. The only precaution required is that the character of the legislation be not such as to regiment or limit the application of achievements of science along narrow or impractical grooves. No one desires an era of abuse of privilege. On the other hand, it is unwise to impede the trend of technological progress.

"It is likewise important that the pioneers of the future be afforded an opportunity to evaluate the risks they will encounter. In this connection, they will be encouraged or discouraged in proportion to the known rights or restrictions imposed by regulatory conditions under which they must operate. If these conditions or rights are vague or subject to change at the whim of an all-powerful regulatory agency, we can expect hesitancy on the part of private enterprise to pioneer in new technological fields.

"It is now obvious to me that the Communications Act of 1934 as interpreted and administered at present, has cast doubt upon the rights of applicants for and licensees of radio stations and also as to what extremes regulatory power may be exercised. The removal of this doubt should be extremely helpful not only to a Communications Commissioner but also to future pioneers in the application of technological progress to the service of the public.

"The future responsibilities of the Commission will be great. With a law such as we now have, I fear that confusion lies ahead in the most critical stage of the history of radio. Without a clear definition of the Commission's responsibilities and limits of power, and without a clear indication of the philosophy of regulation which Congress desires to be applied, the Commission is certain to be confronted in the future as it has been in the past with charges of either failing to do its duty or else exceeding its power. Even both of these charges may be leveled simultaneously.

"Broadness of vision is required when regulating technological progress. Yet, heretofore, the position of Communications Commission has not been considered sufficiently alluring. This is not derogatory to those honorable Commissioners who have given their service to their Government, but it emphasizes the importance of Congressional guideposts outlining in broad terms the character or philosophy of regulation which should be applied in the future. We require legislation containing statements of broad policy, together with such checks and balances as are deemed necessary to insure the development of radio as an American enterprise in which the public has confidence. In my opinion, the Communications Act of 1934, as now interpreted and administered, does not meet this standard.

Senator Wheeler asked, "In what way?"

Commander Craven replied: (1) It does not set forth the rights of licensees. (2) It is vague as the limits of the Commission's powers. (3) Limits of legislative powers by the Commission are not



sufficiently defined. (4) He believed the Commission should be required to come to Congress to set forth changes in policy.

Commander Craven said further, "Likewise, there is a relation between regulatory philosophies and radio frequency allocation. If there be allocated only a few channels it is possible that strict Government regulation of many phases of broadcasting might become necessary. On the other hand, if there are many channels, the entire relationship between Government and private enterprise might be most liberal."

"There is a relationship between freedom of speech and radio frequency allocation. If there are sufficient channels allocated to broadcasting to permit the establishment of as many stations as are feasible economically, radio will become reasonably "free" and the doctrine of unlimited competition can prevail. On the other hand, if radio frequency channels are scarce, we shall continue to have with us all of the problems of a limited medium for the dissemination of facts and opinions."

He recommended that in view of the broad public questions involved in the allocation of Bands of frequency to Government Departments and to private enterprises, the Interdepartment Radio Advisory Committee should be legalized.

Senator Wheeler observed that no matter what kind of a law you would write to legalize the IRAC nothing could compel the President to listen to whomever he pleased on allocation problems.

## A FREE RADIO

"It would appear to be good statesmanship to rely upon natural laws to secure progressive improvements in radio as an instrumentality of free speech," said Commander Craven, and when asked by Senator Wheeler what he meant he pointed to the increasing "interest" by the Commission in program content, citing (1) the "Lost Horizon" broadcast case, (2) to foreign broadcasts, (3) the atmosphere of the Blue network hearing, during the course of which he said he "wondered whether I was in America."

Senator Wheeler said that freedom of speech means equal opportunity so both sides can be heard and Commander Craven said, "There is one place where you won't get freedom of speech and that is by resting it in the hands of the Government."

In connection with the proposal by Senator Wheeler that a person slandered be given the legal right to reply with the same facilities Commander Craven said that "the difficulty is that the answer to the slander will also be just as slanderous and will in the long run degrade broadcast services."

He further said: "I prefer to rely more on the potentialities of greater opportunities for competition in the future than upon amendments to the law which in themselves may give rise to other serious problems involving the control of free speech. On the other hand, if this Committee rejects this concept, I hope they will at least limit their amendments to provisions prohibiting broad-

casters from imposing harsher conditions upon opponents than upon proponents, or that these amendments go no further than prohibiting the use of a licensed radio broadcasting station for the dissemination of political, social and economic philosophies which reflect solely the views of one person or a single school of thought. Moreover, I must caution that in any legislation dealing with rights of access to the microphone, careful draftsmanship is required to prevent interpretations which would result in making radio available only to those having adequate purse strings."

\* \* \*

"We know there are persons who believe a large portion of the nation is anxious to hear their messages. However these persons sometimes forget that the greatest invention of the age is the radio push-button, and that eight families out of 10 are very likely to "push the button" whenever they hear the beginning of an oration rendered by the average speaker. Of course, many deep thinkers of the country listen to the many speeches which are transmitted over the radio. On the other hand there are many instances in which a radio station loses the audience during the broadcast of speeches, much to the delight and comfort of its competitors who may be broadcasting Charlie McCarthy or some other popular entertainer.

"The foregoing facts may not be pleasant. Nevertheless, I am certain that the statesmen of this Committee will give them consideration when legislating rights of access to the microphone. Also these facts, among others, should be weighed, when legislating "fairness" into radio. Therefore if you decide to legislate "fairness" into radio and desire to specify rights of access to the microphone, would it not be preferable to enact a law which prohibits certain known abuses rather than to draft legislation which prescribes how the objective must be accomplished.

"While most of us wish that minorities with meager pocketbooks could have the opportunity to express their views to the public by radio, it seems obvious that the doctrine "Freedom of Access" is not the solution of the radio problems of today. No one can even guarantee that all minorities can be heard adequately at opportune times even if all broadcast facilities were made available exclusively for speechmaking.

"There are persons who advocate that the broadcast licensee should have the sole responsibility for curing today's radio evils. While this doctrine has much merit, it is possible that it alone will not solve the problems. Under this doctrine, the licensee would be required to adjudicate whatever rights any person may have to use the microphone. Unfortunately, even if Solomon were a radio licensee today, he would be subjected to severe and perhaps apparently just criticism of the operation of his broadcast station.

"Radio broadcasting is cloaked with a public rather than a private interest, it cannot become a common carrier and still be useful to the public. Also, it is impossible, from a practical standpoint,

to accord everyone a right to use a radio broadcasting facility for the simple reason that there never will be enough time in which such a right could be exercised.

"Certainly under these conditions it must be obvious that the broadcast licensee has a responsibility to see to it that radio shall be utilized in conformity with the desires of the public. This means that he should not violate ethics or otherwise abuse power or privilege. He should attempt to make his facilities available for a fair and impartial dissemination of information and opinion. On the other hand, it must be recognized that the broadcast licensee cannot exercise his responsibility to the full satisfaction of the entire public. It is unreasonable to expect a broadcaster to adjust to the satisfaction of the entire public the desires of good citizens who conform to good ethics and yet who apply for radio time to voice their views before the public. Some minorities are bound to be dissatisfied, in spite of the impossibility of attaining unlimited access to the microphone. Thus, the solution of radio problems does not reside solely in the hands of today's broadcast licensees.

"On the other hand, I realize that the Congress is trying to correct an alleged abuse of privilege on the part of some of the so-called radio commentators. However, confusing this issue is the fact that many persons hesitate to agree that millions of the public will listen to someone from whom they hear a little news, some biased editorials and even perhaps a little gossip. I also realize that there are complaints to the effect that some of the networks appear to have most of their commentators reflect indential philosophies with respect to controversial matters of a political character. There are many allegations to the effect that it does not appear to be mere coincidence that the majority of commentators on a certain network advocate the same philosophies.

"As to the solution of this problem, I suggest the difficulty of effecting a cure by legislation alone. Additional courses of action are necessary. Therefore, policies dealing with the matter, such as those recently announced by the Columbia Broadcasting System and by an independent broadcaster named Ed. Craney, are constructive. They indicate a movement on the part of broadcasters themselves to solve this question of fairness on the radio. However, there may be necessary legislation requiring broadcasters to see to it that the actual sponsors of commentators or other political speakers are made known. Likewise, it may be desirable that the broadcaster himself be not relieved of responsibility for slander where the evidence indicates that the broadcaster did not exercise due diligence in presenting such slander. On the other hand, I do not believe the broadcaster should be held responsible for slander uttered over his station when he can show that he did not know of the intent, and had used reasonable diligence in the premises to prevent slander.

"In the discussion of non-slanderous matters over the radio, we can well afford to take a differ-

ent view. In this field, it appears entirely logical that the general public should be able to hear the various sides of controversial questions which affect the public interest. It is here likewise that I believe Mr. Craney and the Columbia Broadcasting System have indicated constructive thinking and a desire on the part of the industry to solve this difficult problem. Likewise I believe that the code of the National Association of Broadcasters, while not perfect, is a constructive step in this direction. Moreover, the political candidate section of S. 814 as well as Section 315 of the present Act is sound in principle in so far as it accords equality of treatment to candidates of public office.

"In this hearing there is advocated an extension of the right of political response on the radio. These advocates desire that an equal opportunity be accorded for response to radio addresses of a political, social and economic character. Now there is no great objection to this in principle. The objection is to the method suggested in S. 814 and in the discussions at this hearing as to precisely how broadcasters must accord fair treatment to all sides of controversial questions. In my opinion, the sum total of these legislative suggestions made heretofore will more likely turn radio into Utopia for the "crackpots" of the country than to put fairness into radio. The suggested legislation will merely make radio less valuable for the dissemination of facts and opinions where and when it counts.

"I feel certain that the public would prefer the combination of the radio push button and competition as a control of the composition of radio traffic. The public will resent having a Washington Bureau say who can or who cannot speak over the radio. Unless care is exercised, we will regulate radio so much that we will not have a radio worthy of the name to serve the public interest. And, lastly, if we do not safeguard a constitutional principle, we will be unable to recognize radio as a medium having rights similar to those accorded the press in the first Amendment to our Constitution.

"Now as to those broadcasters who present problems involving the abuse of privilege. They may not be considered good broadcasters. Therefore, there should be a method of penalizing those broadcasters who abuse privileges. In my opinion, however, the method should be somewhat different than it is now. At present I believe too much power rests with seven men in Washington to control the composition of radio traffic. We should not give the Commission such powerful control over every broadcaster merely to punish the few who abuse their privileges.

"I would suggest, therefore, that you could write into the law a prohibition against broadcasting misleading information, against malicious incitement to riot, against malicious stirring of religious passions or racial hatreds, or against any other abuse which you desire to correct. You could provide penalties for violation of these sections of the law. However, those who are charged



with alleged violations of these penal sections of the law should be granted a trial by jury in the Courts of the land. Then, when and if they had been adjudged guilty in competent courts, you could permit the Federal Communications Commission to take into consideration such evidence of guilt. If this evidence of guilt were for repeated offenses or for a very serious offense, the Commission could be empowered to revoke the radio license of the guilty person.

The hearings adjourned until Wednesday, December 1, at 10:00 a. m.

Senate hearings resumed on Dec. 1, 1943, with Senators Wheeler, Chairman, Tobey, White, Tunnell, Moore, Brooks, McFarland, Hawkes present.

Mr. Lewis G. Hines, Legislative Representative of the American Federation of Labor was the first witness. He introduced into the records the resolution adopted at the Boston Meeting, reading as follows:

WHEREAS, In its 1942 report the Building and Trades Construction Dept. pointed out in detail the vast potential possibilities of post war building trades employment in the indicated development of the Television, Frequency Modulation and electronic industries, and

WHEREAS, The expansion of radio broadcasting, television Frequency Modulation facsimile and allied electronic services can best be furthered through the broadest possible application of the traditional American free enterprise principle, and

WHEREAS, The U. S. Supreme Court in its decision of May, 1943, has so interpreted the present Federal Communications Act as to empower the commission to take practically any action it chooses with reference to radio program material and the business relationships of broadcasters with a resulting serious threat of Governmental domination of Broadcasting content.

THEREFORE BE IT RESOLVED, That the American Federation of Labor urge that the Congress of the United States should at the earliest possible date assure the preservation of Freedom of Speech on the airways by enacting changes in the present Communications Act prescribing the limits of Government supervision of the radio and allied industries and definitely safeguarding broadcasting from any actual or implied government censorship authority over program content. By such reconsideration of the Act, we believe a secure foundation would be laid for the post war expansion of the radio, television and other new electronic industries upon a free and constructive competitive basis.

Mr. Hines then introduced Mr. Philip Pearl, Publicity Director for the A F of L who cited his experience during the six years he had served with the A F of L and said that the networks had

complied with every reasonable request for time on the air. He said he wanted this system to remain in effect and indicated that the A F of L did not desire the privilege of buying time, but in general they desired to continue to receive the use of free facilities, on the present basis.

Mr. Pearl indicated the position of the A F of L as opposed to the Solicitation of Membership Section of the NAB Code, as in some localities during organization campaigns they felt it was necessary, and desired the right to buy time. He said he was quite pleased with the time which they and the CIO had received from the National Broadcasting Company, which arrangement had been made through the help of NAB and expressed the hope that next year this time might be increased over other networks.

Mr. T. A. M. Craven was called to the stand and continued his testimony, as follows:

### CONTROL OF MONOPOLY

"While I would suggest a prohibition against Commission control of the economics of broadcast licensees, I do not believe anyone would condone monopoly in broadcasting. I advocate competition and I believe that all unreasonable restraints upon competition should be prohibited and when persistent, should be punished. There is no right which I believe should never be granted to any broadcaster. That is the right to be free of competition. The mere fact that there exist opportunities for competition is insurance to safeguard the interests of the public and to control abuses. It is only the most narrow-visioned broadcaster who would fail to be influenced by the powerful control which threat of competition impels. In my opinion the withholding of any right to be free from competition is a better guarantee of radio service in the public interest than any regulated monopoly could provide. I recognize, of course, that destructive competition can affect adversely the radio service the public is entitled to receive. In this connection, however, the decision of the Supreme Court in the Sanders case suggests the logical course of action to be pursued. I likewise recognize the persuasiveness of the arguments of those who would make certain that the principles of the anti-trust statutes are applied to broadcasting in all respects. Therefore, it may be desirable to include in the Communications Act some special provisions governing certain business aspects which are peculiar to broadcasting and are not encountered in other business enterprise.

"These suggestions are not inconsistent with my previous testimony on this subject before this Committee. In my last appearance before this Committee, I was opposed merely to the promulgation of chain broadcasting regulations by the Commission. In general, my opposition was based upon the premise that the Communications Act of 1934 did not empower the Commission to regulate the business aspects of broadcast licensees. I believed the Commission had exceeded its power and should have confined its action either to making

recommendations to Congress or reference to the Department of Justice or the Federal Trade Commission. I likewise believed that the rules as then proposed were unsound from the standpoint of good broadcasting service to the public in that they tended to destroy the effectiveness of national networks as a service to the nation as a whole.

"Five of the seven Supreme Court Justices who participated in the decision on the chain broadcasting case did not uphold my viewpoint. A minority of two appear to have supported my premise. In view of the potentialities involved in the majority decision of the Supreme Court and in view of the logical reasons propounded in the minority opinion of that Court, I am more convinced than ever that it is best for this country to limit the Communications Commission to the scope of the Communications Act and to require the Commission to recommend to Congress from time to time what changes in the law are considered necessary. I cannot urge too strongly that Congress clarify the Communications Act of 1934 so that this may be the future procedure.

"Several new factors have entered into the chain broadcasting regulatory situation since my last appearance before this Committee. The Commission has eliminated some of the impractical provisions of the original regulations. Radio has been benefited by an abnormally peculiar situation arising out of the war, and lastly, recent scientific developments of the war appear to offer some alleviation of the inherent limitations caused by the dearth of radio frequency channels allocated to broadcasting.

"In view of all the developments of the recent past, I can now agree that it may be helpful for Congress to enact certain provisions which will serve as guideposts to the industry, but which do not, directly or indirectly, control its economic or program development. Therefore I suggest the enactment of provisions of law which would prohibit the licensee of any broadcast station from entering into any contract or any other arrangement with a network organization containing any or all of the following five restraints upon the ability of a licensee to exercise his responsibility: (1) where the station is prevented from broadcasting public service programs of any other network organization, (a public service program could be defined as any program broadcast under the provisions of Section 315 of the Act by candidates for public office; all programs broadcast by any public officer or on behalf of any government, either local, State or national; and all sustaining programs broadcast upon behalf of any religious, charitable, scientific, literary, educational, patriotic, or fraternal organization); (2) which prevents the station from rejecting or refusing network programs which the station reasonably believes to be unsatisfactory, unsuitable or contrary to the public interest, or from substituting therefor a program of outstanding local or national importance; (3) which prevents another station serving a substantially different area from broad-

casting any network program or programs; (4) which provides by original term, provisions for renewal or otherwise that the station will broadcast the programs of the network organization for a period longer than three years; or (5) which gives the network organization an option upon periods of the station's time which are unspecified, or which can be exercised upon notice to the station within less than a reasonable time, such as 28 days.

"With these safeguards imposed by the law itself, I believe that the present good aspects of radio broadcasting service can be maintained or improved, that the bargaining position of both the network and the station will be preserved, that licensees will be free to exercise their responsibilities to the public, that the excellent public service facilities of radio will be improved, and that the overall result will be far superior to the adoption of any plan whereby both networks and licensees are subjected to the ever-changing views and philosophies of an everchanging licensing agency.

"If the Committee rejects this suggestion and in lieu thereof desires to incorporate the substance of the Commission's present rules and regulations, may I again emphasize that in spite of all the contentions to the contrary, the rule on time option will ultimately result in deterioration of the value of radio as a medium for the dissemination of facts and opinions to the nation as a whole. I also fear that in the long run, the effect of this rule will be to limit opportunities to use radio broadcast facilities to those who have adequate purse strings. If the Committee does not agree with my conclusions with respect to time option, I urge most strongly that you apply specific time option limitations only to situations in communities where there are a smaller number of radio stations than national networks. In any event, limit the power of the Commission to regulate the business aspects of broadcasting. The cease and desist method is perhaps preferable to the use of licensing power to enforce rules governing business practices and in this connection, why not let the Federal Trade Commission have jurisdiction. If diversification of radio licenses among many persons is a good principle of radio, it would appear that a diversification among Government agencies of power to control the different aspects of radio is not altogether unsound.

## DUE PROCESS

"The proposed bill contains certain provisions modifying existing procedural processes governing the rights of applicants and licensees to a fair hearing. I am not a lawyer. Consequently, I should confine my remarks to generalities. In my opinion, the proposed provisions appear to afford applicants and licensees clearer rights for a fair hearing before the Commission and for appeal therefrom, than is the case today. However, I must confess that I would be for any procedure which could be agreed upon by a majority of unbiased lawyers, provided both a fair hearing and



prompt dispatch of the business of the Commission were guaranteed.

"I do not believe that broadcast licensees should be immune from the application of other laws of the country. Neither do I believe that the Commission should be deprived of power to determine whether licensees are disqualified to operate radio broadcasting stations because of violations of laws not specifically within the jurisdiction of the Commission. However, I do believe that these licensees should be free from the necessity of having the Federal Communications Commission determine, directly or indirectly, whether licensees are guilty of alleged violations of law, other than those specifically placed within the jurisdiction of the Commission. Radio licensees should have the same rights as any other person to the judicial processes guaranteed in the Constitution.

"A procedure could be established whereby the Commission, in determining the qualifications of licensees, could consider violations of law not within its jurisdiction. For example, the legislation could provide that the Commission may consider such violations when there is evidence of guilt adjudicated by courts of competent jurisdiction. This procedure would afford both due process and at the same time protect the public interest. However, the Federal Communications Commission should not be permitted to revoke a license merely because an official of a licensee corporation violated some law and such violation had no relation to the operation of a broadcasting station. The proposals in S. 814 do not incorporate this suggestion and therefore, in my opinion, the proposed legislation does not go far enough in defining the Commission's powers. The same doubt which exists today appears to be carried forward in the new legislation. It seems that the Commission is still empowered, when considering the qualifications of licensees for renewal of licenses, to determine whether such licensees have violated laws other than those specifically under the jurisdiction of the Communications Commission. While it may be true that today the Commission is not empowered to determine directly whether a licensee is guilty of alleged violations of such laws, it is equally true, in my opinion, that the Commission can indirectly make such a determination and that, if the licensee is guilty in the mind of the Commission, the latter has power to refuse to renew the license. Sometimes punishment depriving the licensee of his investment can be more severe than the punishment which would be accorded in the courts after trial by jury. It is my belief that the Commission should not have this indirect power because it does not accord to licensees the due processes of law guaranteed to them in the Bill of Rights and it also amounts to an unfair concentration of judicial power in an administrative agency.

#### COMMISSION ORGANIZATION

"The bill provides for a reorganization of the Commission. In general, I believe these proposals

are an improvement over those provided in the present law and likewise constitute a considerable improvement over the system now being utilized by the Commission. Some criticism has been leveled at the wording of the proposed legislation because it has been interpreted that the Chairman of the Commission is shorn of power. While I think it advisable that the powers of the Chairman be specified, I do not believe he should be deprived of having a voice in the formulation of policies and regulations governing any phase of communications. Consequently, I believe that the Commission as a whole should be empowered to formulate regulations and policies and, that in any hearings involving a change in policy or the establishment of a new policy, the entire Commission should be authorized to sit and decide the issues. While at this moment the relationship between broadcasting and common carriers may not be clear, it is entirely possible that policies affecting common carrier communications will have a direct effect upon broadcasting and vice versa. Therefore, I can visualize the desirability, when broad policies are being considered, of bringing together the two groups of men charged with the regulation of each of these phases of communications. This is particularly true when allocating radio frequencies to the various communication services. The number of channels assigned to broadcasting have a direct bearing upon broadcasting regulatory philosophies. Likewise, the type and character of communications systems in the common carrier field and the policies with respect to competition will affect the number of channels which can be assigned to these services. Thus, the various phases of communications must be considered as a whole when allocating frequencies to services. Therefore, it seems advisable that not only should all of the Commissioners understand the broader aspects of all the problems of communications, but also that the Chairman of the Commission be empowered to cast his influence and his vote as one of the seven members of the Commission on all matters of policy and regulation. While my interpretation of the proposed legislation indicates that the Chairman and the Commission are given such power, I desire to make certain that the claims of those who do not interpret the legislation as I do, are given due weight.

"It may be thought that advocacy of the requirement that all Commissioners understand the broader aspects of all the problems of communications nullifies arguments for the separation of the detailed functions of the Commission. This is not a valid criticism. The fact is that no person can exercise proper judgment in individual cases and at the same time provide the basis of an efficient dispatch of business if he has to act upon every case presented before the Commission. Moreover, if he is to be burdened with the details of all the individual cases, he has no time to consider properly broad matters of policy.

"It makes no difference, from the standpoint of efficiency, whether you have a seven or twenty-five-

man Commission if all the members are required to pass judgment on all cases. Such circumstances are bound to result in ineffectiveness or else in a trend toward the policies of the man having the strongest political support.

On the other hand, if the work of the Commission is to be subdivided among the members, it seems clearly evident that the responsibilities of the Divisions as well as the Commission and its Chairman should be defined.

"Therefore, in my opinion, the organization provisions of S. 814 are sound in principle and should be adopted by the Congress.

## JOINT OWNERSHIP OF RADIO AND NEWSPAPERS

"I am informed that the Committee has considered the question of newspaper ownership of radio stations. Again, may I call your attention to the radio developments arising out of the war. It seems to me that an allocation of a larger number of radio frequency channels to broadcasting would go far toward solving any questions arising out of the joint ownership of radio stations and newspapers. It likewise seems to me that legislation which prohibits newspapers from securing radio stations in the future is more likely to retard the application of new radio developments to the service of the public than to correct potential abuses. But beyond this, there are other phases of equal importance that should be considered by the Congress before enacting legislation prohibiting joint ownership of newspaper and radio stations. I know that some of us do not particularly enjoy editorials and commentaries which adversely criticise persons in public office. It seems unfair to use the power of the press to play up one viewpoint and play down others. On the other hand, many of us have benefited by criticism in the press. And we know that our forefathers thought enough of the benefits of criticism of public officials to insist upon the doctrine of a free press and free speech. Therefore, public officials have to proceed with caution when limiting the rights of citizens to engage in an enterprise utilizing a medium of free speech.

"I agree that there are differences between public and private communications and the stations engaged in such communications. I believe that the Congress might be justified in providing special or different qualifications for the licensees of those stations which engaged in public as distinguished from private communications. However, I do not believe that any such classification should be predicated upon the occupation of other business interests of the owner of such station as has been suggested in the newspaper field. I consider such action both unnecessary and dangerous. Moreover it constitutes an undesirable precedent. If similar prohibitions were applied to the acquisition by existing broadcasters of frequency modulation and television stations, it is likely that new radio developments would be so retarded that the

public would be denied benefits of new inventions in radio.

I recognize that an important problem of public policy concerns diversification in the operation of the media for the dissemination of facts and opinions. Of course, diversification of control of these media is desirable. On the other hand, whether this objective should be obtained by legislation which discriminates against one class of persons or which prevents any one from owning stock in an organization operating a particular kind of medium for free speech, raises questions in a free democracy almost as serious as monopolistic control of the media for the dissemination of facts and opinions.

"Another problem is an economic one, particularly in small communities where radio competition with the newspapers may spell disaster to the latter. It is difficult to understand why combinations between the two should be prohibited, if such prohibition should result in poorer radio service and perhaps in destruction of either or both the newspaper and the radio service. Under such circumstances absolutely nothing would be accomplished except destruction of service to the people.

"In so far as I can ascertain, there is no evidence that newspaper owned radio stations have been operated as such contrary to public interest. In fact, they seem to operate very much like any other good radio station. However, if the Congress is to redefine and fix the qualifications of the licensee of any radio station which is intended to and does communicate with the public, I would suggest that it do so by providing that on and after a date to be fixed no license shall be granted for such a station except to a corporation whose charter and bylaws shall provide that the business of the corporation is limited to the business of broadcasting or chain broadcasting, together with such other business as may be incidental thereto. My reasons for this suggestion are not those advanced by the ones who advocate separation of the ownership of newspapers and radio stations; in fact, my reasons are not ones of ownership at all, but ones of convenience and the clarification of the status of certain existing licensees.

"Radio broadcasting, unlike most other industries, grew up in a large part as an adjunct of other businesses. Electrical manufacturing companies, newspapers, insurance companies, department stores, and others furnished the pioneer money for the establishment of many of our existing stations. They did so at a time when the ownership and operation of a station involved a considerable capital outlay and no revenue was in sight. As a result, even after broadcasting came to stand upon its own feet, we find it merged and sometimes confused with other businesses. Many organizations when confronted with this situation have formed subsidiary corporations for the conduct of the broadcasting business, while others have not. Under my suggestion all would be required to do so.

"Such action if taken would not deprive the present owners of their property in existing sta-



tions; nor would it prevent them from exercising an adequate and proper measure of control in the operation of such properties. It would, however, segregate the business of broadcasting from other and unrelated businesses, and to this end would facilitate both the work of the Commission and the duties of the licensee in making reports and supplying other information to the Commission. Moreover, it would end all confusion and speculation in any given case as to whether another business was supporting a broadcast station or whether the broadcast station was supporting another business. It would also disclose, through the books and records of the subsidiary company formed to operate the broadcasting business, any use which the other and unrelated business had made of the broadcast station for the purpose of advertising such other business.

"It goes without saying that if such a provision is enacted into law, it should be accompanied by a further provision which would direct the Commission to take such steps as are necessary to expedite the transfer of all outstanding construction permits and licenses for stations of this class to corporations which are qualified to hold the same. These corporations would of course be organized by and subject to the control of the present owners of the station properties. If further limitation of control is desired, the legislation could provide that the charter and bylaws of such radio corporations should prohibit interlocking directorates and duplication of officials in much the same manner as is done in public utility legislation.

### CONCLUSION

"In my opinion, the Committee is confronted with the choice of two forms of administrative government. One choice is that where an agency of Congress has limited powers to regulate private enterprise within the scope of a law in which the rights of the regulated are defined and safeguarded.

"The other choice is that where an independent administrative agency has vast legislative and judicial powers to regulate private enterprise because the law does not either specify the limits of power of the agency or define the rights of the regulated.

"In my opinion the Congress should choose the first of these courses by enacting legislation similar to that suggested in S. 814. It is all the more important that Congress take this course when legislating in the field of communications, particularly in that phase which constitutes a medium for the dissemination of facts and opinions to the general public.

"The second course, in my opinion, is Bureaucracy in its extreme form, and constitutes a trend toward a change in the form of our Government, and, of equal significance, it seems to me, this course leads to regimentation of technological progress along the grooves charted by a centralized bureaucracy."

Senator Tobey asked whether Mr. Craven would be available at a later date in case the Committee desired to go further into his testimony. Mr. Craven indicated his willingness and the Chairman said if it appeared desirable later on he would be called back to the stand.

### PIERSON OF PRESS WIRELESS SUPPORTS BILL

Mr. Joseph Pierson, President of Press-Wireless, Inc., appeared and after outlining Press-Wireless and its operations he stated that he supported the provisions of Section 5 (which requires the Commission to give notice and opportunity of hearing to persons adversely affected) as follows:

"With this background I proceed to discuss S. 814. Our principal interest centers on Section 5, which requires the Commission to give notice and opportunity of hearing to persons adversely affected, before granting someone else's application. It appears that the present law does not require this. In any event, the Commission seems to be construing it that way. It certainly is doing so in granting radio licenses to companies engaged in handling public correspondence as common carriers.

"I am not competent to speak on the detailed legal provisions of Section 5. I do not know the extent to which the desired result could be accomplished by various methods of intervention or protest or otherwise. The Section seems to have been drawn with an eye almost entirely to the problems of broadcasters, and it may be that it is too cumbersome to be applied literally to radio communications common carriers. I do feel certain that the underlying principle is sound."

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After outlining that Press Wireless has eight circuits, RCAC has nearly fifty and the Mackay companies about thirty circuits he said that Press-Wireless had applied for outlets, which had been rejected by the Commission, to include in their service Algiers, Oran-Algeria, Tunis, Palermo, Madagascar, Reunion, Tahiti, and that "the rejections had all occurred since last February 19th," and that RCAC or Mackay "is operating circuits to these points under authorization granted to them for the most part during the same period. Nearly all these actions have been taken without notice or hearing to persons adversely affected. They fall within two classes.

"The first class is illustrated by Santiago, Chile. We applied for a circuit with Santiago on June 18, 1943, and were turned down without hearing on July 27, 1943. We understand that the reason for the Commission's action was that there is already sufficient service between the United States and Santiago because of the fact that RCAC and Mackay have circuits to that point. This may be a legitimate principle of public utility regulation, although I would still insist that we are entitled to a hearing to determine whether the existing service is sufficient. I have not understood, how-

ever, that this principle stands in the way of a company that performs special services such as ours, and that introduces improved and more efficient methods of communication.

"The real point, however, is that when it comes to one of the other companies, the Commission goes on the opposite theory. If there are any two points in the world that have plentitude of communications facilities, they are New York and London, with the many cables operated by Western Union and Commercial Cable, the several circuits operated by RCAC, and the circuits operated by Press Wireless. The plentitude was so great that both Western Union and Commercial Cable were in the red before the war, had a tremendous idle plant, and were complaining to the Commission.

"Nevertheless, on February 3, 1942, without notice or hearing, the Commission authorized Mackay also to communicate with London on a temporary basis, to expire December 1, 1942. This emergency authorization was conditioned upon interruption of the North Atlantic submarine cable circuit between England and the United States, and was supposed to be founded on the interest of the United States, and was supposed to be founded on the interest of national defense and security. On April 21, 1942, again without notice or hearing, the Commission acted on the basis of a telegram from Mackay, and modified the special temporary authority so as to eliminate the emergency condition with respect to cable interruption. This modification was for a period of thirty days, but was renewed from time to time until February 25, 1943. Then it was converted into a regular license, again without notice or hearing, and London was thereafter included as a regular point of communication for Mackay. Thus Mackay's original emergency license, supposed to be founded on national security, was converted into a regular commercial license without a formal hearing and, so far as I know, without any information that could be properly characterized as evidence to support such a move.

"Somewhat the same process was followed in another case, with the result that Mackay now has authority to communicate with Moscow, which was already served by RCAC and Press Wireless. This, too, was done without notice or hearing. It may be that the Commission was right in its Santiago decision where we were concerned, but, if so, it was wrong in London and Moscow. If it was right in London and Moscow, it was wrong in Santiago. In all three cases it certainly was wrong in acting without hearing.

"Let me digress at this point to say that this experience serves to justify Section 1 of your bill. The Commission, apparently acting on the strength of a court decision in a broadcasting case, appears to believe that by calling a license something else, such as "emergency authorization" or "special temporary authorization," it can escape the requirements of the statute as to notice, hearing, and appeal. I trust that some way will be found to prevent this in the future, although I

recognize there are certain emergency situations where prompt action is necessary, and the Commission should not be hamstrung by red tape.

\* \* \* \*

"Now I want to refer to the second class of case of action taken by the Commission without hearing. I am not sure that this is entirely the Commission's fault, but, in part, it must be. It is hard for me to keep straight in my mind just where the Commission ends and the Board of War Communications begins, since they both have the same very energetic chairman. It is also hard for me to know whether a decision of the Board of War Communications on policy really originates with the Army and Navy representatives who sit on that Board, or with this same chairman.

\* \* \* \*

"Mackay did not get the same idea for several weeks, but finally filed an application on February 8, 1943. In the meantime, RCAC also filed an application. Suddenly, on February 19, 1943, without notice or hearing, the Commission granted the Mackay application and turned down the Press Wireless and RCAC applications. As a result of insistence by RCAC and ourselves, we had a post-mortem hearing early in May. The matter has not yet been decided, but Mackay has the circuit.

"This left to the Commission only to pick out which applicant should have the privilege. I say with confidence that Press Wireless had shown itself the company best qualified to do this job, and that even if you eliminate our company, RCAC was far better qualified than Mackay.

\* \* \* \*

"In rapid-fire order our applications for Tunis, Palermo, Brazzaville, Madagascar, Reunion and Tahiti have been turned down. I believe the next will be Naples and Rome, all without hearing. Mackay has been given some of these points; RCAC has been given others.

"In fairness I should add that we have at last had a hearing before a committee of three members of the Commission on November 18-19, 1943, to determine whether we are really an eligible company. No one else had had to go through such a hearing. The only facts brought out were of a simple nature, already available to the Commission and its staff.

\* \* \* \*

"We filed a motion with the Commission demanding that the other international carriers be made parties to the proceeding. So far, this motion has not been acted upon, but our hearing has been postponed until sometime in January. It is perfectly obvious that no intelligent appraisal of our rate structure can be made without comparing it with those of the other companies, and particularly in the radio communication field, without determining what principles shall be applied to all of them as against a small company such as ours, with a capital investment of only \$532,000.

"I mention this because it leads me to support



what I believe to be the principle involved in Section 16 of the bill. As I read it, it is intended to instruct the Commission not to penalize persons in a manner not authorized by statute. Perhaps I am wrong in my interpretation but I firmly believe that no rate investigation would have been ordered against us if our stockholders had maintained abject silence over the injustice that was done in Algiers.

\* \* \* \*

"There is a real gap in the present law. The Federal Communications Commission determines what frequencies are to be allocated to communications companies, broadcasting stations and all other private companies and persons. The President, however, has absolute say as to what frequencies go to the Government departments, including not only the Army and Navy but the OWI, the Department of Agriculture, the Department of Commerce and others. Both the Commission and private industry are helpless if Government Departments make excessive or unjust demands for frequencies and the President upholds them. Private industry is helpless if the Commission through its Chairman, sides with the Government Departments at secret sessions. There is no forum or machinery for presenting the just claims of private industry. The Chairman of the Commission cannot possibly be an adequate spokesman for those claims. There is no one who stands in the position of disinterested arbiter between those claims and the claims of Government. Government departments are like private companies and individuals; all of them are under a temptation to demand more than they really need, having no regard for the needs of others.

"I have no specific amendment to propose to cure this gap. I simply leave it with you as a problem worthy of serious thought. The solution becomes all the more vitally necessary as the end of the war approaches. It is not solely a problem of Press Wireless or of radio-communication common carriers. The future fate of FM broadcasting and television will be settled in the same way, that is whether these new radio services will have adequate bands of frequencies set aside for them and whether the frequencies will be those best suited for the purpose or will simply be those that the Government Department don't want.

"Press Wireless urges legislation in all parliaments and conventions between all nations, which affirm and strengthen the freedom of the press. We mean more than freedom of expression. We mean freedom of movement. In the modern world one is the corollary of the other. Such measures do not create a privileged class. They destroy ignorance and intolerance on which the privileged classes prey and in which wars are born.

"Public information is the life blood of representative government and of world peace. Every effort to protect it from official caprice, as in this bill, should be supported by all the people."

On Thursday, December 2, 1943 the hearings were resumed.

Present: Senators Wheeler, Chairman; White, Tobey, Tunnell, Moore, McFarland.

Mr. Len De Caux, Publicity Director of the CIO was the first witness. Unlike the A. F. of L., which the previous day came out for an unfettered radio, the CIO, through Mr. DeCaux, proposed increased governmental control of programs and program content.

Chairman Wheeler at one point suggested that CIO might not want such broad powers vested in the FCC as Mr. DeCaux proposed. Labor might have a friendly FCC today, the Chairman said, but find itself confronted by an extremely unfriendly Commission some time in the future. Mr. DeCaux agreed that the exact degree of control the FCC should exercise was a problem, but he insisted that Labor should have some agency to which it might carry its complaints when refused time on the air.

The CIO submitted the following proposals, for legislation:

"(1) That a larger proportion of free time should be made available to labor organizations than has been the case in the past, particularly in the form of regularly recurring sustaining programs.

"(2) That labor organizations should suffer no blanket restriction on their right to purchase radio time.

"(3) That labor organizations should suffer no blanket restrictions on their right to use the radio for the solicitations of membership or in organizing campaigns.

"(4) That serious consideration should be given to the establishment of machinery for the relief of labor and other organizations in cases where there is a discriminatory denial of their right to buy or receive free time on the air."

Mr. A. Earl Cullum, Jr. Consulting Radio Engineer of Dallas, Texas now with Harvard Radio Research Laboratories was the next witness. He said he was appearing to present to the Committee his personal views based on his experience as an engineer practicing before the Federal Communications Commission. He limited his remarks primarily to Standard Broadcasting FM, television and various electronic developments coming out of the war. He stressed the fact that due to gains as a result of the war effort there would be a tremendous increase in frequencies available for use, and a tremendous increase in the number of trained technicians available for making use of these developments.

He said he thought that at the present time manufacturers needed to be planning for these developments so they could be in a position to make the models needed and so that their equipment will not be on a pre-war basis.

He said that the Standard Broadcasting now in use should and will be continued but it should be reorganized so that FM particularly in metro-

politan areas will be immediately available through frequency station bands for use in rural areas.

Senator Wheeler asked Mr. Cullum whether he felt that FM and Standard should be coordinated or whether they should be separate to which Mr. Cullum replied that he felt the present-day broadcasters had the knowledge and experience necessary to a rapid development of FM and that they should not be barred from going into this new field. Mr. Cullum further said that manufacturers needed to know what type of sets to build and every effort should be made to secure a decision at the earliest possible date as to what Bands of frequencies are to be used for FM and television.

Senator Wheeler asked Mr. Cullum if it was feasible from an engineering standpoint to duplicate stations on clear channels assigned to Boston and New York. Mr. Cullum replied that it is feasible but pointed out that a determination of policy would involve as to what channels should be kept clear for greatly increased power and

then extend that range to even greater rural areas. A determination should be made as to whether practically unlimited power should be authorized or whether duplication of the same channels should be authorized.

Senator Wheeler observed that from a local standpoint a local station had the most value and from a social standpoint the local station should be protected, and "we should stay away from super-power".

Mr. Cullum explained that with the proper use we will have adequate facilities for development of almost any patterns and urged speed in determining policy and said as a practicing engineer one of the greatest difficulties was the inevitable delay by the Commission, sometimes "months and months in setting an application for hearing and then another delay sometimes months and months after the hearings before a decision is reached."

The Chairman stated that N.B.C. Dr. C. M. Jansky, Com. Ray Whitfield were scheduled to appear and the Committee desired that both Mutual and Blue appear at the hearings.