

FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C.

January 16, 1945

SUPPLEMENTAL STATEMENT OF POLICY CONCERNING APPLICATIONS FOR
PERMITS TO CONSTRUCT NEW RADIO STATIONS OR MAKE CHANGES IN
EXISTING RADIO FACILITIES

The Commission's Statement of Policy of January 26, 1944, relating to the construction of new radio stations and the making of improvements in existing radio facilities, is to be interpreted in the light of present conditions, which require that all available manpower and critical materials be devoted to the furtherance of the war program.

In this connection, the War Production Board has advised the Commission that:

"Installation of new broadcasting services will be reviewed with extreme care. All such applications received and showing that the required equipment was on hand were approved until the latter part of December. The increasing problem of finding manpower for war industries has made it necessary to consider the manpower needed to construct, operate and provide maintenance for additional stations.

"It is not felt that the general premise that 'broadcasting is in the war interest' will longer suffice to support the use of manpower and maintenance materials for new stations. Applications must be critically reviewed from the standpoint of available manpower and the need for the service to contribute to the war effort. The use of manpower cannot be approved unless an actual contribution is to be made."

In view of this, it will be the Commission's policy to designate for hearing all applications involving construction of new standard broadcast stations unless the applicant establishes (1) that the construction will result in making service available to a community which does not receive primary service from any existing broadcast station and (2) that all requirements of the January 26, 1944 Statement of Policy have been met.

Applications for changes in existing standard broadcast facilities will be handled in the same manner except where the change does not involve substantial construction work and costs less than \$500.

No change will be made in the Commission's handling of commercial FM and Television applications which will be kept in the pending file.

The full text of the War Production Board's letter of January 16, 1945 is attached. This letter sets forth the War Production Board policies not only with respect to broadcast stations, but also with respect to various other radio services.

(over)

January 16, 1945

Federal Communications Commission
Room 6149 - New Post Office Building
Washington 25, D. C.

SUBJECT: Report to FCC on Critical Materials

Gentlemen:

The procedure announced jointly by the Federal Communications Commission and the War Production Board on January 26, 1944, has been of benefit to not only both Agencies concerned, but also to a number of applicants wishing to install various types of radio services. It seems advisable to again review conditions to determine if changes in either policy or procedure are advisable.

The War Production Board has taken and is taking the following steps to make available radio equipment for non-military use:

- A. An effort has been made to increase the production of portable-mobile equipment as used by the Special and Emergency services to several times its past production. The ultimate goal has not been reached.
- B. A number of planes were made available to the Airlines in 1944, and an increased number are expected to be made available in 1945. It is expected that all these planes will be equipped with radio.
- C. Every effort has been made to aid in development work. Priorities have been provided for laboratories, and aid has been given in all fields of development. Application of radio to bus lines, railroads, etc., has been tested by several companies. In conjunction with the Federal Communications Commission, several broadcast stations have received priorities for developmental work in frequency modulation.
- D. The War Production Board has authorized the starting of construction of a number of new broadcasting stations. Priorities have generally not been provided for this purpose.

Present problems in production to meet military requirements for radio equipment are different and perhaps more severe than those problems existing a year ago. The two basic problems are materials and manpower. During the last two years, problems have shifted to a large extent from those of materials to those of manpower. Basically, even the problem of

materials usually resolves itself to a combination of manpower and time necessary for processing or obtaining more basic raw materials.

The problem in procurement of maintenance materials for radio transmission and communication may in a general way be said to be over. There are only a few specific types of tubes and other components which are not obtainable on the maintenance rating provided for radio. It should be remembered that this rating is the same rating that is used by the Army and Navy to obtain their equipment. In almost every case where such products are in short supply, the reason is insufficient manpower to make full use of existing production facilities.

There follows the general attitude now taken by the WPB toward various radio services:

- (1) Aviation: The WPB is endeavoring to equip all planes operating as common carriers with the necessary communication equipment. Some equipment may be available for other planes used in essential services.
- (2) Special and Emergency Services: It is expected that more equipment will be available for these services in 1945. Release of such equipment is no longer restricted mainly to police systems, but it is now possible to public utilities and other users. The use of such equipment will often result in increased efficiency and pay dividends in the use of manpower. There will not be enough equipment to fulfill all requirements from essential public services and war industries.
- (3) Marine: A number of boats are being made available to fisheries. Where possible, these boats will be equipped from existing stocks of equipment. No equipment is contemplated for tugs, barges, etc., or for fresh water fishing vessels.
- (4) Broadcasting: No provision is made for new broadcast facilities.

Certain types of changes in facilities may be made without WPB approval. New installations costing less than \$500 may be made on ship-board without WPB approval. In general, any change not involving construction work and costing less than \$500, but not requiring the purchase of a transmitter or receiver, is allowable. This dollar limit is raised to \$2,500 in the case of international point-to-point stations (which does not include international broadcasting). No radio operator may start construction which will cost more than a fixed amount unless he has WPB approval. In most cases, the limit is \$200 for cost of materials, new equipment and labor. In general, restrictions on the purchase of equipment

(over)

and materials have not been greatly changed during the last year except for the provision made last September allowing the expenditure of up to \$500 for a minor capital addition or change not involving construction.

It is felt that in general the WPB will give its approval (if necessary) to the installation of equipment on hand for two-way communication services. Applications involving construction will be reviewed much more critically than in the past in an effort to determine the relative value of manpower involved and services to be rendered to the war effort.

Installation of new broadcasting services will be reviewed with extreme care. All such applications received and showing that the required equipment was on hand were approved until the latter part of December. The increasing problem of finding manpower for war industries has made it necessary to consider the manpower needed to construct, operate and provide maintenance for additional stations.

It is not felt that the general premise that "broadcasting is in the war interest" will longer suffice to support the use of manpower and maintenance materials for new stations. Applications must be critically reviewed from the standpoint of available manpower and the need for the service to contribute to the war effort. The use of manpower cannot be approved unless an actual contribution is to be made.

Very truly yours,

/s/ John Creutz, Chief
Domestic & Foreign Branch
Radio and Radar Division
WPB Dept. 4510