

# National Association of Broadcasters

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

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SPECIAL A. F. of M. BULLETIN

No. 18

## Petrillo Developments

This week's Bulletin contains a letter sent by Mr. Petrillo to members of the recording industry on March 17 and a telegram which members of the recording industry sent to Mr. Petrillo in reply on March 19. Mr. Petrillo's letter charged bad faith on the part of the recording industry, and emphasized the fact that he was seeking compensation from the recording industry not on behalf of persons who are, were or might be employed therein, but for persons who, in his view, have been "displaced" because the phonograph was invented. The recording industry's reply invited Mr. Petrillo to meet with members of the industry in New York on March 24, for the limited purpose of discussing wages, hours and working conditions of the persons actually employed in recording. Mr. Petrillo's answer to this invitation, made by telephone, was a suggestion that representatives of the recording industry should meet with him in Boston on April 12. Neither the American Federation of Musicians nor Mr. Petrillo, nor any recording company which extended the invitation has offices in Boston. The recording industry rejected the idea of meeting at this inconvenient place at so distant a date. Mr. Petrillo's rejoinder was a suggestion that a meeting be held in New York on April 15, three weeks from now. As yet the recording industry has not replied to this most recent suggestion on Mr. Petrillo's part. Also included in this Bulletin are a few of the recent editorials and news items which have appeared in the press concerning Mr. Petrillo's activities.

### A. F. of M. Letter to Recording Companies

The A. F. of M. Executive Board, at its Chicago meeting, sent the following letter to the recording companies, dated March 17:

"Gentlemen: The Executive Board of the American Federation of Musicians met to consider your answer to its proposals submitted to you. The members of the Board cannot escape the conclusion that you have failed to consider these proposals in good faith. No other conclusion can be deduced from the many specious arguments presented by you. In short, you have failed to measure up to the test of good faith collective bargaining which requires submission of counter proposals.

"Your letter contains many incorrect assumptions and many misstatements of fact. You incorrectly assume that our proposal is founded on a claim that there is an obligation in any industry to persons belonging to a given union. To begin with, we are dealing with a particular kind of industry, namely, one that has been built up exclusively by a mechanical invention that displaces human labor. In the second place, we are dealing with workers who are not employed in their craft precisely because of the creation, development and expansion of such an industry. We say simply that all those who benefit from the displacement of human labor should share the burden of the cost to the displaced workers. These workers are entitled to relief not because they happened to be members of a union but solely because they happened to be victimized by the same things which benefited others. Their membership in the union does not give them the right, it merely provides for them the means whereby they seek to enforce that elemental right. This (*Continued on page 2*)

## A. F. OF M. LETTER TO RECORDING COMPANIES

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principle is recognized by many outstanding economists, among them Dr. Isadore Lubin, U. S. Labor Commissioner, and Professor Sumner Schichter of the Harvard School of Public Administration.

"You state that the proposal is unjustified because it duplicates government relief. The plain fact remains that the many musicians who have been put out of work by canned music are not presently eligible for government relief, and such relief as is accorded under present government plans is wholly inadequate.

"You state further that the proposal we have submitted is one that can only properly come from the 'people of the United States' through the people's representatives in the Congress, and then you say that only Congress should answer certain stated questions. We refuse to accept the suggestion that the time has been reached when any constructive advance in our social devices must be initiated by the government. That suggestion is wholly foreign to our ideals and certainly is completely at odds with history.

"It is an axiomatic historical principle that legislation is never created in a vacuum, but is merely the culmination of the acquired experience of private individuals and private groups, and in labor relations through the process of collective bargaining. It will be a sorry day indeed when and if changes and advances in our social patterns must await governmental initiative and action.

"We are advised by our counsel that a payment directly to the union would not constitute an evasion of the 'wage freeze' regulations. Nor would it constitute a violation of the National Labor Relations Act, whose main objective is encouragement of collective bargaining.

"We are satisfied that the Treasury would not and could not prevent the diversion of this money to the unemployment relief fund contemplated in our proposal, any more so than pensions, insurance, medication or health plans for workers and their families in private industry. The acceptance of our proposal would in no manner contravene the policy of the Manpower Commission. It is unthinkable that anyone of our unemployed members would prefer whatever benefits would flow from the acceptance of our proposal to a job required of him by his government in times of war. Nor is it thinkable that the union would grant to any such person any of the benefits contemplated by our proposal. We are further advised that our proposal does not violate the anti-trust laws. The mere fact that collective bargaining does or may result in an increased price never had been considered a violation of any law.

"There is ample justification in the practices of business itself for the union proposal. Business men customarily set aside funds for depreciation of machinery and equipment, depletion of natural resources, and for obsolescence. All these funds are considered legal charges against the cost of production.

"Especially applicable is the obsolescence fund which compensates the business for the untimely displacement of machinery or equipment, as the result of the introduction of new methods, new machinery and new equipment. The philosophy behind insuring the worker against industrial hazards by funds that would be charged against the cost of production is by no means novel. Under the old judicial precepts of 'assumption of risk,' 'fellow servant,'

and 'contributory negligence,' the worker used to bear the full cost of industrial accidents.

"These harsh rules were replaced by more humane doctrines, and now workmen are insured against industrial accidents by workmen's compensation funds which are added to the cost of production and thus spread among all who benefit from the production.

"The same principle lies behind our social security laws in both the funds for payment of unemployment compensation and old age benefits.

"Your suggestion that the American Federation of Musicians permit its members to return to work immediately and produce phonograph records and transcriptions, particularly in view of your failure to make or contribute a single constructive suggestion towards a settlement of this dispute, is as arbitrary as it is audacious. If any of your concerns engaged in this industry was producing a product that was slowly but surely putting you out of business, you would not continue to produce that product, and actuated by the same motives, the members of the American Federation of Musicians will not continue to make a product that is slowly and surely putting them out of jobs.

"There is nothing further we can present until you are prepared to submit in good faith constructive proposals for the solution of this tragic problem."

The letter was signed "The Executive Board, American Federation of Musicians, James C. Petrillo, President."

## THE RECORDING COMPANIES' REPLY

The following is a telegram dated March 19 addressed to Mr. Petrillo from the recording industry:

"In your reply of March 17 to our letter of February 23, you complained that we have failed to measure up to the test of good faith collective bargaining. That complaint is unjustified, since it was you who terminated all prior arrangements without previous complaints or demands. Individually and collectively we have always been and continue to be ready to confer and bargain with you on the question of wages, hours and working conditions which, under both the National Labor Relations Act and universal practice, are the appropriate subjects for collective bargaining, and to enter into a written agreement for a definite term which will provide for the immediate resumption of recording. As tangible evidence of our good faith, we now invite you to meet with us for such purpose at the Hotel Ambassador in New York on Wednesday, March 24th, at 2:30 P. M. Please reply by telegram to Mr. Lawrence Morris, c/o of RCA Victor, Camden, New Jersey."

*Signed:*

Associated Music Publishers, Inc.  
Columbia Recording Corporation  
Decca Records, Inc.  
Empire Broadcasting Corporation  
Lang-Worth Feature Programs, Inc.  
Musak Corporation  
RCA Division, Radio Corporation of America  
Radio Recording Division, National Broadcasting Company, Inc.  
Standard Radio  
Soundies Distributing Corporation of America, Inc.  
World Broadcasting System, Inc.



## Editorial Comment

### PETRILLO'S ARM IN FLORIDA

Interesting editorial report by The Miami Herald of March 18:

The Kiwanis Club of Delray Beach has felt the long arm of Music Czar James Petrillo. The club has been sponsoring USO dances Saturday nights for service men stationed at Boca Raton Field.

The good folks of Delray Beach did not reckon with Czar Petrillo's brand of patriotism and the stranglehold he has on Washington. Following complaints by the musicians' union, the Adjutant General's Office at Washington ordered the proper Army officials at Boca Raton to stop service men from playing for the weekly dances.

Delray Beach has no professional music organization. The soldiers were not competing with the union. They were playing for service men and their partners only. So to satisfy Petrillo there won't be any more Saturday night hops for the boys. You can't dance without music. The Kiwanis Club has protested to Washington. They'll get a nice letter of acknowledgment. But Jimmy Petrillo will prevail and the armed services be hanged. Who are they, anyway? Sure, it's awful, un-American and cowardly ingratitude to American boys prepared to die for Czar Petrillo and his ilk.

—*New York Times*, 3-24.

### "C FOR CAESAR"

James C. (for Caesar) Petrillo did pretty well by himself yesterday. He vanquished the army and navy in the same day.

An army band from Gilroy agreed to play for a dance at San Jose State College. Petrillo wrote a letter to Washington. The band will not play and the kids will dance to phonograph records.

The navy planned to use a naval band at a reception in Chicago in honor of Maj. Gen. Alexander A. Vandegrift, hero of the marine corps forces which stormed Guadalcanal. Petrillo wrote a letter. The navy band did not play.

There are not many men in the world who could push the American army and navy around in the same day and get away with it. Perhaps we ought to put Petrillo in charge of our war with the axis.

In the great mass of cases you can't blame Petrillo for getting all the work he can for his union. However, it seems a little harsh to block the use of a navy band at a reception for the hero of Guadalcanal. Likewise the thing which gripes you about his blacklisting of the college is the utter wrongness of his position and the fact that he is upholding what amounted to a steal. The students say Paul Pendarvis, whom Petrillo upholds, ran in a substitute band instead of his own and did not himself appear until the dance was practically over.

—*San Jose (Calif.) News*, 2-19.

### A DANGEROUS PHILOSOPHY

The continuing argument between James Petrillo, czar of the union musicians, and the recording companies brings out a dangerous philosophy set forth by Petrillo.

One of his proposals is that the recording companies pay an additional sum, over and above the salaries of musicians employed by them, directly to the union. This sum would be disbursed by the union at its own discretion for the benefit of union members who render no service whatsoever to the recording companies. Petrillo's plan assumes that an industry owes an obligation to persons not employed by it, simply because they belong to a certain union.

This "second tax" for unemployment relief would set up a system which would not be wrong simply because it was a new social philosophy, but because of its ultimate conflicts and widespread inequities. It is a dangerous philosophy for the union, for business and the public.

—*Tucson Star*, 3-13.

### RECORD MAKERS RIGHTLY REJECT PETRILLO SCHEME

James Petrillo, the \$46,000 a year czar of the musicians' union, recently offered to rescind his ukase on recorded music—provided the manufacturers paid him a price.

And what a price!

It was to the effect that on every record or transcription made, in addition to paying the musicians employed their full time wages, the manufacturers should donate a specified sum to his treasury.

This sum was to be absolutely under Petrillo's control, although ostensibly for the benefit of unemployed musicians, even though those might be hundreds and thousands of miles away from the place where the records were made.

Such a proposal in others days would have been called blackmail by some, extortion by others.

But autocrats, whether of the pinfeather or the full blown variety, all have this in common:

They thoroughly believe in their divine right to exploit the rest of the human race.

The manufacturers of records, however, did have the backbone to reject so preposterous a proposal.

When has any industry been expected to furnish unemployment relief for persons who never have been and never will be on its payroll?

Further, such an agreement probably would run afoul of the anti trust law so far as the manufacturers are concerned.

So the making of much needed records has become subject to further postponement.

And the wonder grows if this is the land of the free after all.

—*Modesto (Calif.) Bee*, 3-10.

### PETRILLO'S WORK RELIEF

Having been in the untenable position of striking for six months without stating his demands, James C. Petrillo now comes forth with a questionable plan under which members of the American Federation of Musicians may again make records.

The plan, which Mr. Petrillo somewhat naively insists is legal because unprecedented, simply provides that

recording companies, juke box operators, and others engaged in various departments of the recording industry, pay a stipulated fee, the amount to be arrived at by negotiation, to Mr. Petrillo's union. The Union, in turn, will operate a sort of super WPA, giving work relief to members unemployed presumably because of the general substitution of loud speakers for live musicians.

This is a novel proposal. While one's sympathy must be extended to those individuals whose talent, training and experience is affected by the changes that invention has brought to the musical sphere, it is necessary to remark that this circumstance is not unique. Trades and professions have a high rate of obsolescence and change. Progress is inexorable.

While Mr. Petrillo may be entirely within his proper sphere in insisting that society should provide cushions for the shock, his plan for licenses and fees would only seek to support indefinitely an old system of work at the expense of a new. That is unrealistic for the signs of the moment indicate that while the total number of musicians professionally employed may become fewer, the opportunities for the very highly skilled will be greater and vastly more rewarding financially. The trend is away from quantity and toward quality.

Furthermore, the question will inevitably arise whether this Caesar of music has shown marked capacity for administering such a broad social relief program as he has proposed.

—*Christian Science Monitor*, 2-15.

There is no question that records and radio have created far more jobs—even for musicians—than they have destroyed. Yet James C. Petrillo claims that thousands of members of the American Federation of Musicians are unemployed because of "canned" music; and he has demanded, as a condition of his lifting the present ban on recording, that these unemployed members be provided for by means of a fund to be created by payment to the union of a fixed fee for each reproduction of records, transcriptions, mechanical devices, and library service of which the master record was made by members of the American Federation of Musicians. The recording and transcription companies, needless to say, have turned down Mr. Petrillo's proposal. The companies contend, with logic it seems to us, that such an arrangement would put a penalty on technological improvement, duplicate government relief, and probably be found to violate half a dozen laws, including the National Labor Relations Act. The companies maintain, further, that when Petrillo says a large number of his members are unemployed, he can only mean that they are unemployed as musicians, for a great many of them earn their living otherwise; and Petrillo has practically admitted that union membership is open to anyone who *wants* to earn his living as a musician. Thus a man who works in a factory and also plays the cornet can presumably join the A. F. of M. and qualify as one of the unemployed musicians in whose name Petrillo has prevented recording. Petrillo has done a good job in raising the wages and standards of musicians; but when he attempts to enforce his demand by taking a step which affects the public interest as gravely as the ban on recording he is performing a service, not for his members or for "music culture" in the United States, but only for the enemies of labor unions.

—*The Nation*, 3-20.

## USO OPERA IS BARRED

### Musician Union Opposes Heavy Camp Schedule

Philadelphia, March 18.—The Philadelphia Opera Company today cancelled performances at Fort Meade and Indiantown Gap and tentatively cancelled a third at the New Cumberland Reception Center, charging the American Federation of Musicians had refused to permit orchestra members to participate in the shows without pay.

The company presented Johann Strauss' "The Bat" before an audience of 1,000 soldiers at Fort Dix last night with only a piano accompaniment. Personnel Manager Max Zehr said the union a few hours earlier stopped the musicians from accompanying the show, saying that a precedent might be set.

Zehr said the men themselves were eager to play and had sent a delegation to union headquarters requesting permission.

"It isn't finally settled yet," Zehr said, "and I believe a hearing will be held on the matter in a day or two. I think part of the trouble arises from the fact that some USO shows now giving performances have paid performers."

C. David Hocker, manager and producer of the company, said the orchestra had accompanied the singers to three other posts during the past two weeks and that the musicians were willing to continue donating their services.

"Nine musicians spent three hours arguing unsuccessfully with officials of the musicians' union yesterday," Hocker said. A spokesman for the union said that "it is not that the musicians are not patriotic but the opera company went ahead and scheduled nine successive performances without consulting the union. It put us in the middle."

"Our men have been playing for all kinds of benefits for the military services and we have donated time worth thousands and thousands of dollars," he added.

—*N. Y. Telegraph*, 3-19.

The Associated Press carried the following story under a Fort Dix date-line:

The Philadelphia Opera Company gave a performance for more than 1,000 soldiers at an Army theater last night with only a piano for accompaniment.

At the start of the program, David Hocker, the producer, announced that union officials in Philadelphia had prohibited the musicians of the company from contributing their services.

Mr. Hocker said the orchestra had gone with the company to three other Army posts during the past two weeks, but union officials ruled yesterday that they did not want to set a precedent by permitting the musicians to perform gratis.

As a result, Mr. Hocker added, he had cancelled a tour of several other Army and Navy stations.

In Philadelphia, Frank Liuzzi, president of the musicians' local, refused to comment, but said that he might have something to say about it later.

The authorities at Fort George G. Meade, Md., said that the opera company had cancelled a performance scheduled there Sunday.