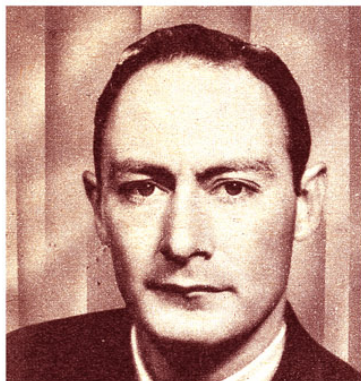


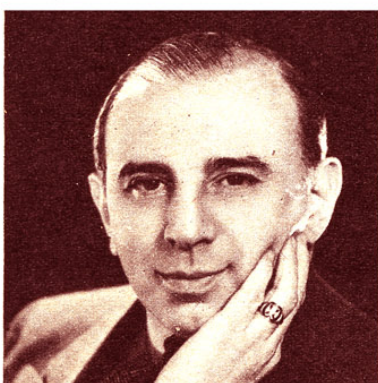
RADIO TALENT TRUST



IN MAY, 1928, George Engles was made managing director of the NBC Concert service. He now handles 350 artists. Many do not broadcast at all.



HERBERT IRA ROSENTHAL, chief of Columbia Artists, Inc., pilots the careers of CBS's big-name performers. His organization is being called a trust.



NAT ABRAMSON, head of WOR Artist Bureau, is part of the big-business scene of network talent agencies. His income is reputed to be six figures.



JOHNNY (G. W.) JOHNSTONE is the bright boy who is credited with having inaugurated first radio talent agency. He formed one back in 1924.

THE big radio networks are currently worried by the Federal Communication Commission's accusation that they are talent monopolists, part of the FCC's blanket charge that the radio chains constitute a trust within the broadcasting industry.

As matters now stand, radio talent bureaus operate as follows: An entertainer seeks a job from a radio station. If he obtains regular employment—and the station is affiliated with a chain—he must sign a contract with the network's artist bureau. This contract assures the artist bureau of a substantial percentage (usually 10 percent) of the performer's earnings for the duration of the contract.

The government claims that this is unfair to the artist. He may have obtained his job without the aid of the artist bureau, yet he must kick back a commission to them. He may not wish to be represented by the bureau, but he has no alternative.

In defense of artist-bureau practices, network representatives claim that the bureaus judiciously supervise the activities of the performer. The supervision includes glorification of the artist through publicity, style exploitation, and the general boosting of the value of the artist.

Network artist bureaus stem from a press agent's whim in 1924. During that pre-network year, Johnny Johnstone conceived and executed the idea of making radio talent available for banquets and benefits of service clubs and fraternal organizations.

In years to follow, the two major networks—NBC and CBS—set up artist bureaus. The recently formed Mutual Chain soon followed. Columbia and NBC together (through the Columbia Artists Bureau and

the NBC Concert Service) now control the destinies of more than 800 artists, including 400 radio performers and more than 100 popular dance bands. Columbia's commissions during 1938 totaled nearly three quarters of a million dollars, 54 percent of this derived from non-radio activities of its clients. NBC was close to the seven-hundred-thousand-dollar mark, with a similar breakdown of broadcast and non-broadcast activities.

According to the FCC investigation of chain broadcasting, the concentration of so much talent agency business in so few hands has the following ill effects:—

1. Because of their exclusive right by contract to control the services of the managed artists, networks control availability of such talent to competitors.

2. Because of the number of leading concert artists Columbia and NBC have under contract, those networks also control the furnishing of non-broadcast concert service throughout the country.

3. Because of the control of talent sources by Columbia and NBC, there has been a concentration of talent in four cities: New York, Chicago, San Francisco and Los Angeles.

Trade papers have estimated the annual income of the three networks (CBS, NBC and Mutual) from the sale of talent to be as high as \$6,000,000. The networks dispute the figure, insist they do not control the supply of talent. In defense, they point to the large number of performers with whom they have no contracts.

But according to the FCC, there *is* a talent trust in the broadcasting industry which stifles broadcasting competition and does performers no good.



WHEN YOU HANDLE big-time talent such as the above —l. to r., Bob Hope, Marian and Jim Jordan (Fibber McGee and Molly) and Rudy Vallee—the commissions are enormous. These artists' network talent agency

gets a kick-back on their vaudeville, personal appearance and motion-picture salaries, in addition to their formidable radio earnings. The current question is: have radio talent agencies a right to these moneys?



"INFORMATION PLEASE" is one of the attractions which defenders of the network talent agencies use as an example of the good talent agencies do for performers. The show was purchased, executed and publicized by the network. Broadcasters claim that the show-business value of those participating was greatly enhanced by way artist service promoted show.



AMBITIOUS YOUNG actresses who begin their careers in radio feel most injured by talent agency demands. Commissions take a portion of their modest salaries and have a hold on future earnings. Above, actress Donna Reed.



IN DAYS WHEN broadcasting was young, network talent agencies handled radio concert stars mostly. These performers still form the nucleus of the artist bureau's reliable money makers. Gladys Swarthout is now one of the concert world's stellar performers. She is represented by network artists' service which sold her services to Hollywood for the usual 10 percent.



LILLIAN CORNELL was an obscure Chicago radio singer until movie scouts got a look at her. Result: she was hired by Paramount. Artist bureau gets 10 percent.



YVETTE, Alabama-born song stylist, is currently being built up as the new radio glamour personality. NBC has widely publicized her. She is already in café work. Soon, artist bureau will have a "return" on its investment.

"PIC"